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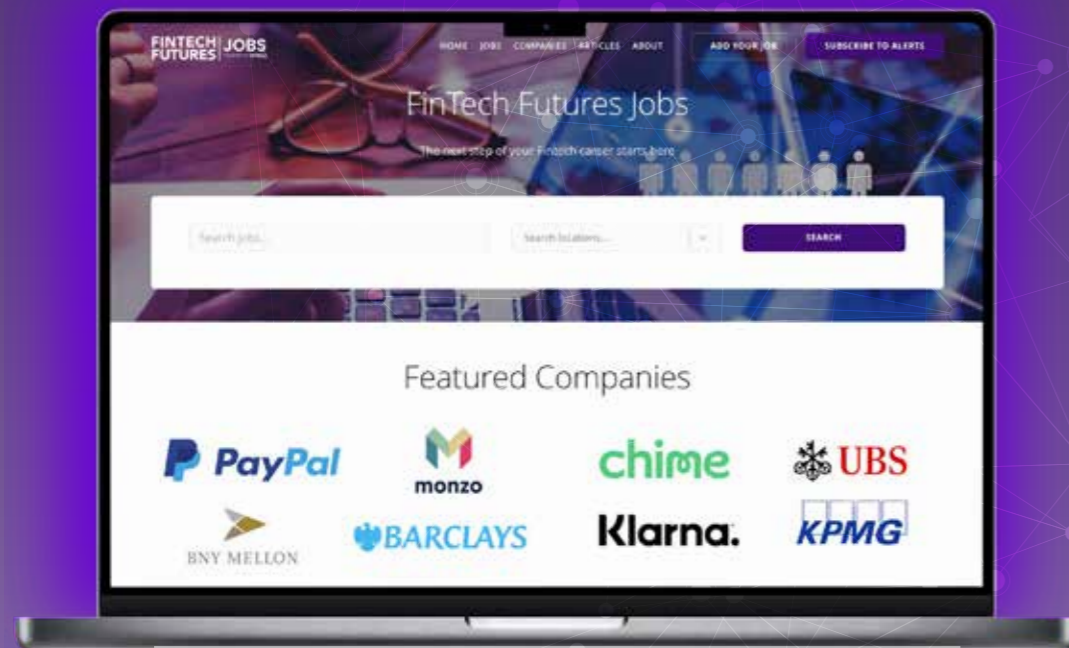
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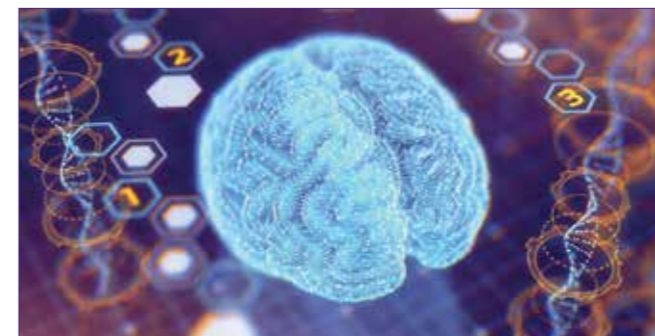
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Save the date

We're excited to announce that the **Banking Tech Awards** will return for 2025.

The Banking Tech Awards offer categories for banks, financial institutions, software providers, teams and individuals to enter.

Nominations will open in **spring 2025** with the awards ceremony taking place on **3 December, 2025** at the **Royal Lancaster Hotel, London**.

To learn more about the awards and see the full list of categories, visit

bankingtechawards.com



EDITOR'S NOTE



Tanya Andreasyan
Editor

Welcome to the March edition of *Banking Technology*, as we welcome spring, warmer days and a sunnier outlook for the fintech industry.

From a range of funding rounds across the globe, including Cashfree, ClearScore, Sardine, Tabby and Zeta, just to name a few, to heavyweights such as Stripe, Mercury and Rapyd plotting new rounds at multi-billion valuations – we've got it covered on the pages of this issue (see p27) and our [website](#).

But not everyone has made it through the fintech winter. US-based payments firm Digital River is winding down its operations, it is understood, with office closures and layoffs underway. Founded in 1994 and acquired by New York equity firm Siris Capital for \$840 million in 2014, Digital River provides API-based order management, e-commerce, and cross-border payment processing solutions.

In the UK, fintech Nvayo has entered special administration due to insolvency. Founded in 2008, Nvayo specialises in the issuance of pre-paid cards and electronic money and provides payment processing and foreign exchange services. In 2023, it landed in hot waters with the Financial Conduct Authority (FCA) as the regulator raised "serious concerns about Nvayo and its compliance with anti-money laundering rules". The fintech was prohibited from carrying out e-money services without the FCA's consent. Nvayo applied with the Upper Tribunal to have these restrictions lifted but application was dismissed in early 2024.

Keep turning the pages of the magazine to be in the know of notable happenings and trending topics in fintech. And if you don't want to wait a month for a new magazine edition, head over the [FinTech Futures website](#) which is updated daily!

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NEWS ROUND-UP

ECB plots new platform for DLT transaction settlements



The European Central Bank (ECB) has outlined plans to develop a new platform that will enable the settlement of transactions using central bank money on distributed ledger technology (DLT).

The platform forms part of the central bank's "two-track approach" to refining transaction speed and will be linked to Target Services, part of the ECB's existing infrastructure for payments. ECB will also be exploring "a more integrated, long-term solution for settling DLT-based transactions in central bank money", aiming to include international transactions like foreign exchange settlements.

This is expected to be a long-term initiative, inclusive of public and private stakeholder engagement, and require more complex development.

ECB executive board member Piero Cipollone, who is overseeing the initiative, emphasises that while the central bank is embracing innovation, it will not compromise on safety or stability.

"Our approach will pay due attention to the Eurosystem's goal of achieving a more harmonised and integrated European financial ecosystem," he says.

NatWest Boxed gains first taker for its embedded finance business

The AA, the UK's largest roadside assistance provider, has teamed up with NatWest's Banking-as-a-Service (BaaS) business, Boxed, to offer own-brand financial products to millions of its members "as well as the wider market".

NatWest Boxed, launched in 2022 through a partnership between NatWest and European fintech Vodeno (now part of UniCredit), provides a range of embedded financial solutions including an interest-bearing merchant wallet, point-of-sale (POS) lending, as well as its savings and loan offerings. Through the partnership, the first known deal for NatWest's BaaS venture, The AA will leverage Boxed's embedded finance platform to launch an instant access savings account, followed by unsecured personal loans.

Marqeta acquires European EMI TransactPay, searches for new CEO

US-based card issuing platform Marqeta is set to acquire European e-money institution (EMI) TransactPay for an undisclosed sum.

Founded in 2012, TransactPay provides BIN sponsorship and digital payment services to fintechs and other non-bank businesses in the UK and Europe, enabling companies to issue payment cards and virtual account services and facilitate online transactions and money transfers. The company is authorised by the Gibraltar Financial Services Commission and Malta Financial Services Authority. It currently operates throughout 25 countries, supporting 16 different currencies.

Marqeta also announced a leadership shake-up, with Mike Milotich, the company's CFO, being named as interim chief executive. He succeeds Simon Khalaf, who has stepped down as CEO after two years in the role.

AMP launches new digital bank powered by Starling's tech platform

Australian financial services company AMP has launched a new digital bank targeting "under-served small and micro businesses, solopreneurs, side hustlers and everyday banking customers". The new venture, named AMP Bank, is powered by Starling Bank's Software-as-a-Service (SaaS) technology platform Engine. AMP Bank supports features designed to enhance accounting and cashflow management for merchants, including spending controls, detailed breakdowns and fee-free international currency conversions.

Furthermore, to improve security and reduce the risk of fraud, the offering introduces Australia's first numberless debit cards – a product that Starling itself has not yet implemented, according to a blog post by Engine CEO Sam Everington.

Mastercard launches new One Credential checkout solution

Mastercard has unveiled its new One Credential solution designed to enable consumers to leverage multiple payment methods at the point of purchase through one consolidated account.

The checkout solution aims to offer consumers a way of completing purchases without needing to toggle between different cards and payment methods, bringing together debit cards, prepaid cards, credit and instalment options.

The solution connects to both online portals and banking apps, through which consumers can manage payment preferences, and is particularly targeted at Gen Z, with the wider availability of structured credit intended to help boost credit scores.

Mastercard claims to have a series of issuers lined up ready to deploy One Credential, including Bendigo and Adelaide Bank Group, Episode Six, Galileo Financial Technologies, i2c, Lithic, Marqeta and Wio Bank.

The payments giant has been working to streamline payment experiences for consumers and previously outlined its commitment to phasing out the requirement for manual card entry, which it intends to achieve by 2030. This includes the introduction of tokenised traditional card numbers, replacing passwords with biometric-powered payment passkey, and an enhancement to its online checkout solution Click to Pay.

Ibercaja Banco taps Mambu to power consumer finance spin-off

Ibercaja Banco, one of the largest banking groups in Spain, has inked a six-year partnership deal with core banking technology provider Mambu to power the spin-off of its consumer finance unit. The €97.9 billion-asset bank will transition its consumer finance operations to Mambu's cloud-based platform as part of the spin-off, starting with its newly launched division, Ibercaja Technology Solutions.

Leandro Hermida Brañas, CIO of Ibercaja, says that the division is targeting 200,000 new customers within the first five years of its launch. This would build upon the 2.5 million customers already served by the bank in Spain. Ibercaja's consumer finance portfolio currently comprises current accounts and cards, savings and investment products, mortgages, loans and insurance.

Mercury plots new Sequoia-led funding round at \$3bn valuation

Mercury Technologies, a San Francisco-headquartered fintech specialising in banking services for start-ups, is reportedly in discussions for a new funding round led by Sequoia Capital, according to a report by Bloomberg.

Sources indicate that the funding round could amount to "hundreds of millions", raised at a valuation of more than \$3 billion. This would nearly double its \$1.6 million valuation from its \$120 million Series B round led by Coatue in 2021.

