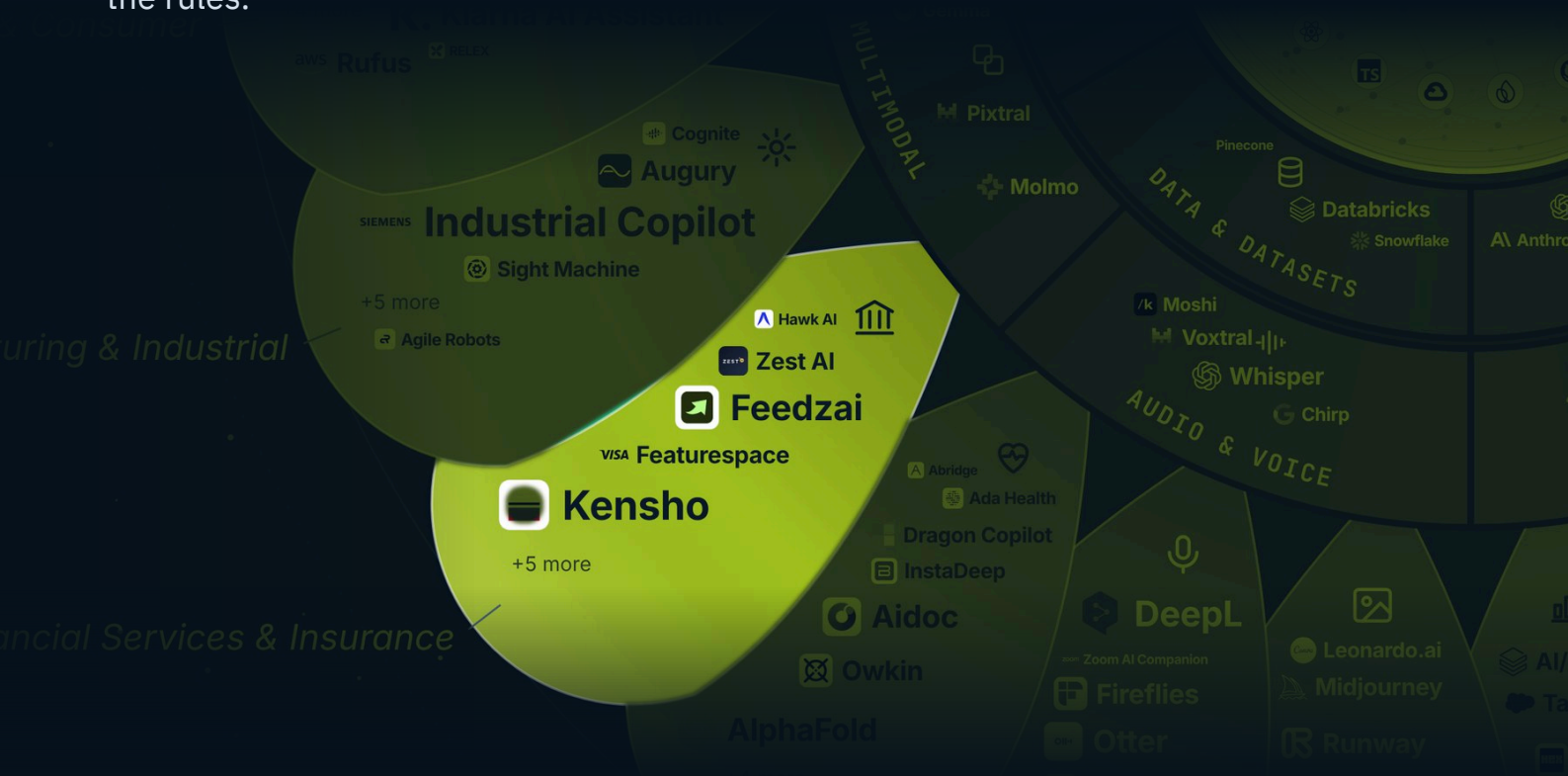
ETHORITY®
AI BUSINESS OPERATING SYSTEM

SECTOR BRIEF

GOOD AI PRISM · SECTOR BRIEF 2026/27 · FINANCIAL SERVICES & INSURANCE

79% of Japan's financial institutions use GenAI.

Put AI to work in banking and insurance: where AI already decides, detects and advises, what the market offers and the rules.



79%

of Japanese financial institutions use generative AI, up from 31% two years earlier

BANK OF JAPAN, 2026

28

AI offerings mapped in Financial Services & Insurance

GOOD AI PRISM, OCT 2026

2 Dec 2027

EU high-risk duties for credit scoring and life and health insurance pricing apply

