

BIIA Newsletter

Market Intelligence - Industry Development & Trends - Information Technology - Regulatory Issues - User Community

BIIA NEWSLETTER ISSUE 02 II - 2021

FEBRUARY II - 2021

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2021-02-18 - BIIA Regulatory Forum Conference Call

To register contact Neil Munroe: Munroen@bii.com

2021-02-25 - BIIA Biennial Conference Committee Conference Call

Members wishing to participate, please contact Neil Munroe: Munroen@bii.com

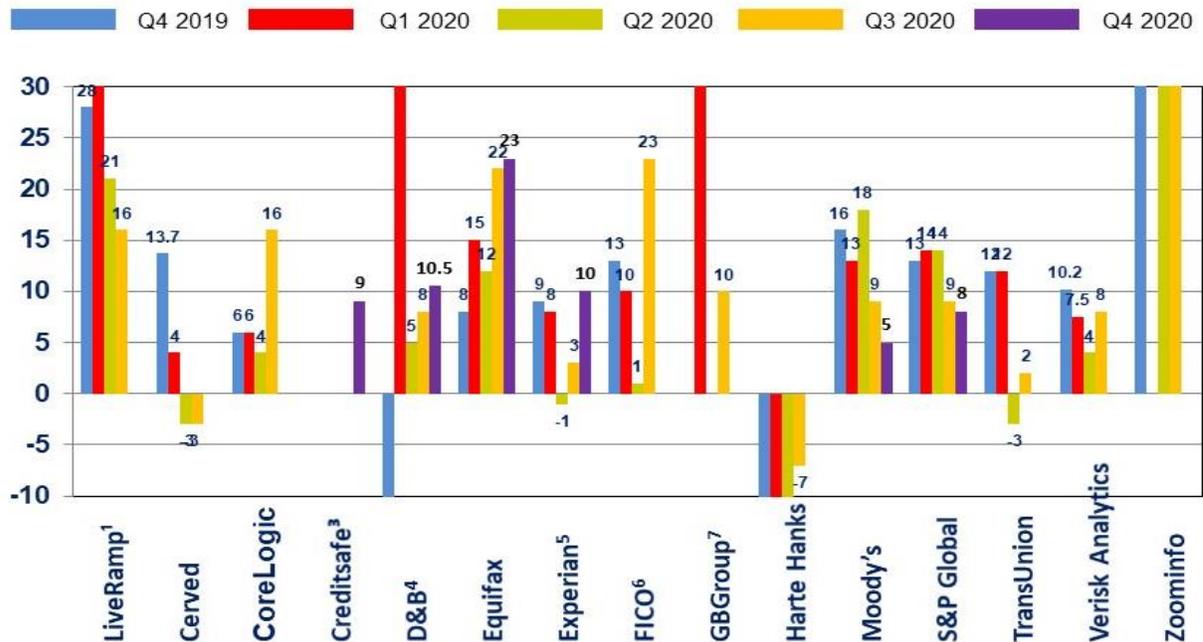
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LATE BREAKING NEWS

What Grows – What Does Not? The Latest Earnings Releases of Q4 2020



Revenue Growth in % - Respective Quarters - generally based on local currency (BFX) and GAAP

¹LiveRamp Fiscal Year Ends March 31st 2019 (ex Acxiom) ³Creditsafe 2020 Full Year ⁴D&B Public again

⁵Experian Year ends March 31st ⁶FICO Year ends Sept.30 ⁷GBGroup 6M ending Sept 30, 2019

⁸Zoominfo IPO 2020 - Informa D&B reports voluntarily

Reported as of February 12th, 2021



Creditsafe's full year growth was 9%. Dun & Bradstreet's results were mixed with an overall growth of 10.5%, however its main product lines in credit information and marketing services only grew at 1%. The difference was made up with an accounting reversal of deferred income.

Equifax reported an incredible growth of 23%, with its Workforce Solutions business producing 62% increase in revenue. Who ever had the foresight to acquire that business more than a decade ago should be congratulated?

Moody's overall growth was 5%, while Moody's Analytics grew at 8%. S&P Global reported 8% growth. Its credit risk solutions business also grew at 8%. The bonanza of bond issues in the early part of the year did not hold throughout the entire year.

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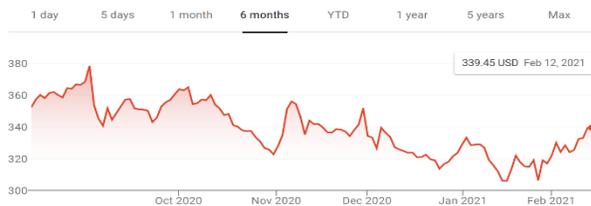
LATE BREAKING NEWS

Share Price Performances During the past 6 Months – Key Industry Players

Market Summary > S&P Global Inc
NYSE: SPGI

339.45 USD +0.060 (0.018%) ↑

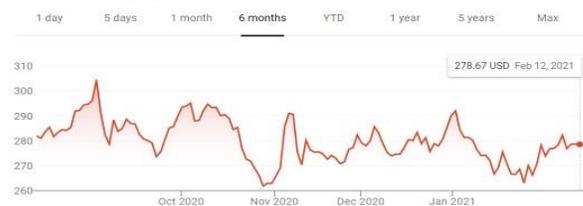
Closed: Feb 12, 4:46 PM EST - Disclaimer
After hours 339.45 0.00 (0.00%)