The round would also build upon a \$100 million credit warehouse secured with Natixis Corporate and Investment Banking (CIB) last October, which Mercury used to develop its IO credit card programme.

Founded in 2017, Mercury offers start-ups a range of financial tools, including expense management software, invoicing and bill payment solutions, a physical credit card and online personal and business banking services.

Rapyd in talks over new \$300m funding round at \$3.5bn valuation

London-based paytech Rapyd is reportedly in talks to raise \$300 million to fuel its acquisition strategy, according to Bloomberg UK, potentially valuing the company at \$3.5 billion.

It is a significant drop from the \$9 billion valuation Rapyd secured following its \$300 million Series E funding round in 2021.

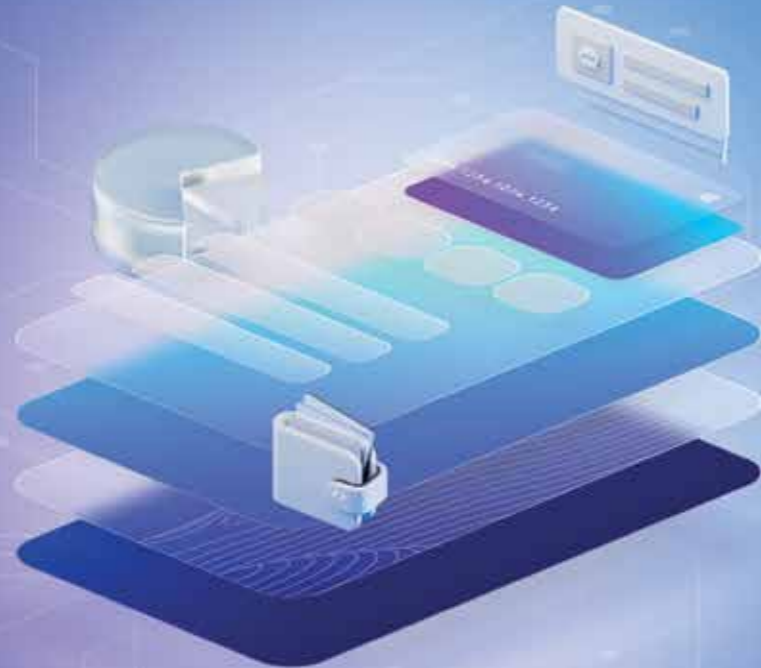
Founded in 2016, Rapyd offers a suite of online and in-store payment solutions, multi-currency business accounts, cross-border payouts, as well as virtual and physical card issuance services.

The company may use the potential new funding to purchase an unnamed payment processing start-up, it is understood. Rapyd has a history of acquisitions, having previously snapped up Iceland-based payments firm Valitor for \$100 million in 2022 and the Global Payments Organisation (GPO) arm of PayU in 2023 for \$610 million.



For a healthy dose of daily news on all things banking, fintech and payments head over to the [FinTech Futures online news section](#).

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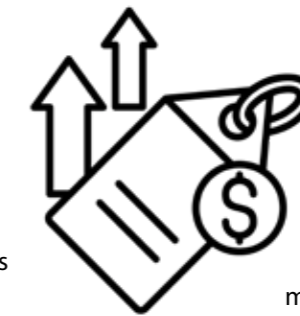
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\$91.5 billion

valuation achieved by US fintech heavyweight Stripe as a result of an employee share sale; a notable leap from its previous \$70 billion valuation following a similar secondary share sale last year, putting Stripe close to its previous peak valuation of \$95 billion and the status of Silicon Valley's most valuable private company in 2021



\$5 billion

is a potential valuation of social investing platform eToro as it has filed for an IPO in the US; founded in 2007, eToro operates a multi-asset investment platform that enables users to trade crypto assets, stocks, commodities and more; it was valued at \$3.5 billion in 2023 after securing \$250 million in funding

200

staff to be cut by Zepz, a UK-based global cross-border remittance platform, impacting IT roles such as software engineering, database administration and development operations; Zepz laid off 420 employees in 2023 and raised \$267 million in a Series F equity round the following year

30%

of UK workforce to be laid off by open finance and data platform Moneyhub as it shuts its direct-to-consumer app business; the company reported "significant growth" over the past year in its B2B business and appointed a new CEO

\$330 million

paid by US-based paytech Flywire for the acquisition of hospitality and travel-focused software and payments platform Sertifi, in a deal funded by a combination of cash and debt

£200 million

reportedly eyed by UK challenger Monument Bank for its Series C capital raise, ahead of plans for a 2027 IPO on New York's Nasdaq exchange; the bank has also made several senior leadership appointments (see p30)

\$504 million

penalties agreed to pay by Aux Cayes Fintech (OKX), one of the largest cryptocurrency exchanges in the world, after pleading guilty in the US to one count of operating an unlicensed money transmitting business

\$2.5 billion

agreed to be paid by US payment processing firm Shift4 for the acquisition of Swiss paytech Global Blue; founded in 1980, Global Blue provides tax-free shopping, payment and post-purchase solutions for retailers, acquirers and hotels, and operates across 52 countries

£49 million

tender issued by the UK government for a payment service provider (PSP) to underpin its digital payments platform GOV.UK Pay, with plans to integrate open banking payments into the system; launched in 2016, GOV.UK Pay supports more than 1,000 public sector services, including the National Health Service (NHS), police and local authorities, in processing payments digitally



THEY SAID IT...

"I think the first thing, or the best pillar that we've seen, is being able to define an AI strategy. Most organisations, they've implemented AI, but they do not have a key engagement strategy."

Nombuso Matsape, head of corporate and risk IT production and innovation, ICBC Standard Bank, speaking at FinovateEurope

• Read the full article on the *FinTech Futures* website [here](#)

TRENDING

UK government open to a more digital future

The UK government has initiated a search for a new payment service provider (PSP) to underpin its digital payments platform GOV.UK Pay, with plans to integrate open banking payments into the system.

GOV.UK Pay supports over 1,000 public sector services, including the NHS, police and local authorities, in processing payments digitally. Since its creation by the UK's Government Digital Service (GDS) in 2016, the platform has handled over £6 billion across 94 million transactions.

On 19 February, GDS issued a tender notice seeking a PSP to "underpin the GOV.UK Pay platform, specifically for processing credit and debit card payments and pay by bank (open banking) payments made by end users to services operated by local government, police, the armed forces and some other public sector organisations". This development follows shortly after GDS put out a request for information (RFI) on 18 September 2024 seeking to "understand the market and service offerings for processing credit and debit card payments and pay by bank (open banking) payments".

The move is part of the UK government's broader push towards advancing open banking, highlighted in its National Payments Vision announced last November, which called on "the FCA [Financial Conduct Authority] and PSR [Payment Systems Regulator] to consider its commitment to developing open banking to drive delivery of seamless account-to-account payments".

PSPs interested in the recent tender must submit their applications by 19 March 2025. The successful firm will be awarded a contract valued at £49,212,000 (excluding VAT), running from July 2025 to July 2028, with two 12-month extension options.

GDS says the PSP will have a 12-month onboarding period before beginning service provision in 2026.



Regulators keen to embrace open banking

The FCA and PSR have laid out their plans for the future of open banking in the country, which includes setting up a new "independent central operator" to drive the growth of variable recurring payments (VRPs), the FCA says.

The operator will "coordinate how variable recurring payments are made", the regulator says, with Open Banking Limited set to play "a key role" in its establishment.

The FCA says it is also "working with industry and trade associations to progress development of the commercial arrangements underpinning both variable recurring payments and use of open banking for e-commerce".

The launch of new open banking services later this year is expected to provide both consumers and businesses with "more

choice in how they make and receive payments safely, securely and efficiently", the regulator adds.

Current figures from the FCA estimate that more than 22.1 million open banking payments are being made monthly in the UK.

According to the letter sent by the FCA chief executive Nikhil Rathi to UK Prime Minister Keir Starmer, the planned rollout of VRPs will help to increase "competition and choice".

Meanwhile, the PSR has unveiled plans to "take forward

work" regarding a commercial framework for open banking payments and VRPs specifically, as per its latest strategy update.

The announcements come after the UK government published its National Payments Vision late last year, which detailed the government's ambitions to advance open banking and account-to-account (A2A) payments.

FCA set to swallow up PSR functions

The UK government is reportedly mulling plans to scrap the PSR and merge its functions into the FCA, according to a report by Sky News, citing sources with knowledge of the discussions.

While no final details have been confirmed, the report states that ministers and officials are set to reach a preliminary decision within weeks.

The PSR has been fully operational since 1 April 2015 and is responsible for overseeing the UK's payment systems. The body seeks to ensure sector accessibility, security and transparency for consumers and businesses, and reports directly to parliament.

In a statement sent to *FinTech Futures*, the PSR says: "It is well known the government is auditing the role of regulators, and decisions on the regulatory structure are rightly for them and parliament. We are focused on working with the FCA and the Bank of England to deliver safe, competitive and innovative payment systems."

The PSR recently merged the role of managing director, held by David Geale since June, with the newly created position of executive director of payments and digital finance at the FCA to boost collaboration between the two regulators.

While recently speaking to the House of Lords on 12 February, Geale addressed the question of the PSR's future, stating: "The regulatory structure is, of course, a matter for the government and we will work with that. The PSR was set up in legislation as an economic regulator specifically for payment systems: plugging a gap that would otherwise exist between the role of the FCA and the Bank of England. The FCA does not regulate payment systems."

From simplicity to limitless: the evolution of UX and the future of financial technology

By Dave Wallace

I have been thinking a lot about the evolution of online user experience and what today's technology shifts mean for the future.

When I started my career, things were simple. We designed for a single channel: the web. We threw together logos, colours and basic page layouts, then watched developers hack our designs into working sites. No one worried about page folds, accessibility or browser compatibility. We just did stuff, and it was marvellous.

Then reality hit.

As product manager for the Electronic Yellow Pages, I received an email from an Opera browser user. "Your site is broken – too flashy," they complained. That was my first experience with Opera, but certainly not my last.

That moment was a wake-up call. It taught me that what we built mattered to users and that I needed to understand the technology we were designing for.

