

Onfido Ltd – Public Commitments

£5 Million Award

Access to financial products and services is a major challenge for SMEs today. This is often the case due to the complexity, cost and administrative burden that comes with the Know Your Business (KYB) identity verification checks that form part of obtaining any financial product or service. SMEs are in urgent need of a cost-effective solution that can significantly simplify their KYB obligations, and provide time-efficiency, security and reliability.

In order to address these current market failings, Onfido will develop an interoperable, non-proprietary, open source platform for portable identity verification. This platform, “Onfido.id” will enable optimisation and streamlining of SME onboarding by financial institutions, thereby supporting simpler and hassle-free access to financial services. It will also promote account switching, reduce complexity and cost of onboarding, whilst reducing fraud incidence and associated costs.

The £5m grant from Pool E will enable Onfido to invest in the development of biometric fraud detection, data anonymisation, and document fraud prevention technologies. This will occur concurrently with the development of the Onfido.id platform, in order to integrate these enabling technologies and provide a novel new service which minimises the impact of the KYB process on SMEs.

Onfido will disrupt and transform the accessibility of financial products and services for SMEs, and achieve this ambitious plan through the delivery of the following public commitments:

COMMITMENT 1 – SME adoption powered by Onfido.id

Onfido.id accelerates commercialisation and adoption of financial technologies in UK markets by removing current inefficiencies within KYB processes, allowing SMEs and financial institutions to onboard faster and more cost effectively and enabling greater market choice.

Onfido commits to the adoption of KYB powered by the Onfido.id platform to 5% and 20% of total UK SMEs by December 2021 and December 2022 respectively.

COMMITMENT 2 – Co-investment

Onfido will match this investment by committing £5.2m of its own funds within the 2-year lifespan of the project, in order to accelerate the development of the Onfido.id platform and support the sales and marketing of the solution.

COMMITMENT 3 – Cost savings

There are substantial costs to SMEs, FinTech providers and financial institutions which are incurred due to the inefficiencies of the current KYB processes. Onfido commits to overall cost savings on KYBs powered by Onfido.id at £21.7m and £87.0m by December 2021 and December 2022 respectively.

COMMITMENT 4 – Consumption increase

The ease of implementation, use and convenience of Onfido.id allows for increased consumption of both bank accounts and loans. Onfido commits to additional SME bank accounts and loans powered by Onfido.id as outlined below:

- 567k and 2,267k additional SME bank accounts powered through Onfido.id by December 2021 and December 2022 respectively.
- £3,543m and £14,170m additional SME loans powered through Onfido.id by December 2021 and December 2022 respectively.

COMMITMENT 5 – Document fraud detection

There is still a necessity of human involvement in the document verification process, where machines are unable to detect whether the documentation is fraudulent or not. Onfido commits to delivering document fraud detection that is scalable and resilient through the following:

- Deliver fraud detection technology at 90% and 99% document coverage and 1% FAR (False Acceptance Rate) and 1% FRR (False Rejection Rate) by December 2021 and December 2022 respectively.

COMMITMENT 6 – Biometric fraud detection

Biometric fraud detection technologies enhance the efficacy of algorithms to improve performance and protection against DeepFakes in single images and even video. Onfido commits to delivering biometric fraud detection technology that can robustly detect DeepFakes and 3D mask fraud attacks with no user interaction through the following:

- Deliver proof of concept study for 3D masks by December 2020.
- Deliver 3D mask detection technology and proof of concept for DeepFake detection by December 2021.
- Deliver biometric fraud detection technology (with image compensation for robustness) by December 2022.

COMMITMENT 7 – Data anonymisation

The storage and use of personally identifiable information (PII) as part of identity verification can be a major burden for SMEs attempting to access a variety of financial products and services. Onfido commits to delivering data anonymisation technologies that can minimise the need to store biometric personal data through the following:

- Proof of concept for perceptual correctness; construct measures to evaluate distribution reproduction and differential privacy formulation by June 2021.
- Deliver anonymisation technology at <50% data retention with proof of concept of result reproduction by December 2021.
- Deliver anonymisation technology at <5% data retention with proof of ability to build robust verification and fraud detection technologies by December 2022.

COMMITMENT 8 – Diversity and Inclusion

At Onfido, our people are our greatest asset and having the right people on board is crucial to enhance our culture, set our strategy and drive results for our customers. Onfido prides itself in building diverse and inclusive global teams, with over 40 nationalities represented in our team of just over 400. In conjunction with the delivery of this project, Onfido commits to the following:

- Bring on a dedicated D&I expert by June 2021.
- Bring on up to 10 apprentices from underrepresented groups operating under the apprenticeship levy scheme by December 2022.
- Reach a male:female ratio across all Onfido offices of 1:1 and gender pay gap of 8% by December 2024.