EU AI ACT, AS AMENDED 2026

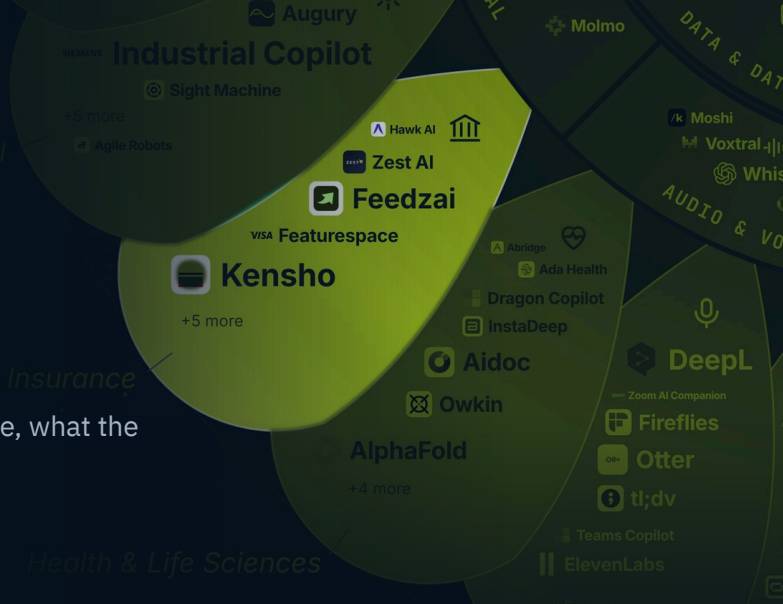
GLOBAL EDITION · EN · v1.1 · OCT 2026

Created by Sten Franke with a people and governance lens by Severin L. Wilson

Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

In this brief.

Where AI already decides, detects and advises in finance, what the market offers, and the rules by jurisdiction.



Good AI Prism v3.12 · Financial Services & Insurance petal lit · wide strip · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

01	AI moves from fraud models to generative assistants.	4
02	AI changes work in finance, not yet the headcount.	8
03	Credit scoring and pricing turn high-risk.	12
04	28 AI offerings, from the fraud desk to the pricing team.	18
05	Prove AI is accurate, fair and controlled.	22
Glance	At a glance: six numbers on AI in finance	3
ETHORITY	The problem, how ETHORITY helps, about ETHORITY	28
Method	Method and sources	31
Imprint	Imprint, licence and lineage	33

ABOUT THIS BRIEF

Market figures come from the Good AI Prism 2026/27 study dataset: every entry is recorded with a dated source from the provider's own pages. Job groups are ETHORITY's classification. External figures name their source, population and date; populations differ between countries and are not combined. This brief is not legal or financial advice.

AT A GLANCE

Finance is where AI meets money, risk and trust.

Banks and insurers were early users of machine learning for fraud, credit and pricing. Generative AI now spreads into service, research and operations, while the decisions that matter most to customers become regulated as high-risk.

This brief applies the Good AI Prism Market Study 2026/27 to one industry: financial services and insurance. It combines the study's market map of 28 AI offerings with current research on adoption, workforce and rules across major jurisdictions. Europe is ETHORITY's hub market and Germany its home and test market, so both get the closest look. The brief ends with the questions to settle before a pilot and with how ETHORITY helps.

READ ON

The Financial Services & Insurance area hub and the neighbouring Finance & Accounting area and the Good AI Prism Market Study.

75%

of UK financial firms already use AI; a further 10% plan to within three years

BOE/FCA, NOV 2024

65%

of European insurers have implemented generative AI; 23% plan to

EIOPA SURVEY, FEB 2026

50%

of finance and insurance establishments in Germany used generative AI in 2025, twice the average