So, I took an HTML course, dived into coding standards, and even tried to wrap my head around TCP/IP (which, to this day, I suspect is powered by tiny gnomes).

All of this made me empathise with my technology colleagues; what they did was hard. It was an excellent foundation for my next couple of chapters, which involved applying my newly learnt skills to the financial services industry. This was something I managed to do without losing that empathy for what technology can achieve. I was lucky. I found Dharmesh Mistry.

Some of my career highlights were working with Dharmesh – co-host of our [Dave & Dharm's Demystify Podcast](#) – to deliver the first incarnations of internet banking. We understood that fusing design and technology was a given, while many at that stage didn't. We were innovating, and it was very cool.

However, as we moved from being exotic outliers for the early adopter banks and insurance companies we worked with to becoming mainstream, the world quickly became very complex. New channels, such as mobile, and new tools and ways of doing things emerged. The world was turning digital as more and more people went online.

Those early attempts at rigour and process turned into programs of work. What started as simply designing web pages had become a machine. We consulted with users and devised personas. We used these to help us generate requirements. We mapped out journeys and created IA documents. These became designs. We then worked with front-end developers to build into pages, which then got stitched into the back end. Our small user experience teams met increasingly large technology teams. My empathy started wearing thin as the user experience was forced to make compromises due to inflexible platforms. It's ironic, as we would sit in conferences listening to these same companies talk about being user experience champions. I stopped going

to conferences around this time.

I went from gung-ho to systematised in the blink of an eye, yet I never lost my awe of technology.

But at some point, I realised that UX teams were essentially being used to optimise what existed rather than innovate. For all this talk of transformation and innovation, nothing was being done to fundamentally change what was delivered to customers. I tinkered with hyper-personalisation and tried to get banks interested in shaping product and service experiences around customers, but it was like screaming into the void. Nobody seemed to be listening and instead opted for some Gen One basic transaction-based insights. The same interfaces, products and services, but with insights based on spending, delivered into separate tabs within mobile and internet banking. While these were mostly called 'insights', it turns out people don't really care about being told how many coffees they have had.

So, I started to feel disillusioned. That was until recently, when Dharmesh and I started analysing what is happening in financial technology.

We realise now that we are moving into what we have coined a "limitless" world: limitless bandwidth, limitless screen real estate, limitless processing power and limitless core banking.

This means that the doors of opportunity are flung wide open again. Limitless combined with AI, particularly generative AI, will change everything. The intelligence of large language models (LLMs) is already close to good enough for those with the best imaginations to deliver true innovation.

I recently had a fascinating interaction with one GenAI platform. I asked it to do a heuristic evaluation, including scoring of some websites. It took it three days

and lots of pleading from me to finish the report. It kept missing the deadline. I eventually told it that I was close to being fired, and after some more back and forth, it finally came through. And it was good. Very good. If it can do a detailed heuristic evaluation across a series of days, imagine what is just around the corner.

Ironically, we seem to be heading back to a world where things are simpler. We can get on with our work, and the machines will provide the checks and balances and much more.

All of this makes me excited. I have rediscovered my mojo.

Get ready for the future, banks and fintechs, because it's already here.



Dave Wallace is a user experience and marketing professional who has spent the last

25 years helping financial services companies design, launch and evolve digital customer experiences.

He is a passionate customer advocate and champion and a successful entrepreneur. Follow him on [X @davejwallace](#) and listen to the [Demystify podcast](#) he co-hosts.

Agentic AI and the future of fintech and banking automation

By Tyler Pathe, reporter, FinTech Futures

Barely a week can pass in financial services without a new AI innovation bursting onto the scene. While some show more promise than others, all share a mutual mission in trying to alleviate some of the industry's biggest pain points.

A quick glance through some of the latest headlines will reveal applications in the areas of backend automation, cybersecurity, portfolio management and personalisation.

Notable recent developments include [BNP Paribas' multi-year partnership with Mistral AI](#), [BBVA's deployment of ChatGPT with OpenAI](#), and Franklin Templeton's work in building an ["advanced financial AI platform"](#) with Microsoft.

The industry's appetite for AI is more ravenous than ever, and while the full possibilities presented by generative AI (GenAI) are still being discovered, agentic AI is emerging as a new focal point for the financial services industry.

In a nutshell, agentic AI describes creating intelligent AI "agents" capable of autonomous decision-making to carry out tasks, enabling businesses to completely automate historically arduous, lengthy and labour-intensive processes.

Here, *FinTech Futures* speaks with industry experts to lift the lid on agentic AI and its promises of seamless automation.

BEYOND DATA OUTPUTS

In the publication *Artificial Intelligence: A Modern Approach*, Peter Norvig and Stuart Russell cite an agent as "anything that can be viewed as perceiving its environment through sensors and acting upon that environment through actuators".

How does this differ from more traditional forms of AI? For Matt Roberts, head of data at [ClearBank](#): "Agentic AI is not just about data outputs."

Roberts has led a team building AI and data infrastructure at ClearBank since 2022, and previously worked at Lloyds Banking Group for over a decade, predominantly in the field of data science.

"It's about taking actions and automating whole processes that might previously have been considered too complex due to the potential number

of outcomes or the expert knowledge required to reach those outcomes. In contrast, traditional AI is very much focused on data outputs," he tells *FinTech Futures*.

Roberts says the concept of AI agents completing actions within an environment has been "supercharged" by two related developments in the sector – [large language models \(LLMs\)](#) and [GenAI](#).

LLMs have enriched models with access to unstructured text and the ability to distil vast data sets, while GenAI has given rise to pre-trained models able to input data and create, improve and iterate formulas.

"You can also teach an agent what actions to take with reinforcement learning – a process where the agent is given access to an environment/system/programme, and then through trial and error, it repeats the action until the correct outcome is achieved," Roberts explains.

MANY HANDS MAKE LIGHT WORK

Agentic AI could have the potential to deliver the level of automation the financial industry has been dreaming of, if refined and harnessed correctly.

And despite still being in the early stages of development, optimism around agentic AI continues to spread across the industry, as [Fouzi Husaini, CTO and chief AI officer at Marqeta](#), explains: "The rapid pace at which we're seeing innovation and new products coming in the market is remarkable. We're still in the nascent early days of really going all-in on agentic AI, but I think that the idea of it and the possibility of it is very exciting and interesting, especially in the fintech space."

He says agentic AI is like having an unlimited number of "really smart interns" in discussing the benefits anticipated for fintechs, with the "very tedious, manual, human tasks" of backend operations being prime targets of first applications.

And not surprisingly, it is the tech giants that appear to be currently leading the charge in this department.

Google notably capped off the end of last year with the launch of Gemini 2.0, which CEO Sundar Pichai said at the time will "enable us to build new AI agents that



Nominations are now open!

We are excited to announce that nominations are now open for the eighth annual **PayTech Awards!**

These prestigious awards recognise excellence and innovation in the use of IT in the finance and payment industry worldwide, and will be returning on **26 June, 2025** at the spectacular **Honourable Artillery Company, London**.

Nomination deadline is **14 March 2025**.

To submit your nomination visit paytechawards.com

Submit nomination



bring us closer to our vision of a universal assistant”.

For Husaini, developers’ experimentation with agentic AI will last throughout H1 2025, with further commercial lift-off expected “towards the end of this year and then early next year”.

Frontrunners seem to have hit the ground running in recent months, especially on 23 January when OpenAI debuted its first AI agent called Operator, which can “can go to the web to perform tasks for you”, while Anthropic CEO Dario Amodei took to the stage at the World Economic Forum to confirm the company’s work on a “virtual collaborator”, all in a single day.

RISK AND REWARD

While the industry moves quickly, it must also move carefully, as it’s easy to get swept up by the hype around new technology.

Regulators have attempted to keep a close eye on the industry’s increasing ties with AI, as noted through the [EU AI Act](#), which commenced a two-year implementation phase in August with an emphasis on pioneering explainability and human oversight.

The depth of agentic AI’s intersection with financial services – one of the most highly regulated sectors in the world – will centre on the industry finding the right balance between innovation and regulation.

Ed Maslaveckas, CEO and co-founder of [Bud Financial](#), tells *FinTech Futures* that risk-seeking fintech start-ups “with everything to gain and nothing to lose” will be one of the main propellers of the industry’s increasing intake of agentic AI, while expecting their larger rivals to branch out into agentic-focused sister brands and ultimately reduce the potential reputational risk.

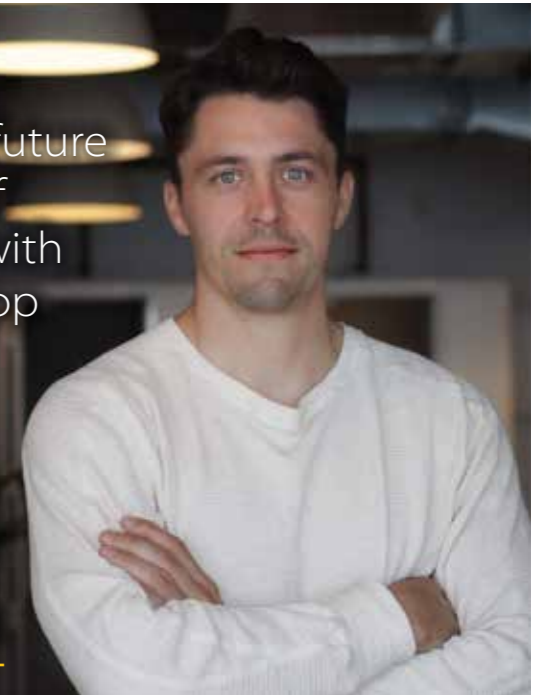
“That’s the power of a big bank, especially going into the future. It’s more about the brand equity and less about the technology advantage, because they have zero, in my opinion. They just have the brand equity advantage, and the trust,” Maslaveckas says.

Maslaveckas emphasises the need for regulators to action “a big push on AI in general” to help spur innovation.

“We need to see governments take a

“The bank of the future will be a cluster of agentic models, with humans in the loop to double check that the models haven’t gone and done something crazy.”

