

Blockchain Services Offer

Technology Overview in Financial Services

June 2024

The impacts of blockchain

The impacted functions for financial entities

Blockchain is a form of Distributed Ledger Technology (DLT) which is disrupting the entire world through its applications in every domain. For financial entities, many fields are impacted.

Front

- Crypto assets
- New tailor-made products

Operations

- Operational excellence
- Payments

Finance

- Liquidity
- Accounting

Compliance

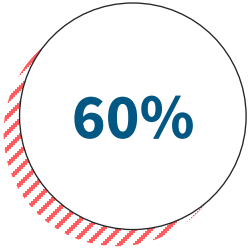
- AML and CTF
- Market abuse

IT

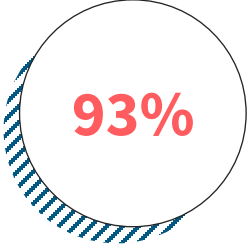
- Cybersecurity

Risk

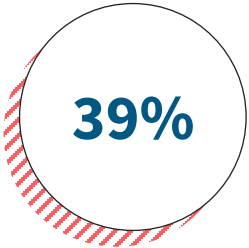
- Credit risk
- Operational risk



expected CAGR by 2030 for blockchain



of central banks are working on digital currencies



of major financial entities working on blockchain



Total capitalization of the crypto market



Idea of a decentralized ledger emerges



First scientific paper on blockchain



Creation of the first blockchain



Development of "Blockchain as a Service" (BaaS)

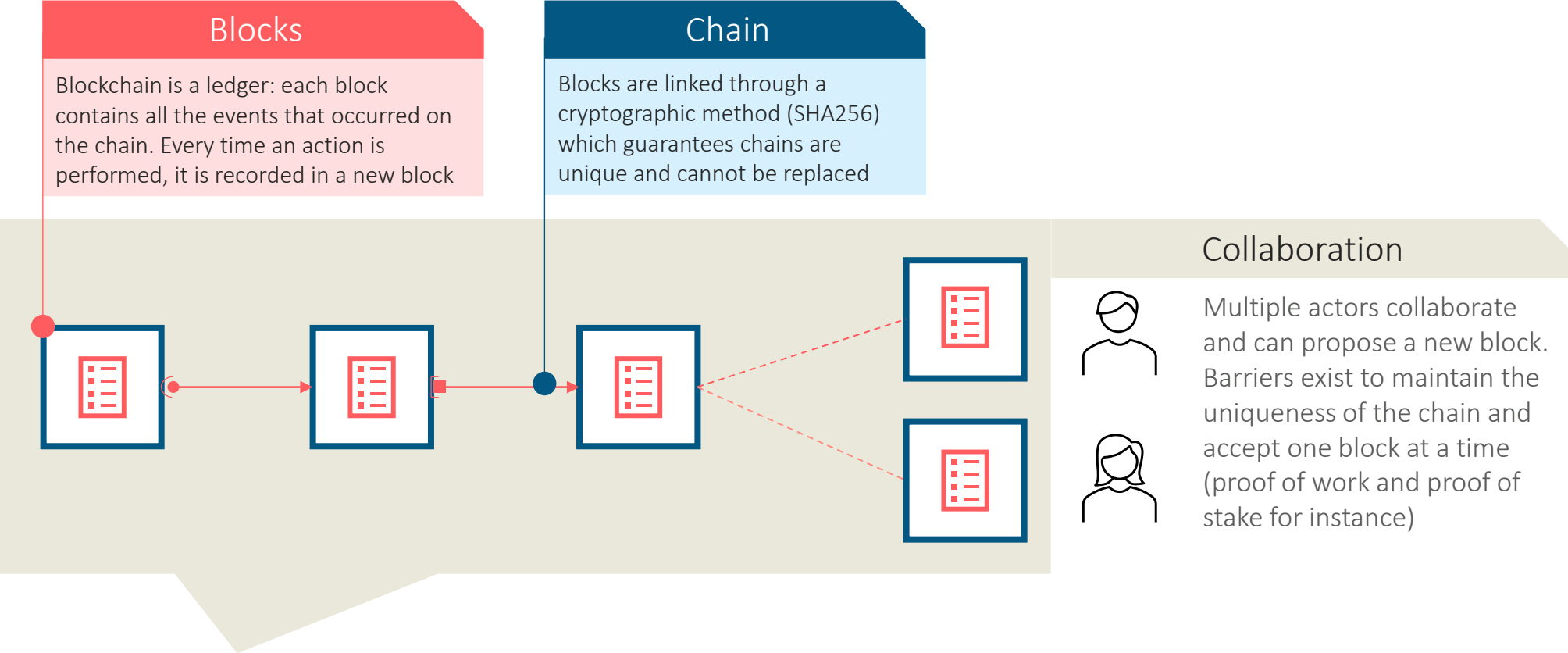


First deployment of a Central Bank Digital Currency (China)



A unique technical architecture

The innovation of blockchain is based on its technical characteristics



Every participant of the blockchain stores a copy of the blockchain. Even if participants are attacked, the blockchain is still protected



Blockchain enables innovative products

An opportunity for financial entities to develop tailor-made products

Level of innovation

Cryptocurrency

A cryptocurrency is a digital decentralized currency. It only exists on chain and is not managed by a central bank. Some countries use cryptocurrencies for payments, but due to its volatility it is mainly used for investment purposes.

