VALOORES

THE TRUST LAYER IS HERE!

VALOORES EMBRACES HEDERA HASHGRAPH *FOR ITS* REGULATORY COMPLIANCE LIFE CYCLE

in'VALOORES,
Be the Change you Want to Be,
and Make a Difference …

EXCELLENCE in'EXECUTION

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VALOORES is a Dominant Player in the COMPLIANCE SPECTRUM!
We Deliver our Next Gen Hedera-Enabled Regulatory Compliance Framework to Financial Institutions, Banks and Central Banks

VALOORES - A Brief Summary in 3 Lines

VALOORES empowers decision making, helping people and businesses around the globe reach their targets. Founded in 1989 in France, the Company is a pioneer in Master Data Governance, Retail & Merchandising, Supply Chain Optimization, KYC, Regulatory Compliance, Financial Crime - AML & Fraud, Predictive Analytics and Data Science to improve their on-going operations, executions and decisions.

VAOORES Financial Services
The Distributed Ledgers

Trust between Financial Services, Regulators, corporates, and Individuals is Fundamental. Be it trading, financial contracts, asserting a claim to a product across a supply chain, or sharing information. An entire industry of third-party intermediaries acting as payment processors, auditors, brokers, online marketplaces, and more has emerged from this need for trust. Despite good intentions, intermediaries are typically slow, costly, and manual.

Distributed ledgers offer powerful means to establish Trust in an automated way. Transactions are sent to a public network of nodes responsible for verifying and ordering; they act together as a fast and inexpensive third-party, validating a transaction's authenticity. Distributed ledgers and their associated public networks unlock value through time and cost savings, while ensuring unmatched levels of security and trust. Hedera is a third generation distributed ledger, offering enterprise-grade performance, security, stability, and governance.

About Hedera
Hedera is a decentralized public network that goes beyond blockchain, for developers to create the next era of fast, fair, and secure applications. It's a public distributed ledger for building and deploying decentralized applications and microservices.

Hedera's network services span Cryptocurrency, Smart Contracts, and File Service, atop the hashgraph consensus algorithm, to build applications with high throughput, fair ordering, and low-latency consensus finality without relying on centralized infrastructure.

The network is made up of permissioned nodes run by the the Hedera Governing Council, a group of term-limited enterprises that lead the network's direction. Over time, the network will move to a permission-less model.

"Hedera has created a public distributed ledger and governing council that will ensure long-term stability, distributed governance, and security. We are thrilled to be an initial governing member of the Hedera Governing Council, to help shepherd this important technology as it is adopted by the market."

JOHN CALIAN, Senior Vice President
Deutsche Telekom

About Hashgraph
Hashgraph is a distributed consensus algorithm and data structure that is fast, fair, and secure. This indirectly creates a trusted community, even when members do not necessarily trust each other. Hedera is the only authorized public network to use Hashgraph.
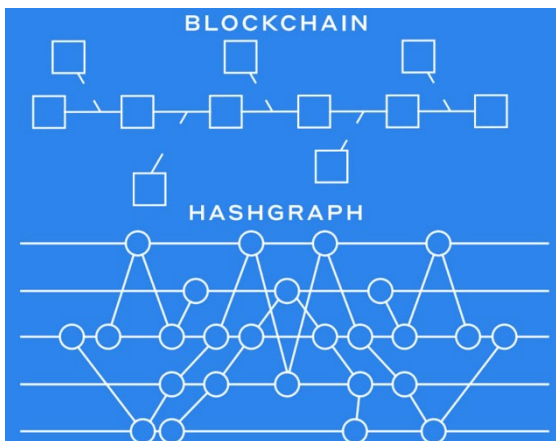
The Hedera Governing Council
The Hedera Governing Council consists of up to 39 term-limited and highly diversified leading organizations and enterprises, reflecting up to 18 unique industries globally. Council members are committed to governing software changes, while bringing stability and continued decentralization to the public network.

Hedera - A Third-Generation Distributed Ledger

An Enterprise-Grade Governance
The Hedera Governing Council consists of up to 39 highly diversified leading organizations and enterprises, reflecting up to 18 unique industries globally. Council members are committed to governing software changes, while bringing stability and continued decentralization to the public network. Hedera governance is designed in a way that ensures the governing council can be trusted to do what's in the best interest of the Hedera network, that no single company has control, and that the Hedera Governing Council cannot be unduly influenced by individual members or node operators.