IAB, 2026

79%

of 150 Japanese financial institutions use generative AI in FY2026, up from 31%

BOJ

29

US jurisdictions have adopted the NAIC model bulletin on AI in insurance

OCT 2026

$486bn

lost worldwide to fraud scams and bank fraud in 2023

NASDAQ GLOBAL FINANCIAL CRIME REPORT

01

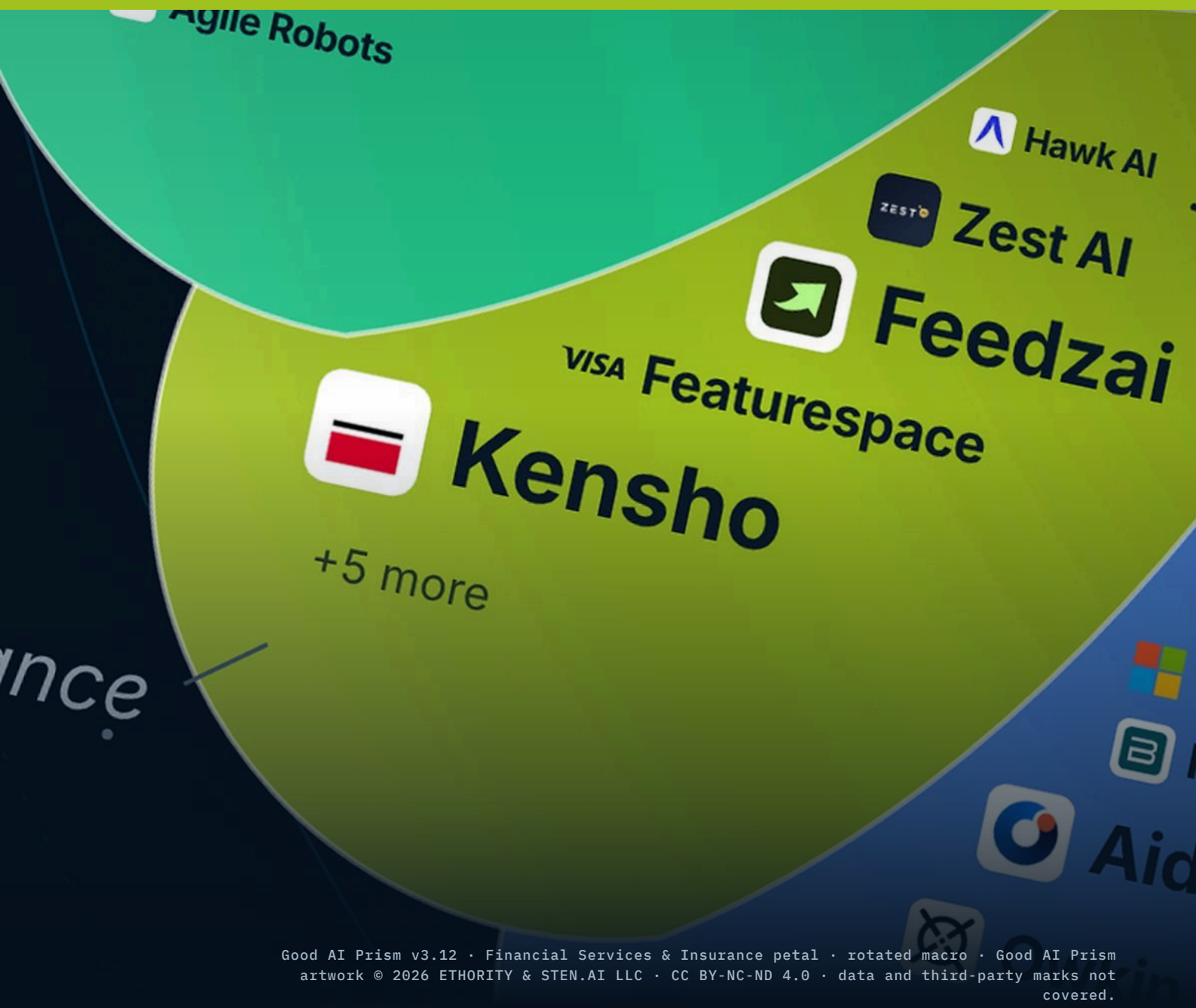
AI moves from fraud models to generative assistants.

AI use in finance is high and still rising. Three in four UK financial firms used AI in 2024. Two thirds of European insurers have implemented generative AI, and in Japan the share of institutions using it rose from 31% to 79% in two years (Bank of Japan report).

Financial Services & Insurance

IN THIS CHAPTER

THREE IN FOUR UK FIRMS · 6
GERMANY'S FINANCE SECTOR USES GENERATIVE AI · 7



Good AI Prism v3.12 · Financial Services & Insurance petal · rotated macro · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

79%

of 150 Japanese financial institutions use generative AI in FY2026, up from 31% two years earlier

BANK OF JAPAN, FINANCIAL SYSTEM REPORT, AUG 2026

WHERE FINANCE STANDS

Three in four UK firms already use AI.

75%

of UK financial firms already use AI; a further 10% plan to within three years

BOE/FCA, NOV 2024

AI use in finance is high and still rising. Three in four UK financial firms used AI in 2024, and foundation models already made up 17% of their use cases (BoE/FCA survey, Nov 2024). In Japan the share of financial institutions using generative AI rose from 31% to 79% in two years (Bank of Japan report). Two thirds of European insurers have implemented generative AI, across 957 reported use cases (EIOPA survey, Feb 2026).

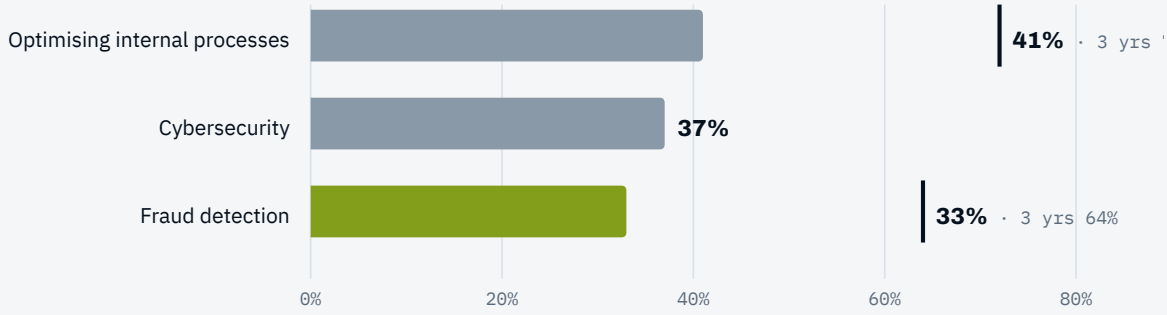
Firms expect the largest growth in customer support and compliance.

BOE/FCA, NOV 2024

EXHIBIT 1.1

Process optimisation, cybersecurity and fraud detection lead today.