Main cryptocurrencies include Bitcoin and Ethereum. Stable coins are specific cryptocurrencies aligned to a real fiat currency, like USDT.

Tokenized security

A tokenized security is a financial instrument (in the sense of MIFID), off chain, which is represented on chain with a token. The security remains at the depositary, while the token is traded on chain.

The European Investment Bank issued a bond on a public blockchain in 2021 with Goldman Sachs, Santander and Societe Generale.

Security token

A security token is a fully on chain instrument, with a fuzzy regulation around it. It can be used as an alternative way of financing for companies (equity tokens, like on chain shares, debt tokens, like bonds, and asset-backed tokens, like asset-backed securities).

BTG Pactual issued ReitBZ, a debt token backed by real estate, for an amount of USD 90 000 dividends.

Cross border payments: a G20 priority

OBJECTIVES

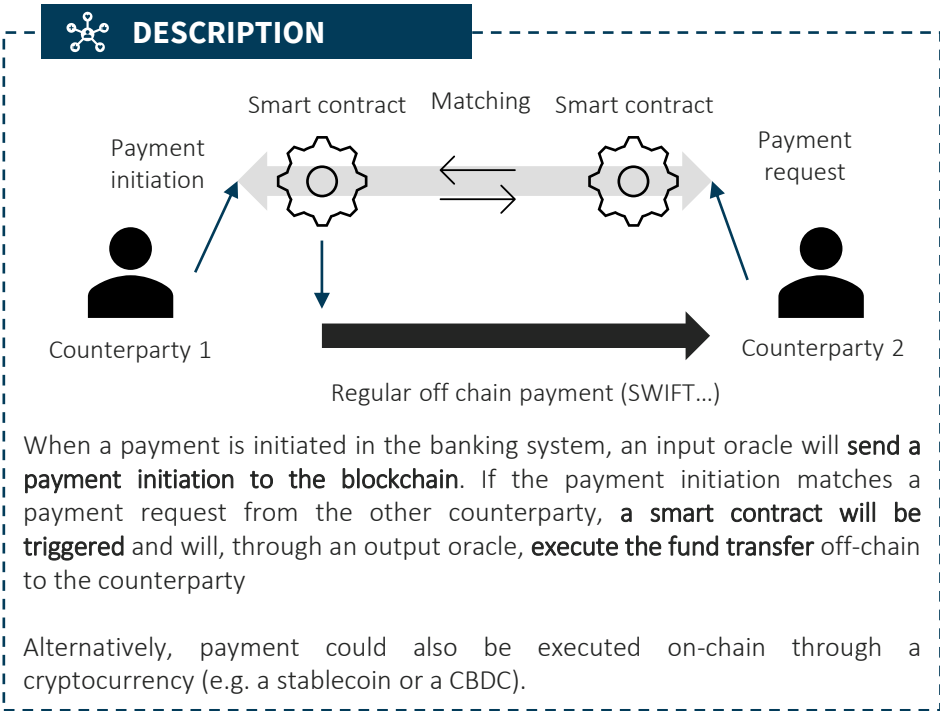
Today, cross border payments remain complex. Multiple entities are involved in correspondent banking, and fees are often transferred to the client. Besides the costs, cross border payments are also subject to fraud.

CHALLENGES

- › **Regulatory:** the settlement is progressively moving to real time; KYT is required to manage fraud
- › **Operational costs:** the payments chains are not fully automatized, leading to operational risks and costs

ADDED VALUE

- › Instant settlement
- › Reconciliation by design
- › Automation
- › Security
- › Real-time KPIs
- › Removal of intermediaries



2 Strategies to fit your specific needs

1

Leverage blockchain to improve off-chain payment processing



2

Use cryptocurrencies for a full on-chain process



At Aurexia, we are convinced that blockchain will revolutionize approaches to financial services based on trusted third parties. Its adoption by organizations should re-invent the business by giving the rise to re-ideation of processes and allow integration of new technologies.

Thanks to our business expertise and technology entity, we are able to help companies to achieve their blockchain implementation goals

Consulting

Strategy and Roadmap

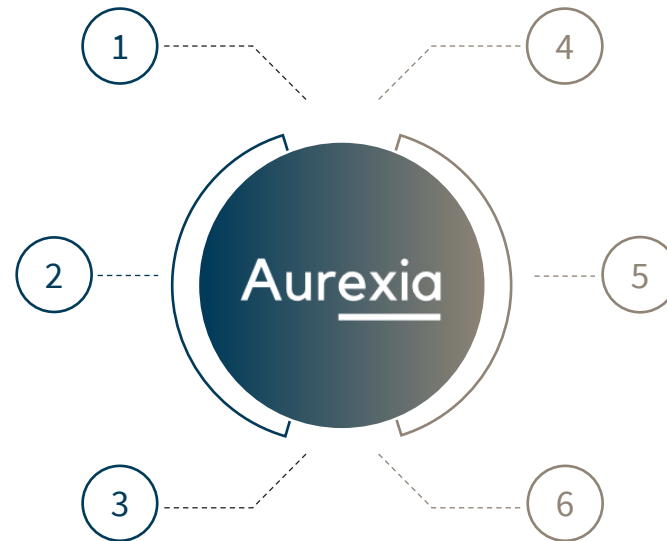
- › Use case identification on business opportunities
- › Roadmap design and execution
- › Vendors and technology assessment
- › Project scoping and steering