Market Summary > Moody's Corporation
NYSE: MCO

278.67 USD +0.010 (0.0036%) ↑

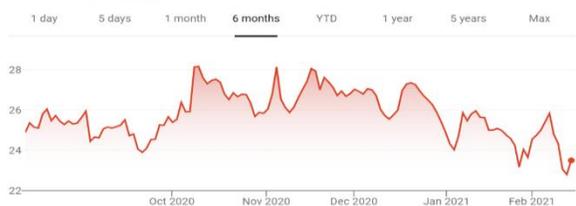
Closed: Feb 12, 4:06 PM EST - Disclaimer
After hours 278.67 0.00 (0.00%)



Market Summary > Dun & Bradstreet Holdings Inc
NYSE: DNB

23.49 USD +0.69 (3.03%) ↑

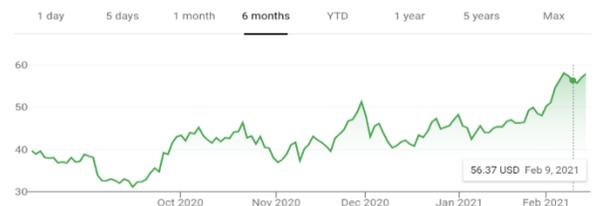
Closed: Feb 12, 7:02 PM EST - Disclaimer
After hours 23.72 +0.23 (0.98%)



Market Summary > ZoomInfo Technologies Inc
NASDAQ: ZI

57.84 USD +0.84 (1.47%) ↑

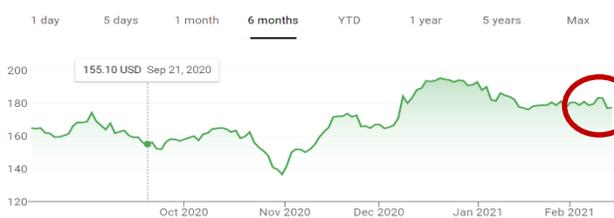
Closed: Feb 12, 7:54 PM EST - Disclaimer
After hours 58.01 +0.17 (0.29%)



Market Summary > Equifax Inc.
NYSE: EFX

177.19 USD +0.24 (0.14%) ↑

Closed: Feb 12, 4:53 PM EST - Disclaimer
After hours 177.14 -0.050 (0.028%)



Above (two charts in the center) is a comparison between D&B and Zoominfo. The two companies are in the same b2b marketing business, although Zoominfo is somewhat smaller in size. D&B's IPO was priced at US\$22. Zoominfo's IPO was priced at US\$ 42 per share and it is now at US\$57 per share.

D&B's shares dropped sharply following several announcements by Moody's to launch DataHub and acquiring Cortera; CRIF's investment in we.trade and Refinitiv's partnerships with BitSight and Creditsafe.

However, a number of analysts are more optimistic about D&B's outlook predicting a price target of US\$29.42. The most optimistic analysts has even a price target of US\$33.00 per share, while the most pessimistic analyst valued D&B at US\$24.00.

Equifax: Notwithstanding record revenue growth, its stock dropped approximately 5 points following the earnings announcement. Equifax incurred a \$31.9 million charge related to right sizing the organization as investments in technology transformation are reduced in 2021 relative to 2020, which may be the reason for the drop in share price.

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MEMBER NEWS

Equifax Q4 2020 Revenue Up 23% - Full Year Revenue Up 18%

The Company reported revenue of \$1,118.5 million in the fourth quarter of 2020, a 23 percent increase from the fourth quarter of 2019 on both a reported and local currency basis. Fourth quarter 2020 diluted EPS attributable to Equifax was \$0.61 per share, up from \$0.13 per share in the fourth quarter of 2019.

Net income attributable to Equifax of \$74.5 million was up from \$15.8 million in the fourth quarter of 2019.

In the fourth quarter, Equifax incurred a \$31.9 million charge related to right sizing the organization as investments in technology transformation are reduced in 2021 relative to 2020.

4th Quarter 2020 Segment Results Summary:

USIS: Total revenue was \$387.5 million in the fourth quarter of 2020, an increase of 17 percent from the fourth quarter of 2019. Operating margin for USIS was 29.6 percent in the fourth quarter of 2020, compared to 33.6 percent in the fourth quarter of 2019. Adjusted EBITDA margin for USIS was 43.5 percent in the fourth quarter of 2020, compared to 45.1 percent in the fourth quarter of 2019.



Workforce Solutions: Total revenue was \$406.5 million in the fourth quarter of 2020, a 62 percent increase from the fourth quarter of 2019. Operating margin for Workforce Solutions was 49.2 percent in the fourth quarter of 2020 compared to 39.2 percent in the fourth quarter of 2019. Adjusted EBITDA margin for Workforce Solutions was 56.2 percent in the fourth quarter of 2020, compared to 47.0 percent in the fourth quarter of 2019.