Share of firms using AI for each purpose today; marker: expected total within three years



Source · Bank of England and FCA, Artificial intelligence in UK financial services, 21 Nov 2024 · 118 firms

WHERE FINANCE STANDS

Germany's finance sector uses generative AI at twice the average.

Internal process optimisation, cybersecurity and fraud detection lead today, and firms expect the largest growth in customer support and compliance. In Germany, ETHORITY's test market, half of all finance and insurance establishments used generative AI in 2025, twice the average across the economy (IAB Kurzbericht 8/2026).

50%

of finance and insurance establishments in Germany used generative AI in 2025, twice the average

IAB, 2026

65%

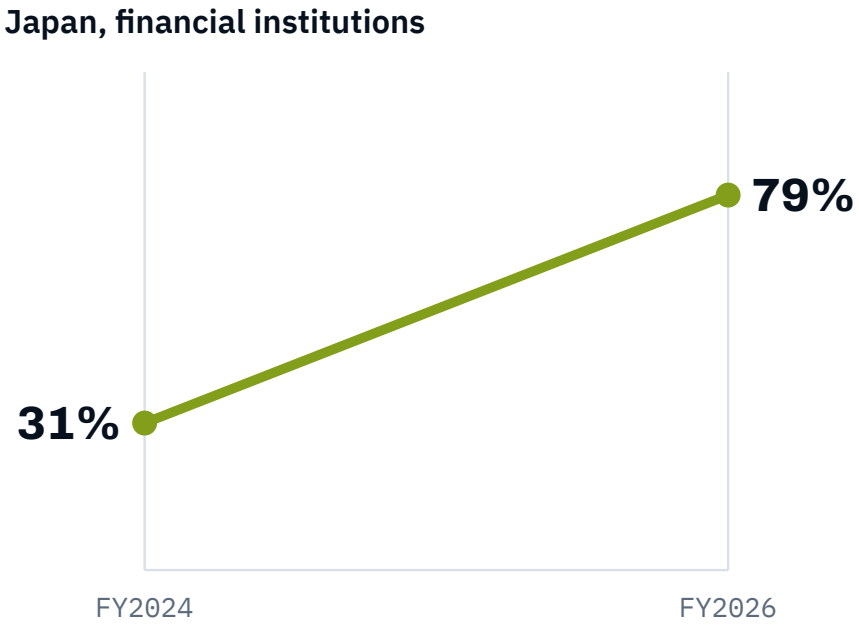
of European insurers have implemented generative AI; 23% plan to

EIOPA SURVEY, FEB 2026

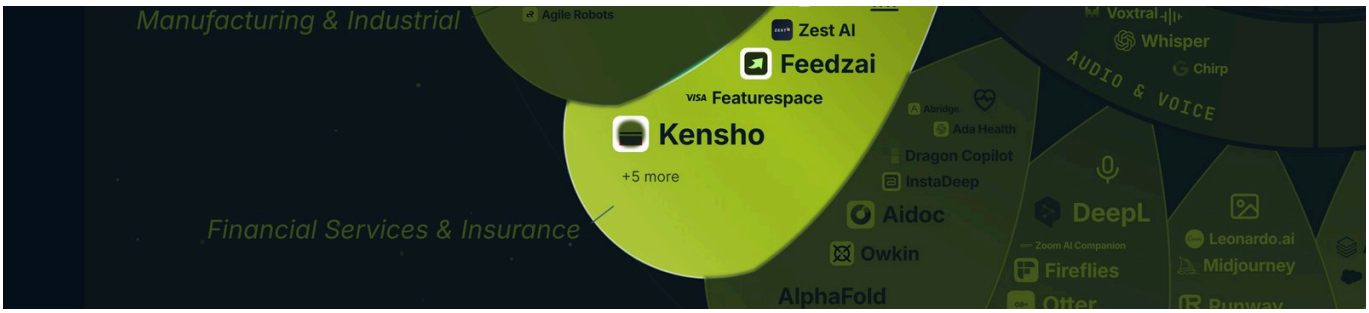
EXHIBIT 1.2

Japan went generative in two years: 31% to 79%.

Share of Japanese financial institutions using generative AI



Source · Bank of Japan, Financial System Report annex, Aug 2026 · 150 institutions, FY2026



Good AI Prism v3.12 · Financial Services & Insurance petal lit · wide band through the petal and its neighbours · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