Risk Management

- › Regulatory Compliance assessment
- › Risk Analysis study
- › Third Party assessment
- › Data Privacy assessment

Change Management

- › Change management Strategy & Roadmap definition
- › Awareness Workshops and Training sessions organization
- › Handbooks and Tutorials production
- › Events support organization



Technical

Development

- › PoC & MVP development
- › Smart Contracts development
- › Tokenization services design and management
- › Solution integration and industrialization

Diagnostic

- › Smart contract audit and review
- › Technical Regulatory Compliance evaluation
- › DLT security assessment

Maintenance and Support

- › App solution performance optimization
- › App solution development enhancement



How to contact us?



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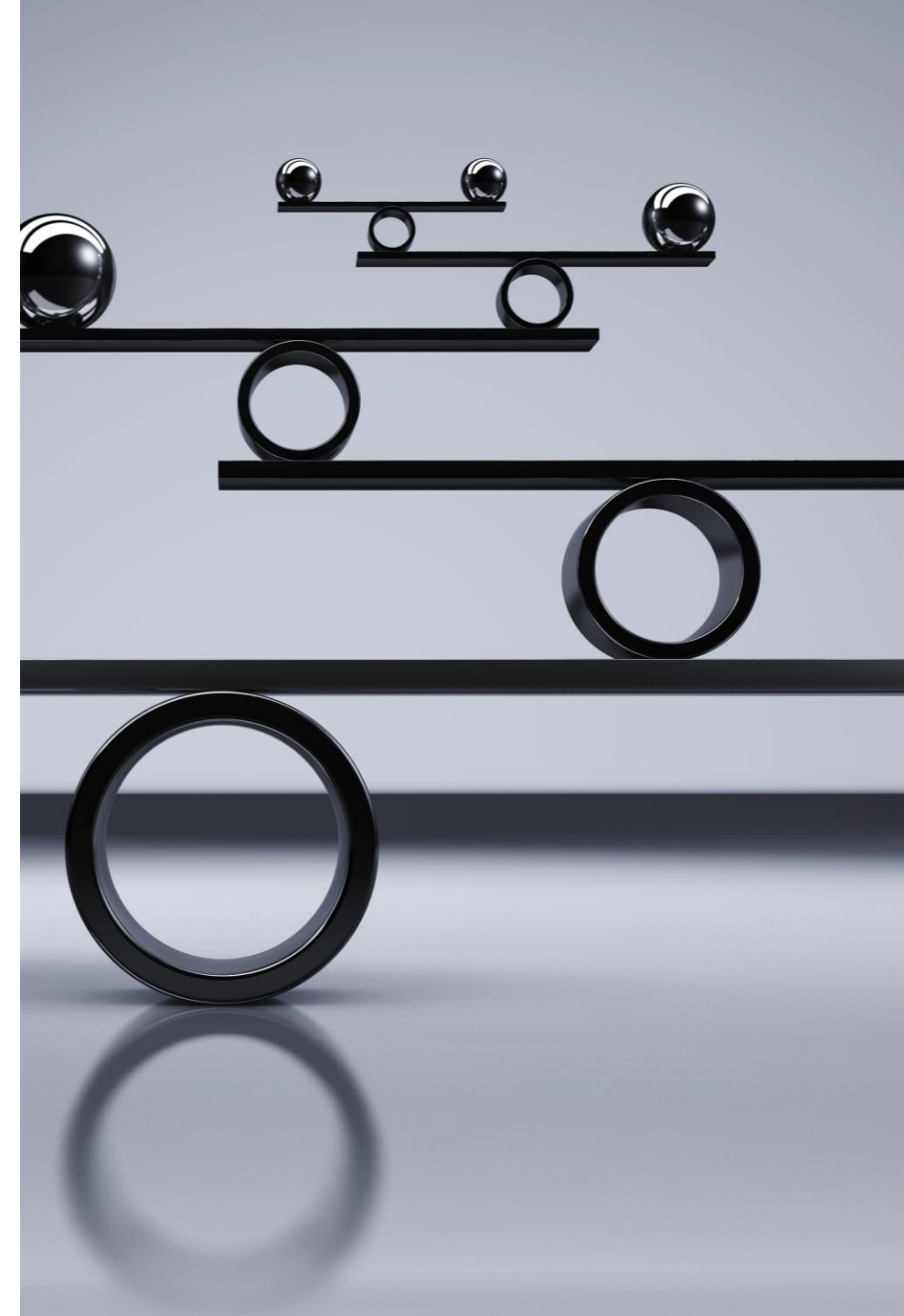


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Aurexia

Bringing value, together