Ed Maslaveckas, Bud Financial



much more hands-on approach to being leaders in AI across industries and not try to shut things down locally by creating regulations that are so burdensome that they drive away innovation and talent.”

He points to the [UK Financial Conduct Authority’s AI Lab](#), launched in October, as one of the positive movements in the regulatory response to agentic AI, as well as the shifting “risk on” attitudes of President Trump’s new administration in the US.

“You can’t tie down innovation,” Maslaveckas continues. “There’s always going to be a regulatory body somewhere that sees an opportunity.”

Bud Financial, a late-stage fintech start-up based out of New York, has lately made its own advances with the technology by launching its first agentic banking capability in September last year.

The capability combines the company’s data intelligence platform with a new consumer agent to suggest and action tailored financial products for consumers.

“Our agentic capability removes a lot of the apathy around financial products,” Maslaveckas explains. “It can identify opportunities to boost your financial life, then make a recommendation, while the agentic capability will be able to carry out the recommendation for you, and that makes life really very easy.”

These benefits could also apply to banks’ back-office operations, Maslaveckas adds: “I think an agentic AI capability inside an organisation will have a huge impact, because it allows a lot more documentation and process following to be done automatically through these agentic AI models.”

Maslaveckas forecasts that “the bank of the future will be a cluster of agentic models, with humans in the loop to double check that the models haven’t gone and done something crazy”.

SHAPING THE FUTURE

Agentic AI has the potential to revolutionise the financial sector by automating complex tasks and oiling the thousands of cogs that power everyday decision-making.

While the larger tech giants appear to be leading the charge in this space, supported by the innovative agility of nimble fintechs, the industry as a whole must look to balance innovation with careful regulation to manage risks and uphold trust.

As agentic AI innovation continues to pick up speed, it’s almost certain that the next few months will determine how effectively it can reshape financial services and elevate new levels of efficiency and compliance.

Unpopular opinions on consumer protection: a love story

By Leda Glyptis

At the tail end of last year, I had the pleasure of participating in a NatWest event on the future of payments.

We talked about APIs. We talked about open banking. We talked about BaaS. We talked about regulation. A lot. Because there is a lot of regulation. Because regulation matters. Because consumer protection matters.

And, rather unexpectedly, we talked about cash.

Richard Talbott, in fact, shared some research with us about the patterns of cash usage that, I must confess, surprised me.

Although the research confirms some of the things you would expect (vulnerable communities tend to rely on cash more and our reliance on cash overall is reducing), it also found that young people (yes, yes, the digital natives) tend to have a (statistically significant if not overwhelming) preference for cash over older people.

And also a whopping 81% of UK adults use cash for convenience. Not preference, you realise, that number is considerably lower. But convenience.

Who are these people and where do they live? I thought smugly to myself as I read the research sitting pretty in almost entirely cashless London.

Well, dear reader. I was about to find out exactly who those people were.

Because, on an annual Christmas shopping trip with a very dear friend, opting for cash in the name of convenience became a very real thing.

What happened is that we went to a

shop, I went to pay first, the transaction went through fine (so it hit the ledger of my bank) and then their payment gateway provider timed out, so the transaction got stuck in limbo. Not settled. Not cancelled. Just there on my account. Not there on theirs.

"Oh, it happens all the time," they said. "It's OK, it will sort itself out. Pay again."

Now. What *actually* happened is that the UK has faster payments, so latency matters.

Which means that the latency of all the parts of the payment chain matter.

And if your e-commerce gateway (as was the case with this situation) or your payment initiation provider have decided they don't need to have the



same latency SLAs as the issuers or the banks, then you have transactions that make it all the way through to the end but can't settle because... latency.

That is what happened.

I knew that. My friend knew that.

The shop assistant didn't. Neither did her manager. Neither did the person at the other end of the phone when they called their provider. The solution offered by all three was 'keep tapping your card, not all transactions will go through, it will be fine in the end'.

It was an experience, let me tell you.

Because the proposed solution of *keep tapping* would mean that someone could be out of pocket for (the amount owed) x (number of times tapped) for an undefined period of time until they sorted themselves out. Which, as it turned out, was seven working days.

Ultimately, the consumer is asked to underwrite the choice of supplier made by the merchant and, in this case, the inadequate technology investment said supplier has made. They are asked to underwrite this solution and they aren't even aware that is what is happening.

Of course, nobody says any of that because... nobody *knows* any of that.

The shop assistant and the shopper shouldn't have to understand payments to buy a new t-shirt.

Or should they?

Because, as I found out because (you know it) they got a lecture on latency whether they wanted one or not... this 'kept happening' and people just paid as many times as it took and 'it all sorts itself out in a week or so'.

I am baffled by the trust people put in the system after it has failed to work the first time and they are literally willing to go in and do the same thing... again... expecting a different outcome, which we already know is the definition of insanity. But let's not go down that rabbit hole now. Let's stay on topic.

The fact that incorrect and

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inaccurate information is offered to the consumer at the point of sale is something we need to lose more sleep over.

We love to talk about consumer choice, but in this case the consumer had no choice. Or at least the consumer already embroiled in the process had no choice. Because my friend walked out of the shop, across the street to the bank and got out... you got it... cold, hard cash to bypass this nonsense. So that's me told. This is who these people are: us.

And this in so many ways should be the punchline of this story. But it isn't. Because the issue is not cash. It's information. Regulation. And consumer protection.

Because my friend watched the rigmarole and opted out: got cash out for convenience and speed.

But I didn't have that choice, I was already trapped in the Blair Witch Project of transactions.

So how do you deal with that?

So glad you asked.

This part is not going to be comfortable, but the reality is that most people will only be faced with digital payment options, issues and challenges at a point of sale that isn't supervised *in the moment* by a representative of a regulated entity. So the person we are meant to protect is talking to someone who is not sworn to protect them, is not equipped to protect them and relies on information coming from vendors, which in this case means consumers have to carry the anxiety of being out of pocket for days when money may be short and when you don't know and the person speaking to you doesn't either what your recourse is if all five attempted transactions clear... and her telling you they won't isn't convincing even though it's true... because I know it's true... but she doesn't... she is just saying it to keep the line moving.

Consumer protection means nothing if it doesn't apply *where* the consumer is and *when* the consumer needs it.

So.

What am I suggesting?

We need to actually force (yes... I said force... which means I expect regulatory enforcement action to be part of this) all participants in the chain to do two things:

1) Demonstrably invest in the unhappy

"Consumer protection means nothing if it doesn't apply *where* the consumer is and *when* the consumer needs it."

Leda Glyptis

path. Because not only was there no option other than 'keep doing the thing that didn't work' offered to me in-store... they actually went so over-eager they cancelled ALL transactions and now they are trying to find a way for me to pay for the goods without physically needing to go into their store to repeat the thing that didn't work in the first place... or ordering the goods all over again online because, check this out, they can't not send them to me if we do that. And I will then have to find a way to post them back. Which is a faff.

It will be sorted. But none of this is inevitable.

So.

Unhappy path. Invest in it.

Seriously: there should be repercussions and fines for consumer-facing applications if you can't demonstrate that there is a way to solve for things not going to plan.

2) Appreciate that, as counter intuitive as it is, the shop assistant needs to know whether 'we stock this top in red', 'this comes in XS' and 'what has actually happened when a payment goes wrong'. We always joke and say it's not the job of the supermarket checkout clerk to

understand two-factor authentication or the cashier in a high-street retailer to understand the reasons why a real-time payment may not settle.

Only it is.

Because the way we have designed the payments ecosystem, they are the person standing in front of the customer transacting and being faced with something not going to plan and having no understanding of why that is happening. Not your CTO. Not your digital identity chief advocacy officer. Not your head of compliance. Not the issuer. Not the payments provider.

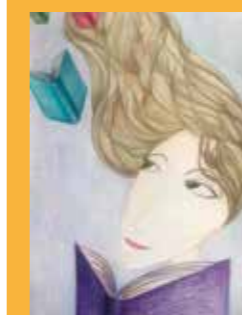
The shop floor assistant.

They are there when things go wrong and they are the one the customer asks, "What happened?" and "What happens now?" And the fact that they don't know is not just unacceptable, it is unethical. Because all the answers I was given were actually wrong. And they were wrong because the person giving me answers had never been told the right information. She was not equipped to help, even though this 'keeps happening' as she told me. So consumer protection went out the window about seven times in the space of a 20-second conversation, and the only ones winning in the scenario are the suppliers who have sold an under-performing, inadequate gateway to a merchant who didn't know what questions to ask and didn't expect to be asked any questions in return.

But I tend to have questions. It's a thing.

As is protecting consumers in the moments that matter. Not the moments that are more convenient to regulate.

#LedaWrites



Leda Glyptis is *FinTech Futures'* resident thought provocateur – she leads, writes on, lives and breathes transformation and digital disruption. She is a recovering banker, lapsed academic and long-term resident of the banking ecosystem. She is also a published author – her first book, *Bankers Like Us: Dispatches from an Industry in Transition*, is available to order now.

All opinions are her own. You can't have them – but you are welcome to debate and comment!

Follow Leda on [X \(@LedaGlyptis\)](#) and [LinkedIn \(Leda Glyptis PhD\)](#). Visit our [website](#) for more of her articles.

State of play: accessibility in fintech

By Philip Benton, principal fintech analyst, Omdia

This month I am tackling a topic that is long overdue discussion, as I investigate the state of play of accessibility in fintech.

THE FORGOTTEN LETTER IN ESG

ESG is a topic that is widely covered and often falls under the umbrella of 'sustainability', which many assume is the S in ESG. But the S actually stands for 'social', and this encompasses several issues including human rights, ethics and inequality. But I want to focus on the social issue of accessibility in fintech.

I must admit that until recently, I was

largely naïve to the challenges faced by so many in accessing and using basic financial services. So, when I first heard about [Project Nemo](#), it seemed like I was the ideal target audience. Project Nemo is a 12-month disability inclusion campaign with a goal to set fintech as a sector leader in inclusion, delivering a lasting legacy of change. I attended Fintech Week London last year where project lead Joanne Dewar outlined the vision for the campaign: "The focus is about *'minding the gap'*. A lot of people are simply unaware," she said.