02

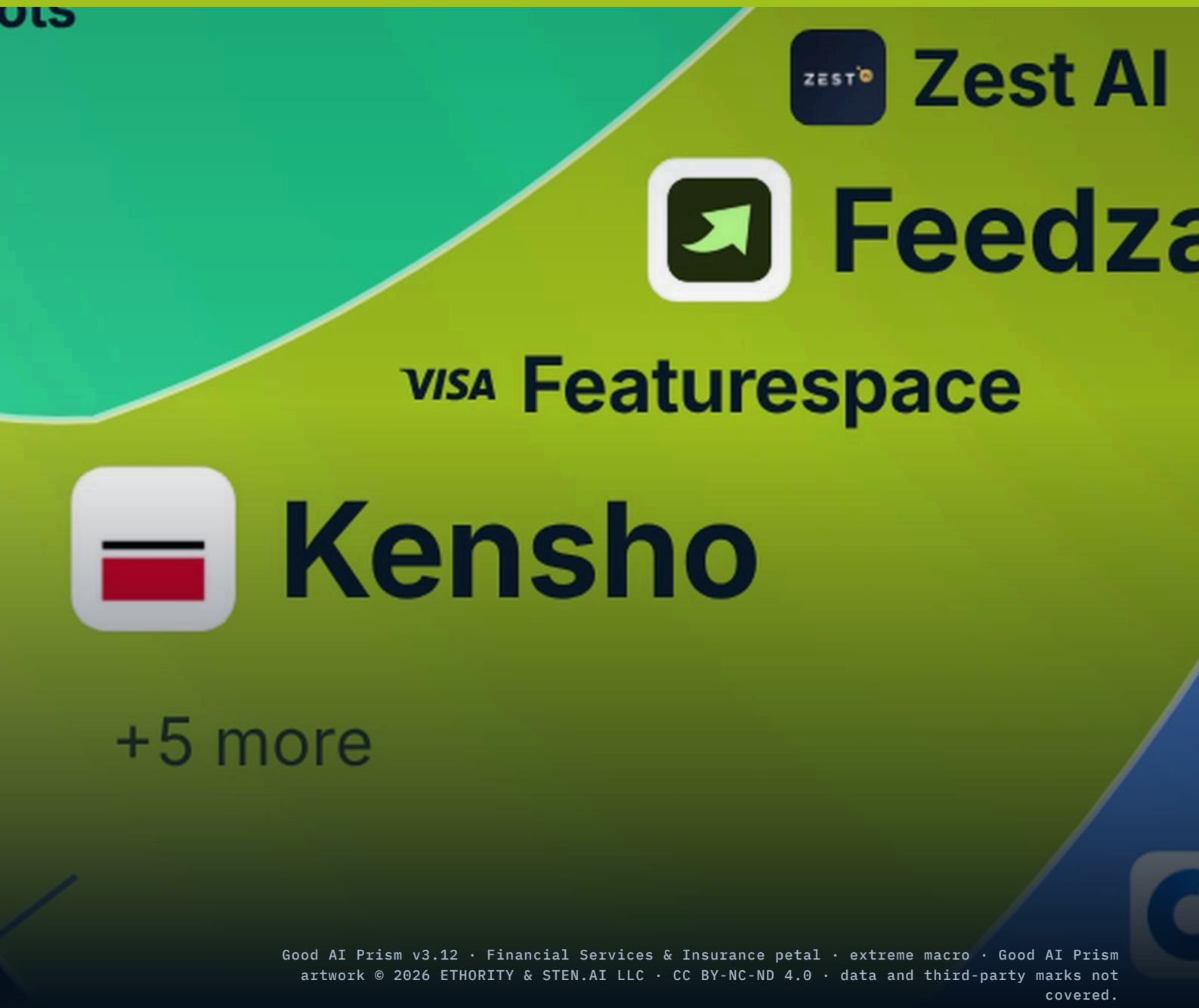
AI changes work in finance, not yet the headcount.

Finance employs large, experienced workforces facing a wave of retirements. The European Central Bank finds no significant difference in hiring or firing between firms that use AI and those that do not. Customers move faster than many institutions expect: a quarter of Germans have already asked an AI tool about money.

Financial Services & Insurance

IN THIS CHAPTER

LARGE, EXPERIENCED WORKFORCES · 10
CUSTOMERS MOVE FASTER · 11



Good AI Prism v3.12 · Financial Services & Insurance petal · extreme macro · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

215,600

people employed by German insurers at the end of 2025

AGV VERSICHERUNGEN, SOZIALSTATISTISCHE DATEN 2025

THE WORKFORCE SIDE

Large, experienced workforces meet AI.