International: Total revenue was \$247.5 million in the fourth quarter of 2020, a 5 percent increase from the fourth quarter of 2019 and an increase of 3 percent on a local currency basis. Operating margin for International was 13.0 percent in the fourth quarter of 2020, compared to 15.3 percent in the fourth quarter of 2019. Adjusted EBITDA margin for International was 34.0 percent in the fourth quarter of 2020 compared to 36.4 percent in the fourth quarter of 2019.

Global Consumer Solutions: Revenue was \$77.0 million, a 13 percent decrease from the fourth quarter of 2019 on a reported and local currency basis. Operating margin was 4.7 percent compared to 13.8 percent in the fourth quarter of 2019. Adjusted EBITDA margin was 20.8 percent compared to 26.9 percent in the fourth quarter of 2019.

For the full year 2020, revenue was \$4,127.5 million, an 18 percent increase from 2019 on both a reported and local currency basis. Diluted EPS attributable to Equifax was \$4.24 per share, up from a loss of \$3.15 per share for the full year 2019. Net income attributable to Equifax was \$520.1 million, up compared to a net loss of \$384.1 million for the full year 2019. **To be continued on next page**

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MEMBER NEWS

Equifax Q4 2020 Revenue Up 23% - Full Year Revenue Up 18%

Expanding EFX Cloud data and Insights to drive better decisions and outcomes



"Equifax delivered its fourth consecutive quarter of strong double-digit growth and margin expansion, concluding a record year in which we delivered over \$4 billion in revenue for the first time.

Workforce Solutions and U.S. Information Services outperformance fueled our 23% revenue growth in the fourth quarter by leveraging our new Equifax Cloud capabilities, new product roll-outs, new data assets, and customer growth," said Mark W. Begor, Equifax Chief Executive Officer.

"We are entering a new chapter at Equifax as we leverage our expanding cloud native data, analytics and technology infrastructure to accelerate innovation, new products and growth. Our strong performance in these challenging times reflects the strength and resiliency of our business model as we look to build upon our momentum and focus on growth in 2021 and beyond.

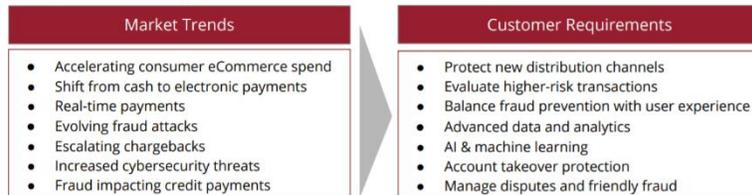
We are increasing our focus on acquisitions that will accelerate our growth including our acquisition of Kount in Identity and Fraud. Based on our confidence in the future we plan to restart our share repurchase program at an expected level over \$100 million in 2021, to offset dilution from employee benefit plans."

Source: [Equifax Earnings Release](#)



EFX + Kount positioned to address Key Identity & Fraud market trends

Accelerating eCommerce activity along with increased sophistication and frequency of online fraud are driving new customer requirements.



EFX + Kount now have data assets on 32B annual interactions, 255M+ identities, 400M physical addresses, 280M ship to addresses, 420M phone numbers, 600M email addresses, 1B unique devices, and 1B+ IP addresses

Strong start to 2021 with 3 strike zone acquisitions

- | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Enhances EFX role in \$20B Identity & Fraud market Expansion into eCommerce 32B digital interactions, 5B transaction/year, 1B+ IP addresses, 1B unique devices 600M email addresses Market leading global identity platform Closed February 10th | <ul style="list-style-type: none"> Australia-based low-cost, flexible and modular decisioning platform (i.e. Trade Credit) Targets SME segment, a key growth driver for EFX in the region Acquired remaining minority stake (already owned 51%) Closed February 2nd | <ul style="list-style-type: none"> Globally scalable, UK-based bank transaction data analytics and consent business UK-licensed for open banking Open data has potential to transform credit information landscape and provides a significant opportunity Closed February 8th |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Reinvesting 2020 mortgage / UC outperformance in future growth

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MEMBER NEWS

Equifax Acquires Open Banking and Transaction Data Analytics Company AccountScore

Equifax, Inc. (NYSE: EFX) has acquired transaction data analytics company AccountScore Holdings Limited to bolster its Open Banking and insights capabilities.



The acquisition will see Equifax enhance its consumer and commercial product offerings, combining traditional credit bureau information held by Equifax with bank transaction data, facilitated by AccountScore.

Integration of these new data assets will enable Equifax clients to benefit from higher rates of automated, digital income verification, to carry out more granular assessments of affordability and expenditure and offer more predictive and inclusive credit scoring, by using the most up-to-date information available. For consumers, this combined data approach will improve an individual's ability to demonstrate their creditworthiness by enabling information that isn't currently used to be taken into consideration. This approach enables financial inclusion for those with 'thin' credit files, increasing their potential access to credit at a time of great financial uncertainty.