Dewar explained that it's not just about

adapting products for people with disabilities, but ensuring they are designed with inclusivity built in from the outset.

"Inside and outside of fintech, it should be accessible by default," she said.

THE CURB-CUT EFFECT

The mindset of 'accessible by default' can be seen in the concept known as the curb-cut effect. This refers to how features designed for one group end up benefitting society as a whole. The name comes from physical curb cuts on pavements that were initially installed to make cities more

accessible for people with disabilities. However, it quickly became clear that they were useful for so many others – parents with buggies, cyclists, delivery workers and even tourists with luggage.

The curb-cut effect applies in more scenarios than you might realise. Subtitles are a great example. You might assume that they are solely used by those who are hard of hearing, but 63% of Netflix programmes are watched with the subtitles on. This might be because you are watching a foreign language TV show but prefer watching with subtitles than

listening to a dub, or you find it easier to follow complex plots via subtitles, or you just simply prefer having the words on screen to read along. The point is that 'accessible by default' benefits everyone.

EU ACT WILL FORCE CHANGE

It is clear that inclusivity and accessibility by design is a positive thing in terms of the social, business and economic benefits – the collective spending power of disabled people is reported to be £274 billion in the UK, known as the 'Purple Pound' – but soon change will be regulatory-driven with the impending EU Accessibility Act (EAA). Jas Shah did a fantastic job of outlining all the implications in detail in [a recent blog post on the topic](#), and I wanted to echo his point that although the UK is not part of the EU so doesn't have to abide to the legislation, the precedence is that UK lawmakers typically follow anyway.

The EAA, which will become fully effective in June 2025, is designed to ensure that people with disabilities have equal access to a wide range of everyday products and services. It mandates that businesses and service providers adhere to common accessibility requirements, facilitating a more inclusive environment. The act will make life easier for over 87 million people – almost one in five Europeans – who have disabilities, including many older people, and for those who have a temporary impairment.

That means products and services launched after 28 June 2025 are expected to comply with the new law, and existing products that undergo a significant overhaul, such as an interface redesign, are also expected to comply.

MORE NEEDS TO BE DONE

Some firms in the fintech sector have acted already. For example, Banca Sella became the first bank in Italy and Europe to adopt TQ Braille, an innovative tactile identification tool developed by the Italy-based company Arti Grafiche Parini. This technology, which incorporates a QR code, enhances accessibility for blind and visually impaired individuals by providing them with information about the bank's products, services and initiatives.

There are other initiatives from banks that have recently made efforts to better

support deaf or hard of hearing customers. For example, Monzo has partnered with SignLive, an online interpreting service for British Sign Language (BSL), to improve inclusivity for users who rely on BSL, enabling them to communicate with the bank's customer support team through a fully accredited interpreter in real-time.

Spanish bank CaixaBank is piloting a new programme, dubbed SVisual, which enables its customers to receive information on financial services through a system of simultaneous video interpreting in sign language delivered by a qualified interpreter. Dutch neobank bunq has also upgraded its AI assistant, Finn, to introduce real-time speech-to-speech translation within its app.

Although not strictly about accessibility, UPI Circle is worth referencing, too. UPI Circle is an initiative where a primary user of the unified payments interface (UPI) who has an associated bank account will now be able to delegate payments using mobile apps to someone they trust who will also need a UPI ID but may or may not have a bank account. This could be a beneficial option to banking customers who have challenges making payments (either in-person or digitally).

It's clear that the wider fintech industry as a whole can do much more. There is a necessity to prioritise certain areas, but the essential ask is that when firms implement solutions to improve accessibility, they are well thought out and executed.

And for businesses, consumer panels inclusive of a broad range of disabilities are critical to understand the diverse needs of your customers.

My hope for 2025 is that 'accessible by default' is used in conversation as commonly as digital, cloud and AI.



Philip Benton is a principal fintech analyst at Omdia and writes analysis on the issues driving technological change in financial services. Follow him on [LinkedIn](#) and X ([@bentonfintech](#))

Future visions for banking

By Dharmesh Mistry

Last month, I discussed how banks, fintechs and even core banking software companies could change their vision to position themselves for the future.

My key point was that the pace of innovation in all areas of technology is increasing so much that we can no longer think of incremental improvements/changes, but instead we have to think of exponential change.

Not wanting to throw this challenge out there without possible answers, I'm sharing more ideas to help challenge traditional vision statements.

"MAKE MONEY UNIVERSALLY PROGRAMMABLE"

We talk about APIs and open banking, but that's just scratching the surface. What if money itself became a technology platform? WeBank in China is already showing glimpses of this with its embedded finance offerings, but imagine going further, to a point where every financial transaction becomes programmable. And I'm not just talking about smart contracts – I'm talking about money that can think for itself.

By treating currency as code, banks could enable automatic financial optimisation where funds dynamically flow to their best use, or smart contracts that execute complex financial decisions without human intervention. This vision positions banks not merely as financial service providers, but as the architects of a new economic operating system, fundamentally changing how value moves through the global economy.

"TURN EVERY HUMAN INTERACTION INTO AN ECONOMIC OPPORTUNITY"

This vision focuses on making financial services so seamlessly embedded into daily life that they become invisible, while making the bank omnipresent. Imagine transforming social networks into economic networks, where customer data

can be traded for the benefit of customers.

It's about creating an environment where every interaction has the potential to create value, whether through commerce, knowledge exchange or resource sharing, with customers choosing what data they are willing to trade. Taking inspiration from Web3, this approach extends banking far beyond its traditional boundaries, turning it into an economic platform for customer gain.

"MAKE FINANCIAL COMPLEXITY INVISIBLE"

While many banks talk about simplifying banking, I'm thinking about making financial complexity invisible altogether.

Banking should evolve to handle all financial complexity automatically in the background, like an operating system running silently on your computer. Imagine AI systems managing investments, insurance, taxes and financial planning with minimal or no user input – but still delivering optimal outcomes.

This would require a broader understanding of the many contexts customers have in their life stages. However, a conversational AI could easily glean this information once we have improved reasoning models.

This vision transforms banking from a transactional service that demands attention to one that just works, making sophisticated financial strategies accessible to everyone regardless of their financial literacy or expertise. It's about creating a world where financial optimisation happens automatically and invisibly.

"BE THE OPERATING SYSTEM FOR GLOBAL COMMERCE"

This vision reimagines banks as the fundamental infrastructure powering all

economic activity. By unifying payments, identity, contracts and business services into a single, seamless platform, banks could make starting and running businesses of any size as simple as using a smartphone app. This goes far beyond traditional banking services to create a comprehensive platform beyond the core and entwining it with ERP and CRM, effectively creating a universal operating system for businesses. MACH architecture and

BIAN standards are laying the groundwork, but we need to think bigger. Instead of being just a bank, why not become the operating system that powers all global commerce? This isn't about competing with traditional banks – it's about creating a new category altogether.

"UNLOCK THE EARNING POTENTIAL OF EVERY HUMAN"

Imagine a bank that actively grows your wealth by leveraging AI to identify earning opportunities matched to your skills. With the processing power of quantum computing and the intelligence of artificial general intelligence (AGI), this isn't science fiction anymore.

The future of banking isn't just about storing and managing wealth – it's about actively creating it for every customer. This vision transforms banks from passive vaults into active partners in wealth creation, using AI to identify earning opportunities perfectly matched to each individual's skills and circumstances. It reimagines the bank-customer relationship from one of service provision to one of economic partnership, where the bank's success is directly tied to its ability to increase each customer's earning potential. This represents a fundamental shift from banking as a utility to banking as a catalyst for personal economic growth.

These visions might seem outlandish today, but given how quickly technology is advancing, they might become reality sooner than you think. The real question isn't whether these visions are achievable – it's whether banks have the courage to pursue them. Because in a world where technology constraints are disappearing, the only real constraint is our imagination.



Dharmesh Mistry has been in banking for more than 30 years and has been at the forefront of banking technology and innovation. From the very first internet and mobile banking apps to artificial intelligence (AI) and virtual reality (VR). He has been on both sides of the fence and he's not afraid to share his opinions.

He is an entrepreneur, investor and mentor in proptech and fintech. Follow Dharmesh on [X @dharmeshmistry](#) and listen to the [Demystify](#) podcast he co-hosts with [Dave Wallace](#).

Core banking packaged software – an industry at a crossroads

By Kanika Hope



In 2017, banking technology expert and former Digital CIO at [Lloyds Banking Group](#), Jon Webster, stated that what the banking industry really wants and needs is a “Kubernetes of Banking” – a core technology platform so compelling and cost-effective that banks have no choice but to migrate to it from their existing core systems.

The Kubernetes of Banking would be open, cloud-native, intelligent and designed for seamless scale and agility. It would enable continuous innovation and lower costs by 10x. It would be the foundation for a platform strategy and enable its creator to orchestrate a digital ecosystem around clients, partners and third-party developers.

CORE BANKING VENDORS – THE BATTLE TO SURVIVE

Almost ten years on, not only does such an intelligent platform in core banking not exist, but questions are being raised as to the viability of the core banking software industry itself. No software vendor, whether incumbent or a neo-disrupter, has succeeded in building the Kubernetes of Banking so far.

Furthermore, with the advent of AI – which lowers switching costs and barriers to entry, increases banks’ ability to modernise themselves and could even spell the end of software itself via AI agents – are core banking software vendors facing an existential threat? How long can they continue to rely on the success and

stickiness of their installed base, and on an addressable market predicted to grow steadily based on historic third-party banking spend?

THE VENDOR LANDSCAPE TODAY

The global core banking packaged software industry has undergone a seismic change in the past decade. From a handful of strong incumbent vendors, the landscape has evolved into a complex web of players, all vying to differentiate in a crowded market. These include cloud-native vendors, BaaS players and challenger banks monetising their technology platforms.