215,600

people employed by German insurers at the end of 2025

AGV VERSICHERUNGEN

199,824

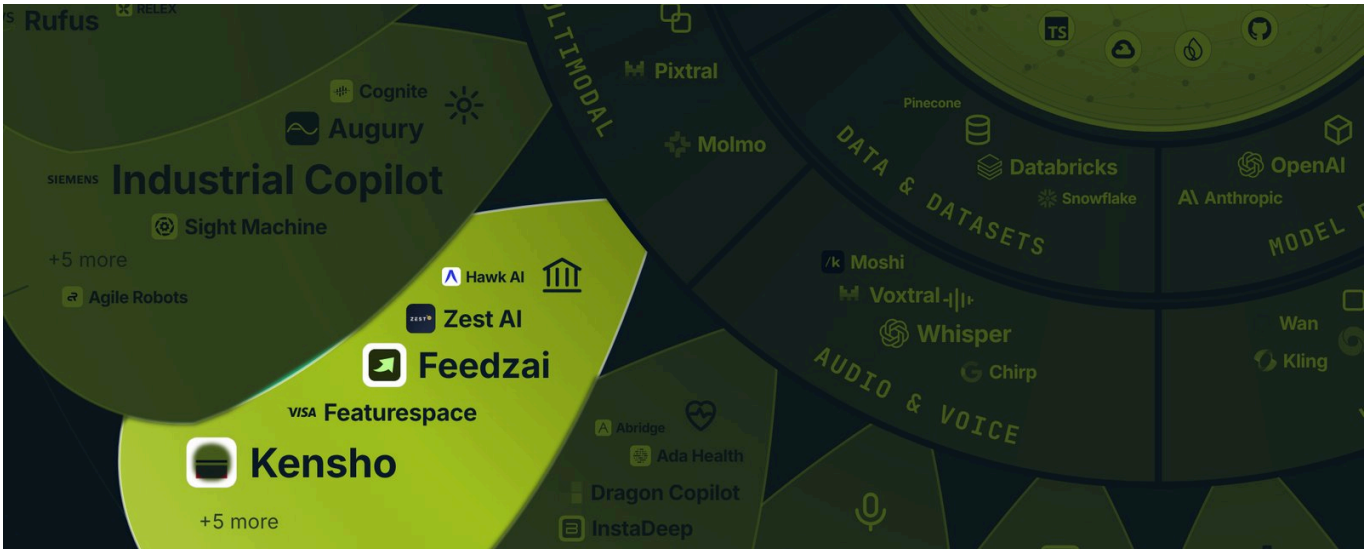
employees of German savings banks at the end of 2025

DSGV

Finance employs large, experienced workforces facing a wave of retirements. Germany's insurers employ 215,600 people and its savings banks almost 200,000. The European Central Bank finds no significant difference in hiring or firing between firms that use AI and those that do not; firms that use AI intensively are slightly more likely to hire.

Firms that use AI intensively are slightly more likely to hire.

ECB BLOG, 4 MAR 2026



Good AI Prism v3.12 · Financial Services & Insurance petal lit · petal, data spectrum and technical DNA rings · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

THE WORKFORCE SIDE

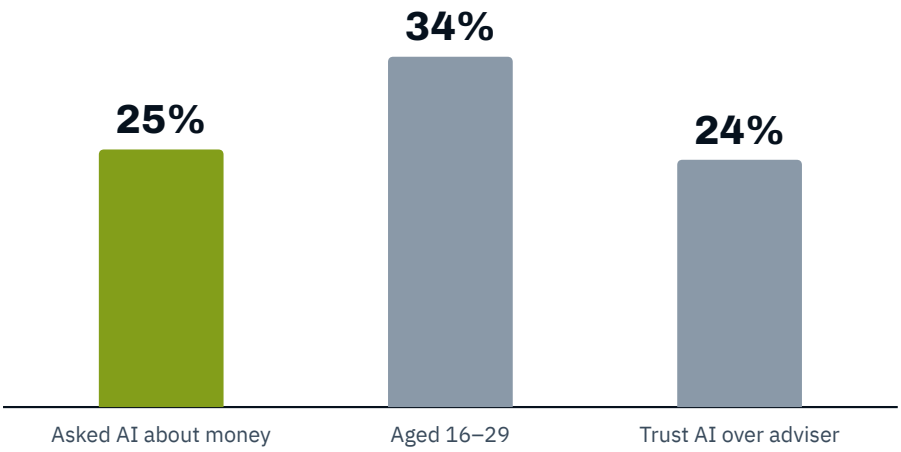
Customers move faster than many institutions.

Customers move faster than many institutions expect: a quarter of Germans have already asked an AI tool about money, a third of those aged 16 to 29, and 62% say AI raises their fear of fraud (Bitkom, Digital Finance 2026).

EXHIBIT 2.1

A quarter of Germans already ask AI about money.

Share of German internet users, 2026



Source · Bitkom, Digital Finance 2026 · 1,004 respondents

62%

say AI raises their fear of financial fraud

BITKOM, DIGITAL FINANCE 2026

34%

of 16- to 29-year-olds have asked AI about money

BITKOM, DIGITAL FINANCE 2026



Good AI Prism v3.12 · Financial Services & Insurance petal lit · outer edge with the area label · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