"As we work to bring these kinds of technologies to our clients, we are pleased to join the Hedera Governing Council as an inaugural governing member, to help further shape the adoption of DLT across organizations and governments globally."

SCOTT THIEL, Partner
DLA Piper

VAOORES Financial Services Regulatory & Compliance Era

THE GLOBAL COMPLIANCE PAIN
As a result of the 2008 Financial Crisis, the Financial World has been seriously experiencing the burden of an array of Regulations. Global Regulators such as the IMF, World Bank, and Central Banks around the globe, are continuously

innovating, reinventing, and refining rules to anticipate potential risks, and maintain the momentum.

Regulators and Financial Institutions are extensively preoccupied with the Financial Crime (Anti Money Laundering, Counter Financing of Terrorism), FATCA, CRS, IFRS, and a myriad of emerging COMPLIANCE models; which applies to Governments as well.
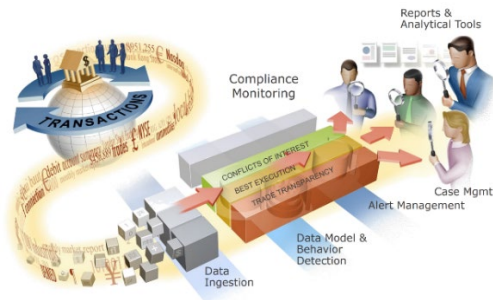
Regulators, Financial Institutions, and other Industries, are neither prepared, equipped, or organized, to deploy a capable IT infrastructure to Embrace Change, Comply and Apply, and adopt the COMPLIANCE Era.

VFS - HEDERA
Next Gen Regulatory Compliance

Master Data Governance
Data on the Hedera ledger cannot be altered easily, and any data that is altered within a block can be tracked and monitored, preventing fraud and misuse. Currently, for most financial institutions, data is stored in silo-based systems. A shared ledger combines all data onto one platform. From there, a software program can be developed to extract specific pieces of data and generate reports with greater efficiency. With improved data governance, institutions can identify fraud at an earlier stage, prevent financial crimes and avoid costly fines resulting from compliance failures.

> *Data Quality, Consistency, Reconciliation, and Lineage, are now priority for both Regulators and Financial Institutions*

VFS - HEDERA
Financial Crime AML & KYC

KYC & Suspicious Activity Reporting
The current KYC process can take days and even weeks to satisfy the requirements from regulators. As a result, the costs of being compliant for Financial Institutions is escalating rapidly as they race to stay ahead of terrorists and financial fraudsters. All this in addition to the higher cost of fines for noncompliance.

With a shared ledger, the KYC process can be monitored and adjusted more efficiently from an enterprise-wide level. Due to the shared nature of the ledger, a database of all client activity and background information would be available to employees on the network. Any updates and changes in a client's status or a potential scam or fraudulent transaction could be communicated and updated in near real-time.

Direct access to a shared ledger would save institutions the time-intensive process of identifying fraud and reporting it. With Hedera, end-to-end tracing and tracking of transaction and client activity is possible. And since every department would have access to all client background information and all of their account activity, the KYC process would be more efficient.

Also, automated reports could be generated from the ledger reducing errors as a result of the current manual processes. Ultimately, the risk of noncompliance due to delayed or inaccurate reporting would be greatly diminished.

KYC - Identity Management
Digital identity is one of many challenges with online and mobile banking applications. Online identity management in financial services requires an increased level of security protocols to prevent fraud and remain compliant with the Bank Secrecy Act.

Comprehensive Authentication Process

Currently, a client background information is stored separately in various institutions including on a bank's servers and the Registry of Motor Vehicles, to name a few. With the distributed ledger, all background information and identification could be stored on one Hedera network for the institution to tap into during the CDD process.

With cryptographic verification, sensitive client data could be accessed by the financial institution to identify the individual applying for a loan, opening an account, or accessing their mortgage information. Only when the smart contract terms and encryption requirements are met, can access be granted to the network.