Although comprehensive functionality across multiple jurisdictions and proven

credentials on legacy migration, performance and scale remain competitive advantages for incumbents, the neo-vendors have set new standards in terms of agility and cost. They have made banks aware of the “art of the possible” – 24-hour deployment, less than 90 days to go live, try before you buy (sandboxes), choice and flexibility of which components to buy so that banks can slice and dice the scope of their digital transformations any way they like, with minimum disruption to the business and quick time to value.

On the flip side, the neo-vendors are yet to scale and showcase migration from legacy, even those that have been around for more than a decade.

Both types of vendors need a serious injection of funds to achieve the market-making dominance of a Kubernetes of Banking. Indeed, I believe existing vendors need a reinvention from the ground up to bring their product and sales organisations up to the technology standards of the third decade of the 21st century, while the neo-vendors need the time and money to build the functionality required to demonstrate evidence of large-scale migration and performance.

However, core banking ISVs struggle to make the necessary investment because focusing on long-term growth is difficult when in the thrall of quarterly margin pressures and performance targets if a listed company, or when in the pincer grip of investors with short exit timeframes if privately held.

BUILD RATHER THAN BUY?

Theoretically, AI has the potential to reduce banks’ appetite to buy and to help them choose to build themselves instead. If banks were to deploy AI in their own internal development shops, this would disintermediate third-party vendors. In development and maintenance, AI and GenAI could produce initial code, auto-fill or predict next steps for bank coders and help them debug. It could transform legacy code into modern cloud systems and produce synthetic testing data and run automated tests.

However, as of today, AI technology lacks the context and is limited to specific tasks and simple blocks of code only, rather than a complex chain. Also, the vast

“Core banking applications will likely embed AI into their products and architecture and become more integrated, intelligent and autonomous.”

Kanika Hope

majority of banks, barring the mega players, do not possess the breadth and depth of data required to train models in the way a software vendor with lots of banking clients could do. In this context, the addressable market for third-party banking software remains secure for the foreseeable future.

SMART AGENTS AND DUMB APPLICATIONS

Now we come to Microsoft CEO Satya Nadella’s recent comments about AI potentially killing off SaaS or business applications. In an appearance on the BG2 podcast, Nadella suggests that AI-powered agents will soon replace traditional software models, and business logic will move from the applications into the AI layer of an intelligent platform, thereby in effect reducing these applications to mere databases. These integrated platforms would unify disparate point solutions into a cohesive ecosystem, making workflows faster and smarter. All the decision-making, automation and orchestration would sit with the AI agents rather than the business applications.

However, apart from the fact that it may not be cost-effective or practicable for this to happen in any industry, banking is a very different beast. Workflows in banking are complex, regulated, fragmented and not fully automated. The industry has not even embraced SaaS yet, let alone AI. How would agentic AI deal with complex core banking business rules designed for retail, corporate and private banking across multiple jurisdictions?

The Kubernetes of Banking platform, with its modern APIs, reusable tools and components, cybersecurity and rich data, is paradoxically a pre-requisite for Satya Nadella’s prediction to come true. Yet, AI could be the catalyst for the evolution of just such a platform. Whoever is able to use AI to build the most functionally rich and technologically advanced front-to-back banking platform and extract real-time transactional data from mission critical applications, behavioural data from channels, and unstructured data from within and outside the bank, could unleash AI and AI agents onto this data to become the winner in this industry.

A HISTORY OF EVOLUTION AND NOT REVOLUTION

This is difficult but not altogether impossible. Time and again new technologies have been predicted to kill off banking software, but core banking has defied the hype and embraced the best of them. It became cloud-native and hence hyper-scalable, secure, open and cheaper and easier to implement and run. It used blockchain where it made sense – in payments and trade finance. Microservices were the next big thing – everyone said monolithic core banking software was never going to survive unless it broke up into a thousand microservices. The smartest banking architects came up with the right solution: the Goldilocks principle of banking capabilities broken into domains at a level of granularity not too big and not too small, but one that is appropriate for the average bank from a business and future operability perspective.

AI will lead to the next evolution of banking software but will not be the death knell of it. Banking technologists will ride the AI wave and not get carried away by the hype, just as they have always done with disruptive technologies. The more likely scenario is that core banking applications will embed AI into their products and architecture and become more integrated, intelligent and autonomous. The aim would be to use AI to deliver tangible business value to banks, rather than technology for technology’s sake. The first mover in this space, with the long-term vision and ambition, would then be in pole position to become the Kubernetes of Banking.

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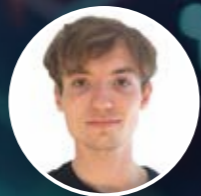
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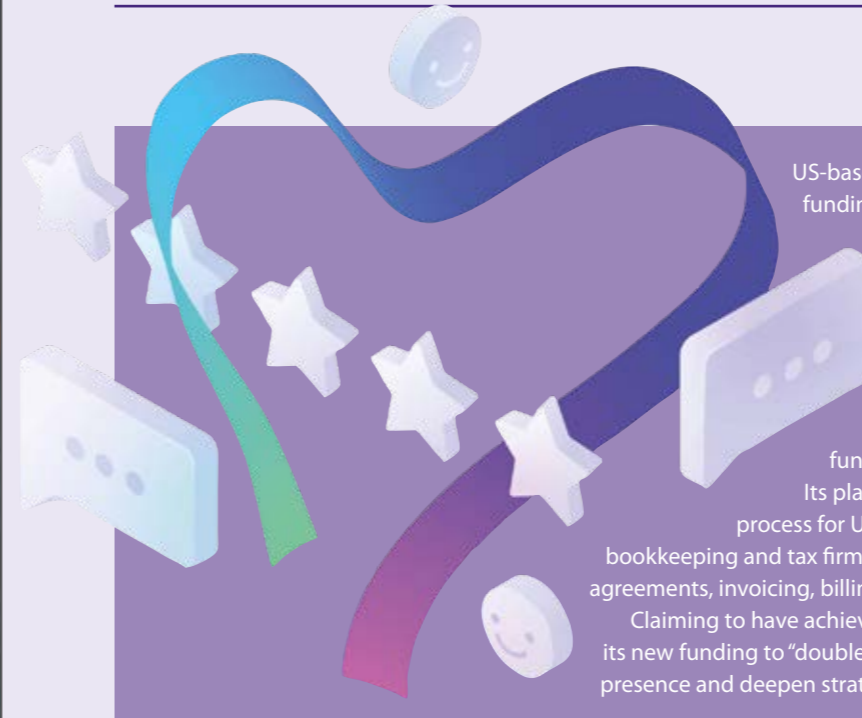


Rayna Stamboliyska
CEO & Founder, RS Strategy



Tyler Pathe
Reporter, FinTech Futures

FINTECH FUNDING ROUND-UP



US-based start-up **Anchor** has raised **\$20 million** in a Series A funding round spearheaded by Mosaic General Partnership and Zeev Ventures founding partner Oren Zeev.

The round was supported by Entrée Capital and Tal Ventures alongside new investors including Tien Tzuo, founder and CEO of Zuora, former NBA all-star Andre Iguodala and Adobe board member Amy Banse, who will also be joining Anchor's board.

Anchor exited stealth in 2021 with a \$15 million seed funding round led by Rapyd Ventures.

Its platform has been built to automate the accounts receivable process for US professional service businesses such as accounting, bookkeeping and tax firms. Its offering consolidates tools for managing proposals, agreements, invoicing, billing and payments.

Claiming to have achieved over 500% growth in 2024, Anchor says it will use its new funding to "double its workforce in the next year, accelerate its US market presence and deepen strategic partnerships".

ClearScore, a UK fintech providing credit scoring and credit report services for consumers, has secured a **£30 million** growth capital investment from HSBC Innovation Banking UK, the firm's existing backer since 2017.

ClearScore recorded a £4.9 million pre-tax profit in 2023, a £14.9 million year-on-year improvement from 2022, when the company posted a £10 million loss. In 2022, it acquired Money Dashboard, followed by embedded credit marketplace provider Aro Finance in early 2025.

Aro Finance's B2B2C channel will sit alongside ClearScore's consumer credit score app, its open banking business unit D-One, its debt consolidation loan technology Clearer and its financial marketplace, which the company claims supports 24 million users across the UK, South Africa, Australia, New Zealand and Canada.

Flow48, a UAE-based fintech start-up providing revenue-based financing to SMEs in emerging markets, has secured **\$69 million** in a mix of debt and equity funding in a Series A round led by Parisian VC Breega.

Evolution Ventures, Endeavor Catalyst, Daphni, Speedinvest, 212 and Plus VC were among the investors supporting the round, which builds upon Flow48's \$25 million pre-Series A in November 2023.

Founded in 2022, Flow48 provides flexible financing solutions of up to \$20 million.

Currently serving clients across the UAE and South Africa, the company plans to expand to Saudi Arabia.

Flow48 co-founder and CEO Idriss Al Rifai, who previously also founded supply chain fintech Fetchr, says the SME lending space is seeing rapid growth across the MENA region.

Singapore-based **Finmo** has secured a **\$18.5 million** Series A funding round, bringing total funding to \$27 million. The round was co-led by Quona Capital and PayPal Ventures, with additional support from Citi Ventures.

Founded in 2021, Finmo's treasury operating system (TOS) aims to assist enterprises in optimising liquidity and manage cross-border transactions through features like real-time payments, FX risk management, enhanced cash flow visibility and automated compliance.

Currently, the fintech holds licences in Singapore, Australia and New Zealand, and is registered as a Money Service Business (MSB) in the US.

Lynx, a healthcare payments fintech based in Boston, US, has raised **\$27 million** in a Series A funding round led by Flare Capital Partners, bringing its total funding to date to over \$44 million. The round also featured participation from CVS Health Ventures and McKesson Ventures, as well as existing investors .406 Ventures, Obvious Ventures and Frist Cressey Ventures.

Lynx operates an API-based platform that enables companies to build and launch healthcare-focused propositions, including consumer-directed health (CDH) accounts, SKU-restricted payment cards for Medicare Advantage and custom OTC storefronts.