The acquisition positions Equifax at the forefront of the latest trends in Smart Data, including the transition of Open Banking to Open Finance, to incorporate data on additional financial services products such as insurance policies, pensions and mortgages. Regulatory approval for the acquisition has been received from the United Kingdom's Financial Conduct Authority (FCA). **To read the full story click on [this link](#)**

Credinform Russia Reports Features of Scheduled Inspections in 2021

Decree of the Government of the Russian Federation of November 30, 2020 No. 1969 amended the procedure for conducting annual scheduled inspections of legal entities and sole entrepreneurs in 2021. In particular:



- remote inspections using audio or video communication are allowed;
- starting from July 1, 2021, inspection visits may replace the scheduled on-site inspections included in the annual plan for 2021. The decision on this must be made no later than 20 working days before the date of the start of the audit;
- the period for scheduled inspections starting after June 30, 2021 cannot exceed 10 working days, taking into account the specifics of calculating the deadlines established by legislation;
- scheduled inspections of small businesses, information about which is contained in the Unified Register, is not included in the annual inspection plan. The exceptions are inspections of persons with a high level of risk, inspections aimed at license control, etc.

It should be recalled that the Article 70 of the Federal Law of July 31, 2020 No. 248-FL "On state control (supervision) and municipal control in the Russian Federation" determines an inspection visit as a control or supervisory measure carried out by interacting with specific controlled persons, owners or users at the location of production facilities, including branches, representative offices, and separate structural units. It is carried out within one working day without prior notification of controlled persons and owners, who are obliged to ensure unhindered access of controllers to buildings, structures and premises. **For more information contact [Credinform Russia](#)**

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MEMBER NEWS

LexisNexis Risk Solutions Launches RiskView Optics and RiskView Spectrum: A New Era in Alternative Credit Scoring

LexisNexis Risk Solutions Leverages Its ID Analytics Acquisition to Deliver Solutions That Allow Credit Risk Professionals to Gain a More Complete View of Consumer Credit Worthiness



LexisNexis® Risk Solutions has unveiled LexisNexis® RiskView™ Optics and RiskView™ Spectrum, two alternative credit scores supported by a comprehensive view of consumer credit risk. These scores are the result of years of innovation and research that combines the data and intellectual property of two alternative data market leaders: LexisNexis Risk Solutions and ID Analytics®, which was acquired by LexisNexis Risk Solutions in early 2020.



RiskView Optics and RiskView Spectrum are three-digit FCRA-compliant credit scores that provide a broader view into consumer credit worthiness to deliver a more predictive assessment for a higher percentage of new applicants. RiskView Optics delivers predictive credit scoring that combines non-credit life events and alternative credit inquiry data while RiskView Spectrum utilizes those insights in combination with traditional tradeline credit data.

These new tools can significantly boost financial inclusion by uncovering more creditworthy no-file consumers. RiskView Optics and RiskView Spectrum can score more than 90% of applicants who do not have a traditional credit score – often referred to as credit invisibles – with a high degree of predictive strength. The scores also allow creditors and lenders to issue more competitive offers to consumers. RiskView Optics and RiskView Spectrum find more near-prime and prime applicants whose credit worthiness are often under or overestimated by traditional credit scores alone to help creditors and lenders maximize application acceptance rates while reducing risk exposure.

For the first time in the credit risk industry, LexisNexis Risk Solutions is able to capture the three most essential pillars of consumer credit behavior in a single score:

1. Traditional tradeline credit data helps creditors and lenders better understand consumer creditworthiness
2. Alternative tradeline data builds a more expansive view of consumer credit responsibilities
3. Alternative non-tradeline credit data (life event, asset ownership, property records and others) fortifies understanding of consumer credit stability and ability to pay

“Many creditors and lenders are committed to the principles of financial inclusion and want to help consumers. With increasing competitive pressures, declining tolerance for financial losses and mounting regulatory and fair-lending scrutiny, credit risk professionals require access to more complete pictures of applicant creditworthiness, in order to minimize risk and better serve their customers,” said **Ankush Tewari**, vice president of credit risk assessment at LexisNexis Risk Solutions.

Visit [RiskView Optics and RiskView Spectrum](#) for more details on how creditors and lenders can better evaluate consumer risk. Attend a webinar on Mar 2, 2021 at 2:00 pm ET hosted by American Banker with Aite Group analyst Leslie Parrish and LexisNexis Risk Solutions senior director of credit risk strategy Kevin King: [Surveying the Landscape of Alternative Data](#).

Source: [LexisNexis Risk Solutions Press Release](#)

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MEMBER NEWS

Reciprocus International: Emerging from the Pandemic with a new Track Record Based on Adaptability



In its first newsletter of the year David Emery, Founder and CEO of Reciprocus International expressed the takeaways from the pandemic is the importance of adaptability, and in this sense believing that this fundamental “reset” has opened investors’ minds to asset classes that they would not have otherwise considered previously, most recently culminating in the Gamestop frenzy.

Towards this end, however clearly less speculative, Reciprocus has also over the last couple of months expanded its track record into new asset classes and sectors in which it had not been very active in the past.

It completed transactions in sectors such as business information, Vietnam Clinic Chain, a first foray into a US Commercial Real Estate Co-investment, assisting Control Bionics with its pre-IPO-placement, and helping a luxury resort in Covid fundraiser.

In its effort to constantly strengthen its bench to ensure that it can continue to serve clients at the highest standards, Reciprocus has added 2 new team members:



[Keeven Choi](#) has just joined Reciprocus as a Senior Advisor. Keeven brings with him more than 40 years’ experience in the banking sector, including senior positions at DBS and Citibank.