As mobile technology decentralizes banking, a secure decentralized solution will be needed to address security concerns when users access their financial information remotely. Hedera technology has the ability to provide that decentralized solution while ensuring security protocols and regulatory requirements are satisfied.

Sensitive Data and Cryptography

Data privacy and control are at the front burner. The distributed ledger of Hedera could help financial institutions with KYC reporting by identifying and acting on suspicious behavior. However, the encryption capabilities of Hedera could also protect sensitive data and prevent compliance violations.
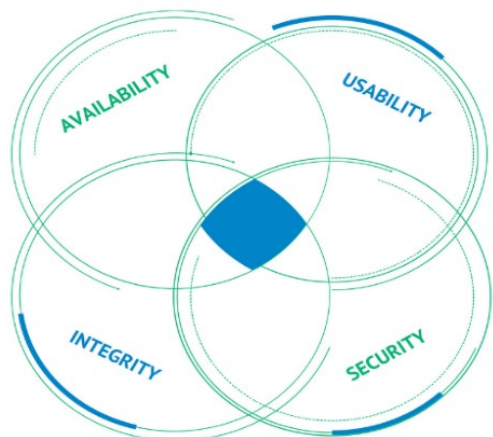
Hedera technology is a trust network where consumer data would only be accessed by trusted sources. This is much different than the current model where consumer data is given to corporations with little control over how it used and its security.

Once a client is established on the Hedera network, and cryptographic keys are created, it would be extremely challenging for would-be fraudsters to access a client's financial data, commit identity theft, or engage in an illicit financial activity.

VFS - HEDERA
Regulatory Compliance Reporting

Next Gen Regulatory Reporting

Financial institutions are racing to invest in technology that allows real-time reporting to adhere to regulatory rules set out by various agencies and Regulatory Authorities. This process includes compiling, tracking, and storing massive amounts of data to be parsed out and reported to regulators in a timely manner or face fines.

VALOORES uses various technologies such as machine learning and artificial intelligence to establish Enterprise-Wide Data Governance and Reporting. These new technologies replace the current manual processes for modeling and reporting.

VALOORES embraces Hedera Technology to accentuate regulatory reporting for a number of directives, including Financial Crime - AML and Regulatory Compliance Reporting. For financial institutions, Hedera technology has enormous potential for internal controls and improving regulatory compliance.

Transparency & Communication

All data recorded on the ledger could be readily available to risk teams and regulators. Transactions, financial activity, account openings, lending activity and more could all be monitored and reported in real time.

With VALOORES Hedera Technology, Financial Institutions and Regulatory Agencies communicate in real time with each other on the same network. Risk officers could be notified of compliance violations by regulators in real time allowing action to be taken quickly.

As a result, the distributed ledger makes the communication and reporting process far more efficient and saves time versus the current model where violations can often take a long time to be detected, reported, and mitigated. And many times, under the current model, violations go undiscovered.

VALOORES - Future Outlook

VALOORES is proud of the VFS success achieved till now; a myriad of solutions implemented in multiple lines of business so far. VALOORES is determined to innovate and solve Compliance Problems and emerging challenges downstream.

VALOORES continues to partner with Regulators (Central Banks, Financial Information Units…) and Industry Catalysts (Hedera, Thomson Reuters, Financial Integrity Network…) around the globe, and on board more Compliance and Financial Crime Experts, professionals, engineers, business analysts, and data scientists, to push the boundaries of Compliance, through FinTech, RegTech, & GovTech.

Hedera technology and its distributed ledger secures more transparency with regulators improving the reporting process. The shared and immutable ledger facilitates unaltered transaction history; the ledger can act as a central hub for data storage where transactions are processed, and activity shared with risk officers within the financial services companies and regulators.

Improved identity management using encryption-based technology on a decentralized network could be established. Digital identity improvements can help financial institutions meet the ever-changing KYC and CDD requirements while simultaneously reducing the costs associated with implementing a robust KYC program. Ultimately, financial crimes and compliance violations could be reduced in the long term.

Here comes VALOORES Added Values,
to Walk with you, and stay this minute in advance of the
COMPLIANCE - Financial Crimes - AML Headwinds…

From our Success in _this_ Most Difficult Market Worldwide.

VAL**OO**RES   Over 30 years of
successful deliveries **déjà!**

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