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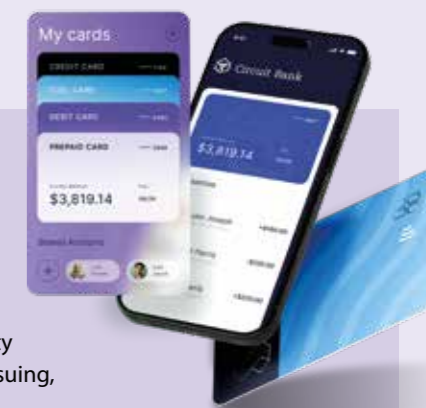


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Zeta, a US-based banking tech company and credit card processor, has secured **\$50 million** from an undisclosed investor, increasing its value to \$2 billion. The raise marks a notable leap from Zeta's previous \$1.15 billion pre-money valuation, which came following a \$250 million investment from SoftBank Vision Fund 2 and other marquee investors in 2021. The following year it raised an additional \$30 million from Mastercard.

Founded in 2015, Zeta operates a microservices-based platform that enables banks and fintechs to develop and manage a wide variety of financial products, including asset and liability products, for consumers. Its platform covers key functionalities, such as payment processing, issuing, lending, core banking, fraud, loyalty programmes and digital banking apps.

"Over the past few years, we have supported over 25 million accounts on our cloud-native processing platform Tachyon and are on track to add 25 million more with contracts already in flight," says Bhavin Turakhia, global CEO and co-founder.

Tabby, a buy now, pay later (BNPL) fintech based in Saudi Arabia, has raised **\$160 million** in a Series E funding round at a \$3.3 billion valuation.

Blue Pool Capital and Hassana Investment Company led the round, which also featured additional participation from existing investors STV and Wellington Management.

Wellington Management previously spearheaded Tabby's \$200 million Series D in 2023, which saw the company achieve unicorn status with a valuation of \$1.5 billion.

In the nearly two years since, the fintech claims to have almost doubled its annualised transaction volumes to over \$10 billion, while also broadening its product portfolio with a new card offering, subscription programme, buyer protection programme and longer payment terms for its BNPL service.

It secured a \$700 million debt facility from JP Morgan in late 2023 and acquired digital wallet start-up Tweek last year.

With its Series E now complete, Tabby hints at an upcoming IPO and has reportedly enlisted HSBC, JP Morgan and Morgan Stanley to help support its public listing in Saudi Arabia in late 2025 or 2026.

US-based start-up **Jump** has secured a **\$20 million** Series A funding round led by Boston-headquartered VC firm Battery Ventures, bringing its total funding to date to nearly \$25 million. The round also featured participation from Citi Ventures, Pelion Venture Partners and Sorenson Capital, which led Jump's \$4.6 million funding round in June 2024.

Founded in 2023 and headquartered in Salt Lake City, Utah, Jump provides an AI assistant that automates key tasks for financial advisors, such as compliance documentation, CRM updates, meeting prep, note-taking, client recap emails and financial data extraction. Jump reports "rapid adoption" of its tech since emerging from closed beta in January 2024, boasting an average monthly growth rate of over 35%.

Indian paytech **Cashfree Payments** has secured a **\$53 million** Series C funding round to help drive its expansion into the Middle East and North Africa (MENA) region. The round was led by Korean gaming giant Krafton with support from existing backer Apis Growth Fund, reportedly valuing the paytech at \$700 million.

Founded in 2015, Cashfree serves over 800,000 businesses with its suite of payment services, covering vendor payouts, wage disbursements, payment collections, e-commerce refunds, cross-border payments, one-click checkout and insurance claims processing, among other. The Bengaluru-based company counts major Indian firms like BigBasket, Cred and Zoomcar as clients, and currently claims to process \$80 billion in transactions annually.

AI-powered fraud prevention and risk management platform **Sardine** has raised **\$70 million** in a Series C funding round led by US VC firm Activant Capital, with plans to roll out new AI agents for risk and compliance teams. Andreessen Horowitz, Nyca Partners, Google Ventures, Geodesic Capital, Cross Creek Capital, Moody's Analytics, Experian Ventures, and NAventures were among the mix of new and existing investors supporting the round, which builds on the company's \$51.5 million Series B in 2022.

With its latest cash injection, Sardine has now raised \$145 million in total capital since launching in 2020.

The regtech has four specific areas of agentic application in mind for its investment: KYC onboarding agents for edge case resolution; sanction screening agents for automated audits; merchant risk agents for risk scoring and credit decisioning; and disputes agents for formatting chargeback submissions.

According to Sardine, it has 300+ enterprises across 70 countries on its client list, including FIS, Ascensus, Deel and GoDaddy.



This is just a snapshot of the fintech funding activity worldwide. For more info on these and many other deals, head over to the [FinTech Futures website!](#)

MOVERS AND SHAKERS



Thiago Teixeira

Thiago Teixeira has been appointed as the new CTO of Brazil-based payments and banking technology provider **Dock**. He moves from IT services and consulting company Zup Innovation, where he has spent the past year as general manager and CPTO of its Platform-as-a-Service software, Stackspot. Prior to this, he worked for over 11 years across several senior engineering roles at software company CI&T.

His new employer, based in São Paulo, is noted for its Dock One platform, which provides card issuance, credit, risk, acquiring and digital banking services to businesses throughout Latin America.

Dock was founded in 1999 and achieved unicorn status in 2022, following a \$110 million growth funding round led by Lightrock and Silver Lake Waterman. The company claims to manage 75 million active accounts and process more than eight billion transactions annually.

Varo Bank founder **Colin Walsh** has stepped down as CEO after nearly a decade leading the US-based challenger.

Walsh, who will remain a board member, will be succeeded as CEO by **Gavin Michael**, who previously served as CEO of digital asset platform Bakkt.

Varo was founded by Walsh in 2015 and offers savings and current accounts, money transfer and credit-building services, and personal loans. Five years after its inception, Varo notably became the first fintech in the sector to secure a full-service national bank charter in the US, granted by the Office of the Comptroller of the Currency (OCC).

Varo had a 22% increase in revenue in 2024 (more than half of which was derived from interchange) but recorded a \$65 million net loss for 2024.

Backed by the likes of Warburg Pincus, The Rise Fund and Lone Pine Capital, it secured \$510 million in a Series E funding round in 2021 at a \$2.5 billion valuation; followed by \$50 million in 2023 at a heavily discounted valuation of \$1.5 billion; and most recently – in February 2025 – \$29 million as part of an investment round with a \$55 million target.

James Radford has been named as the new CEO of **Volopa**, the foreign exchange, payment and expense management subsidiary of London-headquartered fintech incubator Quantum Group.

He has also been appointed to Quantum's board as director of banking and fintech and will assist with the group's plans to list on the London Stock Exchange next year.

Founded in 2011, Volopa is currently Quantum's largest division by revenues, and sits alongside Forensic Control, Valkyrie and cashback and rewards platform Verve within the group.

Radford brings more than 30 years of experience in the financial services industry, most recently as CEO of Lycamoney, the mobile wallet and payment service unit of Lycamobile Group, which he led for two years. Prior to that, Radford served as CEO for Revolut UK for three years.

Sujata Bhatia, COO of **Monzo**, has stepped down after five years in the role. Before joining the UK challenger bank, Bhatia spent nearly 16 years at American Express, holding various senior leadership roles, such as head of European acquisition, loyalty and engagement, and SVP of global strategy and capabilities, before ending her time at the credit card titan as SVP for global merchant services in Europe.

Away from her day-to-day work, Bhatia sits on the board of the UK's National Theatre, and has participated in various funding rounds as an angel, notably during Indonesian fractional investing app Pluang's \$55 million Series B in 2021.

Monzo, valued at \$5.9 billion after a secondary share sale in October, of late appointed new UK and group CFOs, Mark Newbery as UK CFO and Tom Oldham respectively.

Another UK challenger, **Monument Bank**, has appointed **Shaun Bohannon** as CTO.

Bohannon previously worked at Virgin Media O2 as director of digital technology. Prior to this, he spent over seven years at McKinsey & Company, holding several digital leadership roles including senior director of software and cloud engineering, and three years as a senior analyst in the commodities eDealing unit at Goldman Sachs.

Launched in late 2021 for the mass affluent market, Monument has recently reported reaching £5 billion in client deposits – a 500% growth over 2024.

Meanwhile, **Monument Technology**, the bank's Banking-Platform-as-a-Service subsidiary, has hired **Simon Featherstone** as its new non-executive chair.

His experience includes a four-year tenure as managing director of Lloyds TSB Commercial Finance, followed by another four years as global CEO of SME funding provider Bibby Financial Services, among others.

Featherstone is also chairman of start-up specialist bank SilverRock and chair of risk to another specialist start-up in the UK, Oxbury Bank.



Beth Johnson

Beth Johnson is set to retire as vice chair and chief experience officer of **Citizens Financial Group**, one of the largest retail banks in the US with \$217.5 billion in assets.

She has worked for the group for more than 11 years, and as chief experience officer since 2020.

Bruce Van Saun, chairman and CEO of Citizens Financial Group, says Johnson is leaving the bank "to focus on other endeavours" and that her enterprise experience functions will be distributed to other senior leaders at Citizens.

James Kelly has been named as the new CEO and president of digital commerce solutions provider **NCR Voyix**, effective immediately. Kelly succeeds David Wilkinson, who is stepping down from the leadership position and the company's board after more than 14 years with NCR.

Wilkinson was named CEO of Voyix in October 2023 following NCR Corporation's separation into two businesses – NCR Voyix, its digital commerce business, and NCR Atleos, its ATM business. He first joined NCR Corporation back in 2010 as VP of global channel sales before rising through the ranks.

Kelly joined NCR Voyix's board as executive chair following the spin-off in 2023. He previously served as CEO of EVO Payments for 12 years until the paytech's \$4 billion acquisition by Global Payments.

Last year, NCR Voyix entered into a definitive agreement to sell its cloud-based digital banking business to private equity firm Veritas Capital for \$2.45 billion.