03

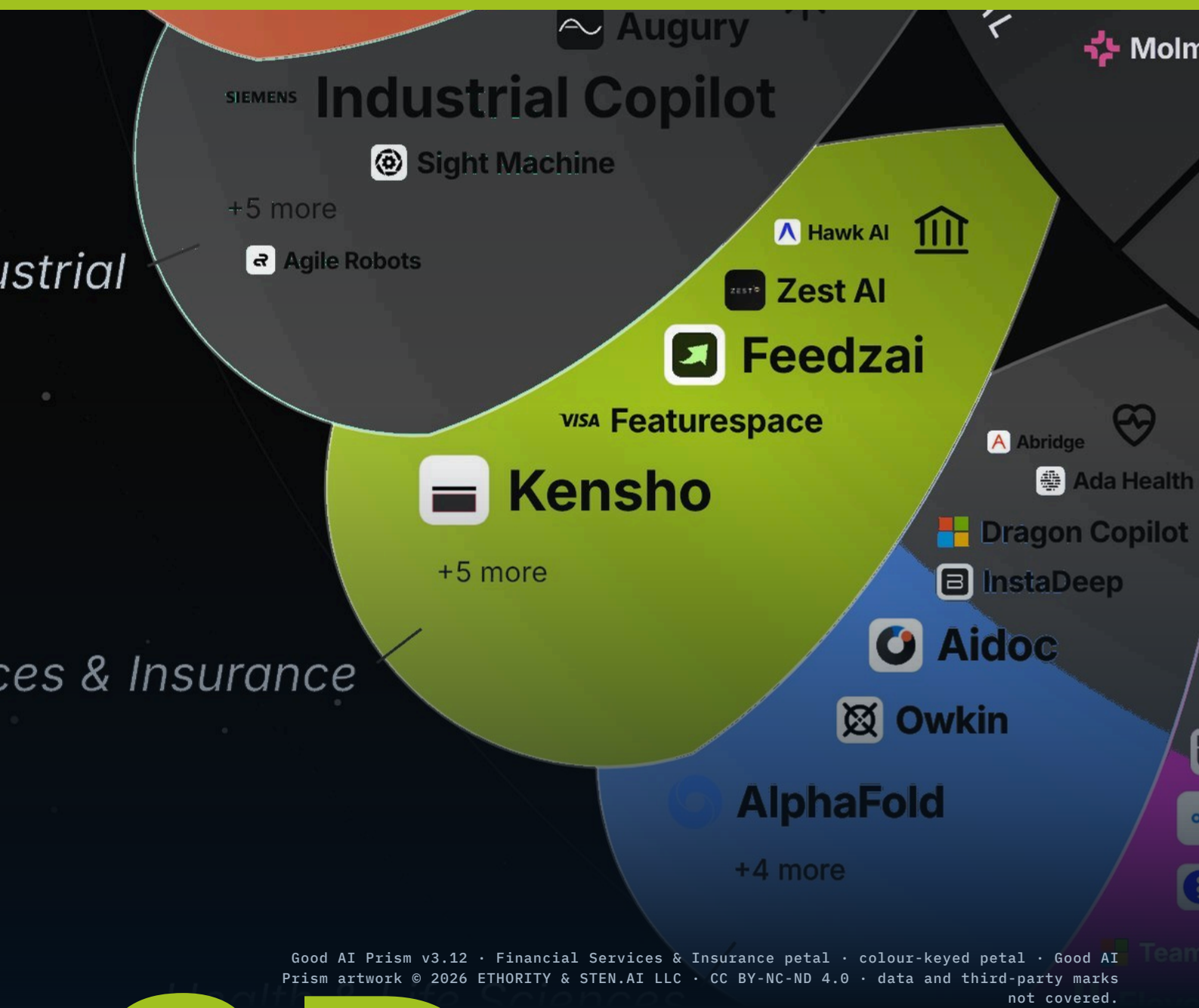
Credit scoring and pricing turn high-risk.

ETHORITY reads the rules by jurisdiction. Europe is the hub market: the AI Act adds high-risk duties for credit scoring and life and health insurance pricing on top of prudential rules, DORA and consumer credit law. Germany, the home and test market, adds supervisory guidance and the case law on credit scoring. The next pages map the other major jurisdictions.

IN THIS CHAPTER

EUROPEAN UNION: · 14
GERMANY, THE HOME AND TEST MARKET, · 15
RULES BY JURISDICTION: EUROPE AND THE AMERICAS · 16
RULES BY JURISDICTION: ASIA-PACIFIC AND THE MIDDLE EAST · 17

Financial Services & Insurance



Good AI Prism v3.12 · Financial Services & Insurance petal · colour-keyed petal · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

2 Dec 2027

EU high-risk duties for credit scoring and life and health insurance pricing apply

REGULATION (EU) 2026/1744, DIGITAL OMNIBUS ON AI

THE RULES

European Union: the hub market.

EXHIBIT 3.1

The EU clock for finance runs from 2025 to 2027.

Dates for AI in banking and insurance; green: AI Act high-risk duties



Source · Regulation (EU) 2024/1689 as amended by Regulation (EU) 2026/1744; DORA; CCD2

DATES

AI Act dates as amended by the Digital Omnibus on AI, Regulation (EU) 2026/1744, in force since 27 July 2026. EIOPA explains how insurance governance applies to AI (Opinion, Aug 2025); the EBA sees no significant contradictions between the AI Act and banking law (Nov 2025).

17 Jan 2025 · DORA	Digital operational resilience applies: ICT risk, incident and third-party rules cover AI systems and cloud models.
2 Feb 2025 · In force	Prohibited AI practices apply; providers and deployers take measures to support AI literacy (Art. 4, as amended).
20 Nov 2026 · CCD2	Consumer Credit Directive 2: with automated creditworthiness assessment, consumers can ask for human intervention, an explanation and to contest the decision.
2 Dec 2027 · Annex III	High-risk: creditworthiness assessment and credit scoring of natural persons (5b, fraud detection excluded) and risk assessment and pricing in life and health insurance (5c). Deployers run a fundamental-rights impact assessment.