Keeven’s expertise is in **credit risk management**, which had been his area of focus during his banking career across mature and emerging markets in Asia, also covering the application of **digitalization** and **analytics** in credit risk management processes. With his deep expertise in the banking and risk domain, Keeven’s background is indeed complementary to the team, and is an especially important addition to Reciprocus as we are building our new **Risk & Governance Practice**.

[Jow Jan Zen](#) has begun an internship stint at Reciprocus in August 2020, and has impressed the team with his drive and ability to give fresh perspectives. Jan Zen comes from an **entrepreneurial** family background (owners of a SME business in Singapore) which allows him to see things from the **perspectives of business owners** and better understand their business needs, thereby setting him up as an ideal partner and advisor to any client requiring our services.

2011 – 2021: This is the year of Reciprocus’ 10th Anniversary. Reciprocus has come a long way since its founding in 2011, and undoubtedly could not have gotten to where it is today without building close relationships with all our clients and partners, while always remaining open to new collaborations.

BIIA congratulates Reciprocus on its 10th anniversary and wishes it lots of success for the years to come. Special thanks to David Emery, the founder and CEO of Reciprocus who took the initiative in 2004 to rally industry members to form BIIA in 2005.



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INDUSTRY NEWS

Moody's Corporation 4Q 2020 Up 5%; FY 2020 Up 11%

Moody's Corporation 4Q 2020 revenue of \$1.3 billion, up 5% from 4Q 2019; FY 2020 revenue of \$5.4 billion up 11% from FY 2019

Moody's Investors Service (MIS) Fourth Quarter Revenue Up 2%

Revenue for MIS for the fourth quarter of 2020 was \$735 million, up 2% from the prior-year period. Foreign currency translation favorably impacted MIS revenue by 2%. The MIS adjusted operating margin was 48.3%.

Moody's Analytics (MA) Fourth Quarter Revenue Up 8%

Revenue for MA for the fourth quarter of 2020 was \$555 million, up 8% from the prior-year period. Organic MA revenue¹ was \$538 million, up 7% and excluded the impact of the divestiture of Moody's Analytics Knowledge Services (MAKS) and acquisitions completed in the past twelve months. Foreign currency translation favorably impacted total MA revenue by 2%. The MA adjusted operating margin was 28.4%.

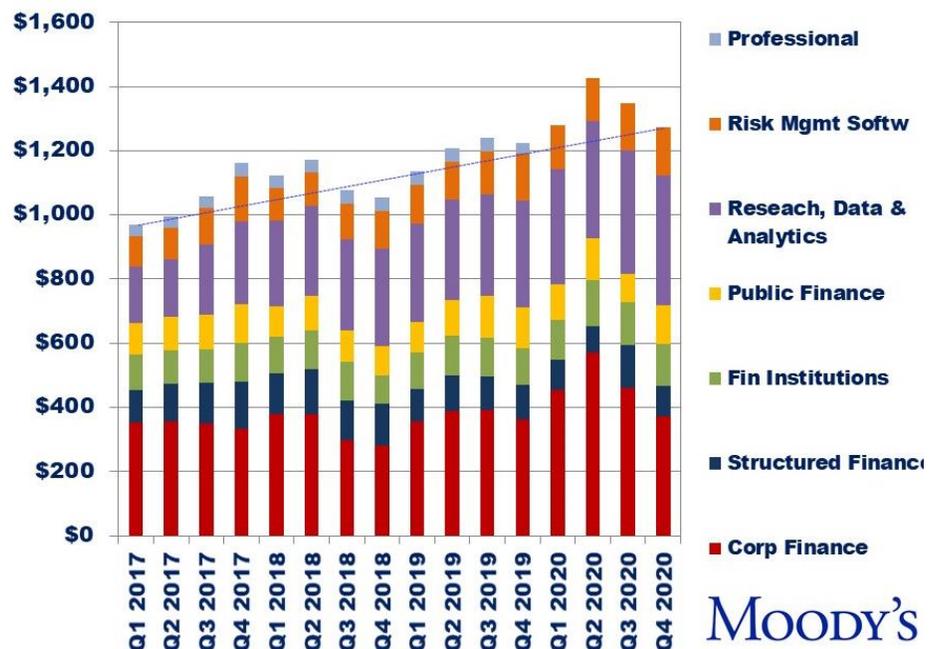
Full Year Revenue Up 11%

Moody's Corporation reported revenue of \$5.4 billion for full year 2020, up 11% from the prior-year period. The impact of foreign currency translation was negligible.

MIS revenue totaled \$3.3 billion, up 15% from the prior-year period. The impact of foreign currency translation was negligible. The MIS adjusted operating margin was 59.7%. Continued on next page

MA revenue totaled \$2.1 billion, up 6% from the prior-year period. Organic MA revenue¹ was \$2.0 billion, up 8% and excluded the impact of the divestiture of MAKS and acquisitions completed in the past twelve months. The impact of foreign currency translation was negligible. The MA adjusted operating margin was 29.4%.