"With the divestitures and restructuring efforts largely behind us, our focus shifts to the growth of our business as a product-led software and services company," comments Kelly.

For more news on appointments in the industry, head to the [Movers and Shakers](#) section of the *FinTech Futures* website.

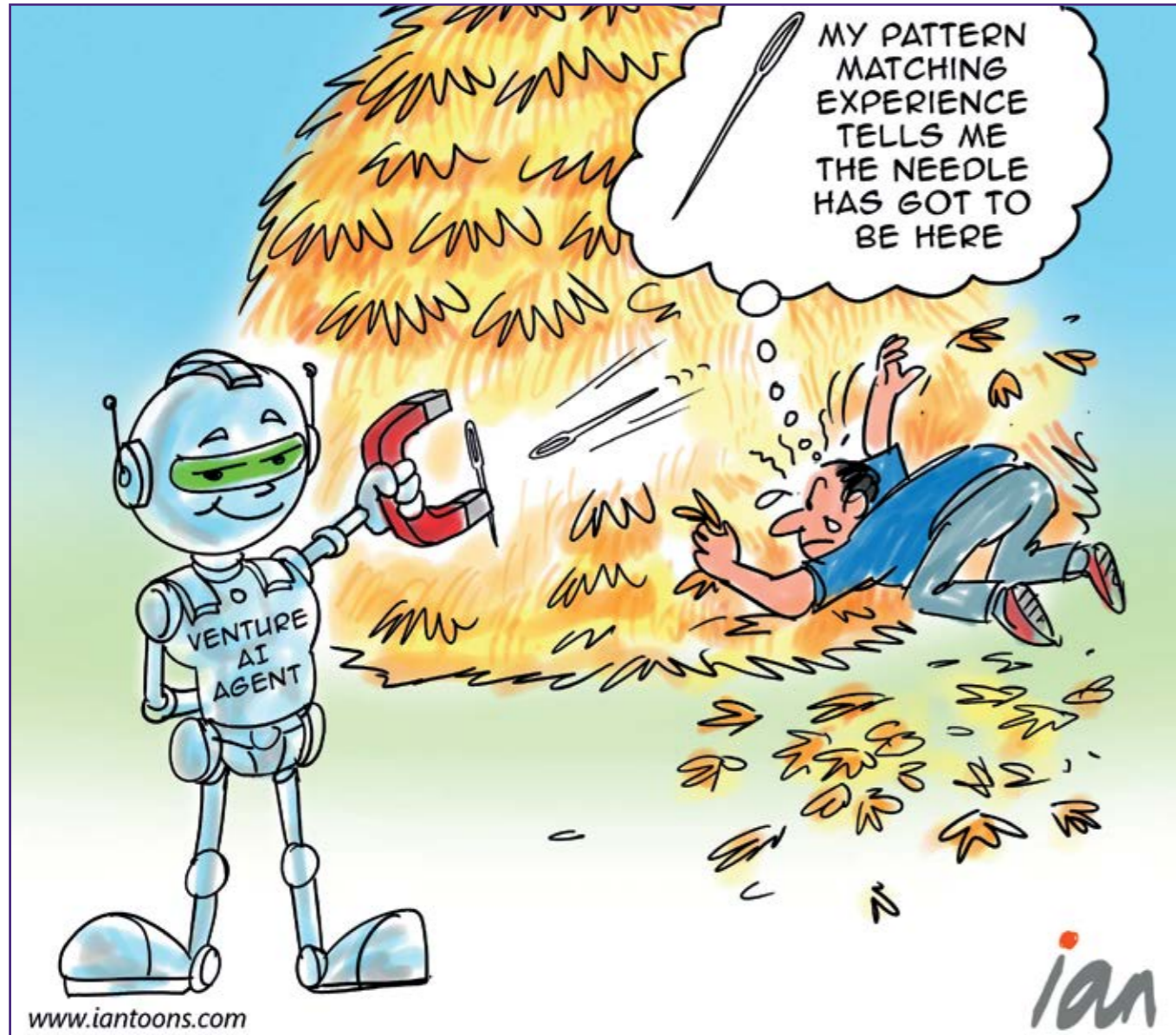
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“FRONTIER INVESTING”

Cartoon by Ian Foley

The venture capital industry was for a long time a cottage industry, where many investors would not want to travel outside a day's drive of Sand Hill Road in Silicon Valley.

While the industry expanded from less than 500 VCs in the mid-1990s to 2,500 today, many of the top investors still believe that the industry is more art than science.

A Harvard Business School working paper by Paul Gompers investigated how VCs' personal networks and prior successes influenced their deal sourcing and investment choices.

The paper's findings indicated that many investors leaned on

pattern matching, looking for characteristics and backgrounds they had seen in successful start-ups before.

By the late 2010s, a new type of venture firm started appearing, those that used data from the likes of Pitchbook, GitHub and LinkedIn to better sift through large data sets of early-stage start-ups for patterns.

Now the wheel is turning again. With advances in AI, AI agents are being created that can act autonomously of human interaction to make investment decisions in early-stage projects.

Whether these AI agent projects can beat the returns of the top 5% of venture funds remains to be seen, but it probably puts the remaining human fund managers in an uncomfortable position to keep justifying their management fees.

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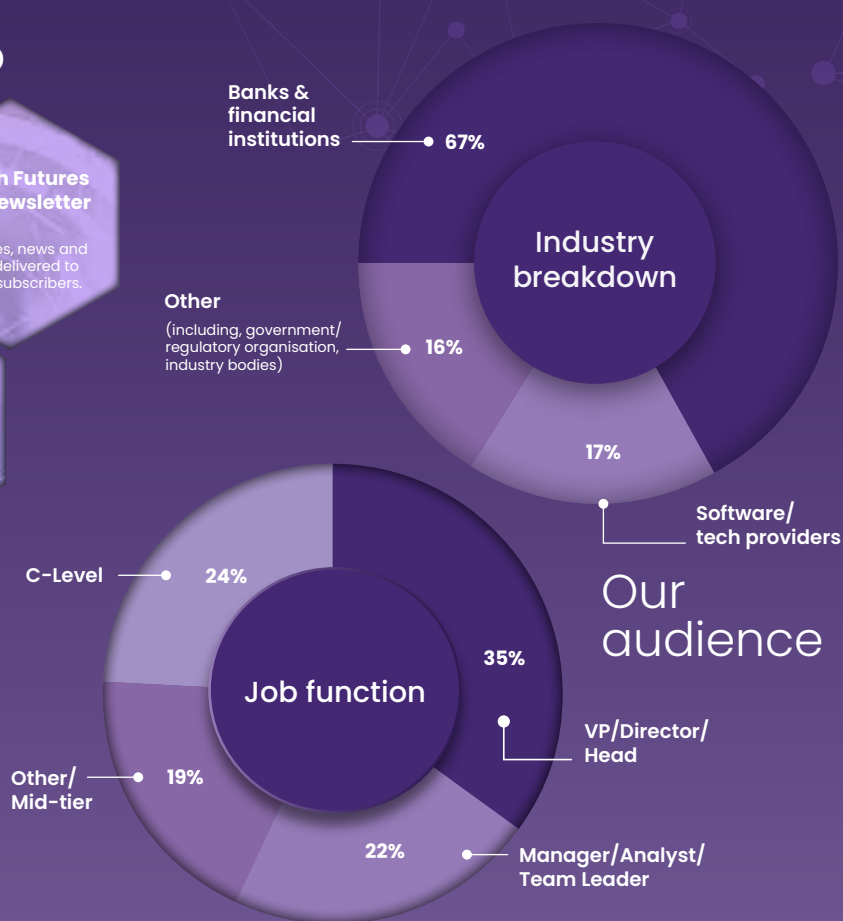
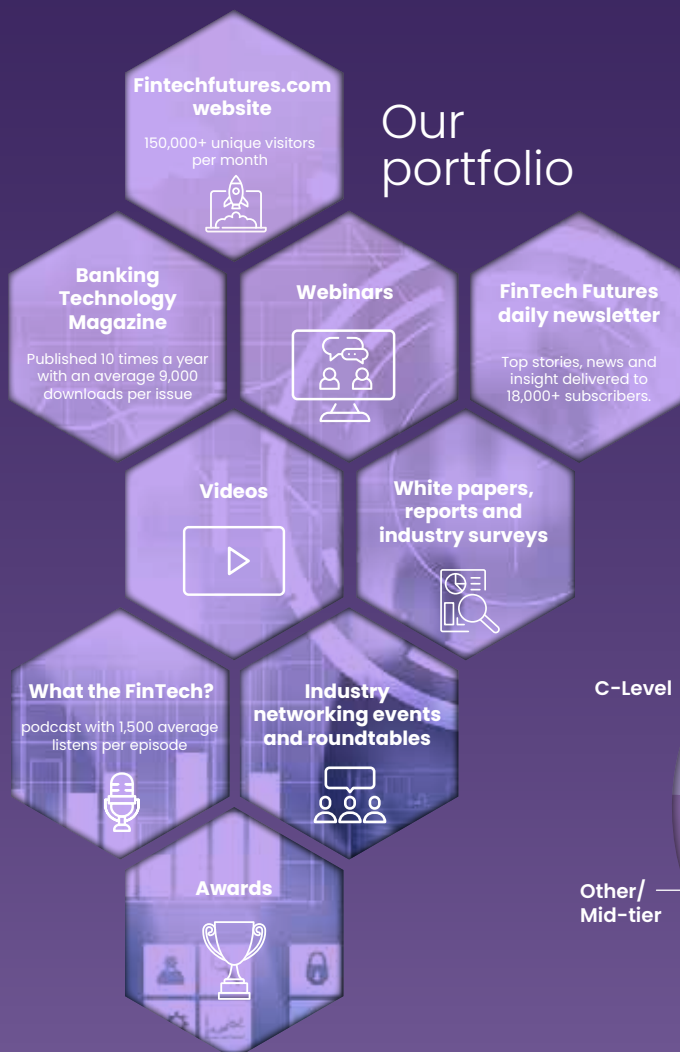
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