Source: Moody's Earnings Release



MOODY'S

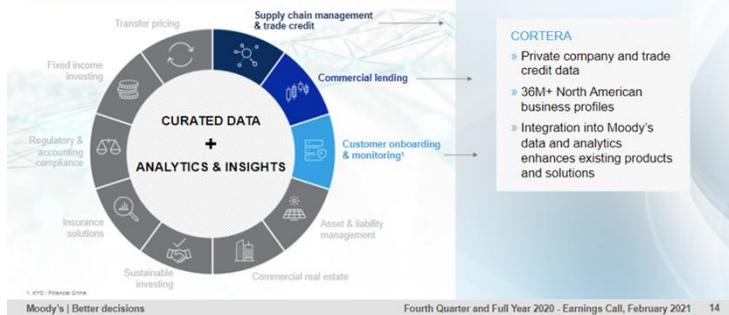
INDUSTRY NEWS

Moody's Acquires Cortera

"We are now in commercial credit" were the comments of CEO Rob Fauber on Moody's intention to acquire Cortera. He also explained how it will fit with other recent acquisitions.

"We're excited about the valuable assets that they're going to add to the Moody's portfolio including a world-class database on private companies in North America and one of the most comprehensive databases of commercial credit information, featuring data and analytics on over 36 million companies. And we plan to integrate Cortera data into our offerings to better serve several markets, including commercial lending, customer onboarding, supply chain management, and by combining the data from Cortera with Moody's proprietary analytics, we look forward to helping our shared customer base make better decisions about their business relationships."

Integrated Risk Assessment in Action: Cortera Data Utilized Across Several Markets



Bringing it All Together

Comprehensive suite of data assets to serve a range of use cases, including KYC, compliance and anti-financial crime

~\$525M ANNUAL SALES¹

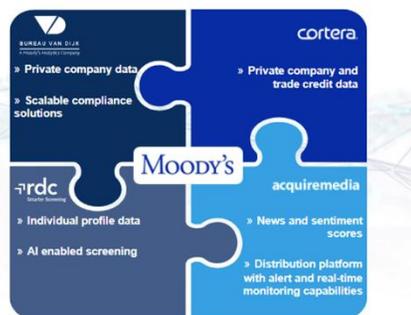
High-teens growth % ANNUAL GROWTH RATE²

KYC AND COMPLIANCE USE CASE

>\$200M ANNUAL SALES¹

25%+ ANNUAL GROWTH RATE²

1. IFRS Roma full year 2020 sales including RDC and Acquire Media.
2. Estimated 2021 growth rate.



"In 2020, Moody's Analytics generated approximately \$525 million in annual sales of these solutions and we expect them to produce high teens growth in 2021. The know your customer and compliance use case in particular, is generating over \$200 million in annual sales and is projected to grow by over 25% in 2021, continuing to be our fastest growing risk assessment market."

"Cortera is an interesting example. Because there's a company where we were able to acquire data that we thought was very valuable across multiple customer segments and risk assessment use cases. So that's very attractive." And "Collectively, our company in reference data business, is growing sales is something like the high teens. So that suite of data products is performing very well. And we're continuing to look at opportunities to complement that Orbis data and you've seen us do that with RDC. That's where we got all the people data, Acquire Media, with all the adverse media and **the Cortera acquisition, giving us even more data on private companies and commercial credit.**" **Source: Comments by Rob Tauber CEO as per the earnings call transcript.**

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INDUSTRY NEWS

S&P Global Reports Q4 2020 Revenue up 8%; Full Year Revenue Up 11%

S&P Global (NYSE: SPGI) reported fourth quarter 2020 revenue of \$1.87 billion, an increase of 8% compared to the same period in 2019 with growth in all four businesses.

For the full year, revenue increased 11% to \$7.44 billion. 2020 net income increased 10% to \$2.34 billion and diluted earnings per share increased 12% to \$9.66. 2020 adjusted net income increased 20% to \$2.83 billion and adjusted diluted earnings per share increased 23% to \$11.69.

IHS Markit Merger Update: The Company's Form S-4 became effective January 22, 2021. Both companies have established a record date of January 19, 2021 for the respective shareholder votes which will take place on March 11, 2021. The Company is also seeking regulatory approval in several countries and that process is underway.

S&P Dow Jones Indices: 4th Quarter, 2020: Revenue increased 10% to \$257 million in the fourth quarter of 2020. Revenue improved primarily due to increased asset-linked fees. Average AUM in exchange-traded funds based on S&P DJI's indices was \$1.9 trillion in the quarter, an increase of 16% versus the fourth quarter of 2019.

2020: Revenue increased 8% to \$989 million and operating profit increased 5% to \$666 million. Operating profit margin decreased 150 basis points to 67.4%. Operating profit attributable to the Company increased 5% to \$485 million. Adjusted operating profit increased 7% to \$684 million. Adjusted operating profit margin decreased 40 basis points to 69.1%. Adjusted operating profit attributable to the Company increased 7% to \$503 million.

Ratings: 4th Quarter, 2020: Revenue increased 7% to \$881 million. Organic revenue grew 5%. Non-transaction revenue increased 15% to \$451 million during the quarter due to increased activity associated with surveillance, frequent issuer programs, Rating Evaluation Service, and new entity ratings as well as revenue from the acquisitions of Greenwich Associates by CRISIL and the ESG Ratings Business from RobecoSAM. Transaction revenue was relatively unchanged at \$430 million in the fourth quarter as increases in bank loan ratings revenue were offset by a decrease in bond issuance compared to a very strong fourth quarter in 2019.

2020: Revenue increased 16% to \$3.61 billion and organic revenue increased 15% primarily due to increased global corporate bond issuance offset partially by lower structured finance bond issuance and bank loan rating revenue. Operating profit increased 25% to \$2.22 billion and operating profit margin improved 420 basis points to 61.6%. Adjusted operating profit increased 25% to \$2.25 billion compared to 2019 and adjusted operating profit margin improved 460 basis points to 62.4%.

Platts: 4th Quarter, 2020: Reported revenue increased 5% to \$223 million with growth in the core subscription business partially offset by decreased Global Trading Services activity. Operating profit decreased 9% to \$100 million and operating profit margin decreased 680 basis points to 44.8% primarily due to restructuring expense. Adjusted operating profit increased 3% to \$115 million and adjusted operating profit margin decreased 100 basis points to 51.7%.

2020: Revenue increased 4% to \$878 million and organic revenue increased 4%. Operating profit was relatively unchanged at \$458 million and operating profit margin decreased 200 basis points to 52.1%. Adjusted operating profit increased 8% to \$480 million and adjusted operating profit margin improved 230 basis points to 54.7%.

To be continued next page

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BIIA Newsletter

Market Intelligence - Industry Development & Trends - Information Technology - Regulatory Issues - User Community

BIIA NEWSLETTER ISSUE 02 II - 2021

INDUSTRY NEWS

S&P Global Q4 2020 Results – Continued from previous page

Market Intelligence: 4th Quarter, 2020: Reported revenue increased 8% to \$542 million in the fourth quarter with growth in Data Management Solutions, Desktop, and Credit Risk Services. Organic revenue grew 7%. Operating profit decreased 11% to \$120 million and operating profit margin declined 470 basis points to 22.2%, primarily due to restructuring expense. Adjusted operating profit increased 2% to \$166 million and adjusted operating profit margin decreased 160 basis points to 30.7%.

2020: Revenue increased 8% to \$2.11 billion and organic revenue increased 7%. Operating profit increased 4% to \$589 million and operating profit margin decreased 90 basis points to 28.0%. Adjusted operating profit grew 9% to \$683 million and adjusted operating profit margin improved 30 basis points to 32.4%.

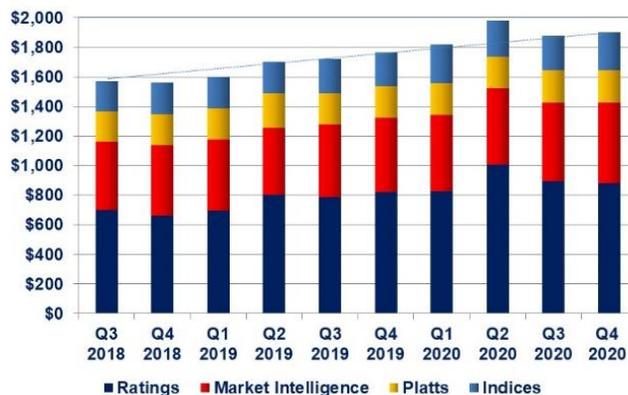
Market Intelligence launched numerous products including S&P Global ESG scores covering 7,300 companies and true cost climate analytics and environmental data that contain environmental data on 15,000 companies. These are both available on the Market Intelligence platform or is a data feed. In Indices, ESG exchange traded funds assets under management increased by more than 200% to \$20 billion and the year was filled with new ESG indices being introduced and our customers creating new ETFs and options.

S&P developed Kensho Link, a tool that enabled it to have data sets on 11 million entities from Creditsafe, Preqin and IPQwery. This tool is also available clients to link data sets. Taken together, cognitive automation from Kensho Link, Kensho Scribe, and several other machine learning tools have delivered an estimated 700,000 hours of savings. Other product introductions includes RiskGauge with data on over 50 million SMEs.

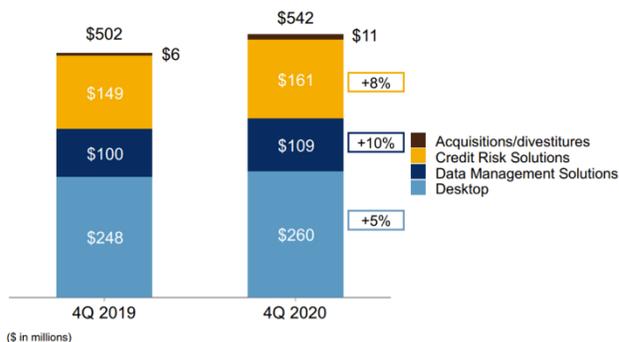
In conjunction with the Markit merger, Martina Cheung will move from Market Intelligence to lead Ratings. Martina will also be responsible for leading ESG across the company. Adam Kansler will lead Market Intelligence and Financial Services.

Source: [S&P Global Earnings Report](#)

Revenues in US\$ Millions



Revenue



S&P Global

Acquisitions revenue primarily from 451 Research; divestitures include SPIAS and the IR web hosting business. Details may not sum to total due to rounding

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INDUSTRY NEWS

GBG and InnoValor Team Up to Tackle Fraud in Digital Surge from Covid

GBG, the global specialist in identity data intelligence, has announced an enhanced partnership with leading Near-Field Communication (NFC) technology provider InnoValor, to implement their patented ReadID technology into GBG's suite of identity verification and fraud prevention tools. This combination of innovative technologies paves the way for simpler onboarding, a seamless user experience, and improved digital trust.



GBG's suite of identity verification tools already help 20,000 businesses globally to deliver a seamless, yet robust onboarding process to end users. Their IDScan technology allows users to onboard quickly, verify an individual in 5 seconds or less, and uses the latest InnoValor technology – ReadID – to validate, extract data and inspect documents direct from smartphones for 100% accurate results, 100% of the time (when compared to open-source tools and data).

InnoValor's ReadID technology provides user friendly, scalable and secure identity verification across document types, including ePassports, ID document, and residence permits using NFC. It works on all modern smartphones, using the same capability that enables contactless payments. It allows to verify an individual's identity in seconds, providing a higher level of security at a lower cost with a better user experience. GBG's decision to partner with InnoValor over open-source options stems from their ability to provide additional protection measures against cloning of the NFC chip, resulting in a greater level of risk mitigation, when compared to other solutions. **To read the full story click on [this link](#).**

Arachnys Partner with GD Financial Markets to Accelerate KYC Remediation

Arachnys, one of the market-leading platforms that accelerates onboarding for financial institutions with intelligent KYC and AML data, announces a strategic partnership with GD Financial Markets (GDFM).



This new partnership takes a pragmatic approach to delivering business consulting, managed service and remediation solutions to financial services and real estate and other high-risk industries that are suffering from operational bottlenecks and KYC and AML backlogs. Arachnys will be the data and technology partner to power GDFM's pool of experienced paralegals and compliance analysts, allowing financial institutions to achieve compliance at an acceptable cost without sacrificing quality and control.

Arachnys and GDFM offer a "frictionless KYC & AML" approach which is made up from unparalleled KYC & AML global data sources, a high level of automation, and straight through processing (STP), ultimately reducing many of the friction points associated with traditional KYC processes.

Whilst both parties are free to work with other providers (to allow for the inevitable flexibility required by some clients), Arachnys and GDFM are committed to delivering programmes of continuous improvement as well as high standards of quality assurance and control. This includes leveraging Arachnys' ability to supply accurate and transparent files with a full audit history. **To read the full story click on [this link](#).**

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INDUSTRY NEWS

GLEIF Unveils Issuance and Infrastructure Models for Verifiable LEI

The Global Legal Entity Identifier Foundation (GLEIF) unveils the issuance and technical infrastructure models for its recently announced verifiable LEI (vLEI) system. A vLEI is a secure digital attestation of a conventional LEI. When fully developed, the vLEI will enable instant and automated identity verification between counterparties operating across all industry sectors, globally.



A secure chain of trust for vLEI issuance: GLEIF has designed all vLEIs in the form of Verifiable Credentials, in accordance with the World Wide Web Consortium's open standard Verifiable Credentials Data Model. This process establishes GLEIF as the digital 'root of trust' and enables GLEIF to safeguard the integrity of the trust chain. Each vLEI must be issued by a GLEIF-certified vLEI issuer to a legal entity client that has an LEI. Once obtained, the vLEI can be used as a basis to issue additional credentials to members of the organization.

The vLEI issuance process has been designed in full accordance with standards of the Linux-based Trust over IP Foundation, of which GLEIF is a contributing member.

Independent, open and interoperable infrastructure: To fulfil its global potential, the vLEI system will interoperate seamlessly and securely with all technology models, e.g., blockchain, distributed ledger consortia by adopting a 'network of networks' approach. To accomplish this, GLEIF will leverage the Key Event Receipt Infrastructure (KERI) protocol to develop the vLEI's technical underpinnings.

KERI provides a cryptographic development framework enabling vLEIs to be anchored and verified without requiring a self-sovereign identity, blockchain or distributed ledger utility network to operate. Using the KERI protocol, vLEIs can be created and utilized independently of any specific company or organization, with the highest levels of security, privacy and ease of use. KERI also enables GLEIF and the vLEI trust ecosystem to operate under GLEIF's governance framework.

The vLEI technical infrastructure will enable the vLEI's cryptographic keys to be generated and controlled directly by GLEIF, by vLEI Issuers and by vLEI holders, in accordance with the legal requirements in many jurisdictions. Each party will maintain full, independent control and portability across systems. This allows GLEIF and its vLEI issuing ecosystem to take advantage of all blockchain, distributed ledger, self-sovereign identity and other cloud-based public utilities to notarize cryptographic actions or transactions, maximizing interoperability and flexibility in the vLEI system.

When complete, the vLEI will give government organizations, companies and other legal entities worldwide the capacity to use non-repudiable identification data pertaining to their legal status, ownership structure and authorized representatives in a growing number of digital business activities, such as approving business transactions and contracts, onboarding customers, transacting within import/export and supply chain business networks and submitting regulatory filings and reports.

For further information contact: Elisabeth Dean, at elisabeth@iseepr.co.uk +44 (0) 113 350 1922 or <https://www.gleif.org/en> **Source: GLEIF Organization Press Release**

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