The AI Act classifies uses, not products.

REGULATION (EU) 2024/1689, ART. 6 AND ANNEX III

THE RULES

Germany, the home and test market, adds its own building blocks.

- BaFin principles for algorithms in decision-making (2021): governance, explainability and validation.
- BaFin guidance on ICT risks when using AI under DORA (Dec 2025), for banks and insurers.
- Court of Justice ruling C-634/21 (SCHUFA, Dec 2023): a credit score that plays a determining role in a lending decision is an automated decision under GDPR Art. 22.

EIOPA explains how insurance governance applies to AI (EIOPA Opinion, Aug 2025); the EBA sees no significant contradictions between the AI Act and banking law (EBA report, Nov 2025).

Art. 22

GDPR: a credit score that plays a determining role in a lending decision is an automated decision

CJEU C-634/21, DEC 2023



Good AI Prism v3.12 · Financial Services & Insurance petal lit · outer arc of the industries · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

RULES BY JURISDICTION · EUROPE AND THE AMERICAS

Where you lend and insure decides which rules apply.

Rules for AI in finance combine model risk, consumer and data law. The EU adds high-risk duties; the UK and US rely on supervisory guidance; US insurance rules come from the states. Status October 2026.

JURISDICTION	INSTRUMENT	APPLIES	WHAT IT MEANS FOR FINANCE
European Union · hub market	AI Act as amended; DORA; CCD2; GDPR Art. 22	DORA since Jan 2025; CCD2 from 20 Nov 2026; Annex III from 2 Dec 2027	Credit scoring and life and health pricing are high-risk; model governance must meet prudential rules and the AI Act together.
Germany · home market	BaFin algorithm principles; BaFin guidance on AI ICT risks; SCHUFA ruling	In force; guidance non-binding	Supervisory expectations on governance and explainability; the legal basis for credit scoring is under review after the court ruling.
United Kingdom	PRA SS1/23 model risk management; FCA AI Live Testing	SS1/23 since May 2024; testing cohorts since Dec 2025	Principles-based, no AI statute; supervised live testing of AI with firms such as NatWest, Monzo and Santander.
Switzerland	FINMA Guidance 08/2024	Since Dec 2024	Expectations on governance, inventory, risk classification, data, explainability and independent review.
United States	Revised interagency model risk guidance (OCC, Fed, FDIC)	Since 17 Apr 2026	Replaces SR 11-7; generative and agentic AI are outside its scope; adverse-action duties under fair lending law remain.
US states	NAIC AI Model Bulletin; Colorado and New York insurance rules	Adopted in 29 jurisdictions by Oct 2026	Insurers need an AI programme, governance and testing for unfair discrimination.
Canada	OSFI Guideline E-23 Model Risk Management	From 1 May 2027	Explicitly covers AI and machine-learning models at federally regulated banks and insurers.

Credit scoring and life and health pricing become high-risk in the EU.

REGULATION (EU) 2024/1689, ANNEX III 5(B), 5(C)

RULES BY JURISDICTION · ASIA-PACIFIC AND THE MIDDLE EAST

Asia-Pacific and the Gulf: supervisors set expectations.

Across Asia-Pacific and the Gulf, central banks and financial supervisors publish principles and guidelines rather than statutes, with Korea's AI Basic Act as the exception.

JURISDICTION	INSTRUMENT	APPLIES	WHAT IT MEANS FOR FINANCE
China	NFRA and PBoC data security measures; NFRA guiding opinions on AI in banking and insurance	In force; opinions Jun 2026	Stronger controls for credit approval, underwriting and trading; human oversight; review of external models.
Japan	FSA AI Discussion Paper	Mar 2025	Soft law that encourages adoption and maps risks; 79% of institutions use generative AI.
South Korea	FSC AI guidelines for the financial sector; AI Basic Act	Since 22 Jun 2026	Seven principles: AI as an aid under human supervision, executives accountable.
Singapore	MAS FEAT principles; MAS guidelines on AI risk management	Consultation closed Jan 2026	Board oversight, AI inventory, materiality assessment and lifecycle controls, including generative AI and agents.
India	RBI FREE-AI framework	Report Aug 2025	Seven principles and 26 recommendations for regulated entities.
Australia	ASIC REP 798	Oct 2024	Governance lagged AI use at some licensees; existing conduct and licensing duties apply.
United Arab Emirates	CBUAE guidance note on responsible AI	Since 23 Feb 2026	Accountability, fairness, explainability, human oversight and data duties for all licensed institutions.

Sources: regulators and supervisors (EBA, EIOPA, BaFin, PRA, FCA, FINMA, OCC, Federal Reserve, FDIC, NAIC, OSFI, NFRA, PBoC, FSA, FSC, MAS, RBI, ASIC, CBUAE) and law-firm briefings. Status October 2026. Not legal advice.

Rule-makers set expectations by principle: MAS guidelines, RBI FREE-AI framework, FSA AI Discussion Paper and the CBUAE guidance note.

29

US jurisdictions have adopted the NAIC model bulletin on AI in insurance

NAIC, OCT 2026

04

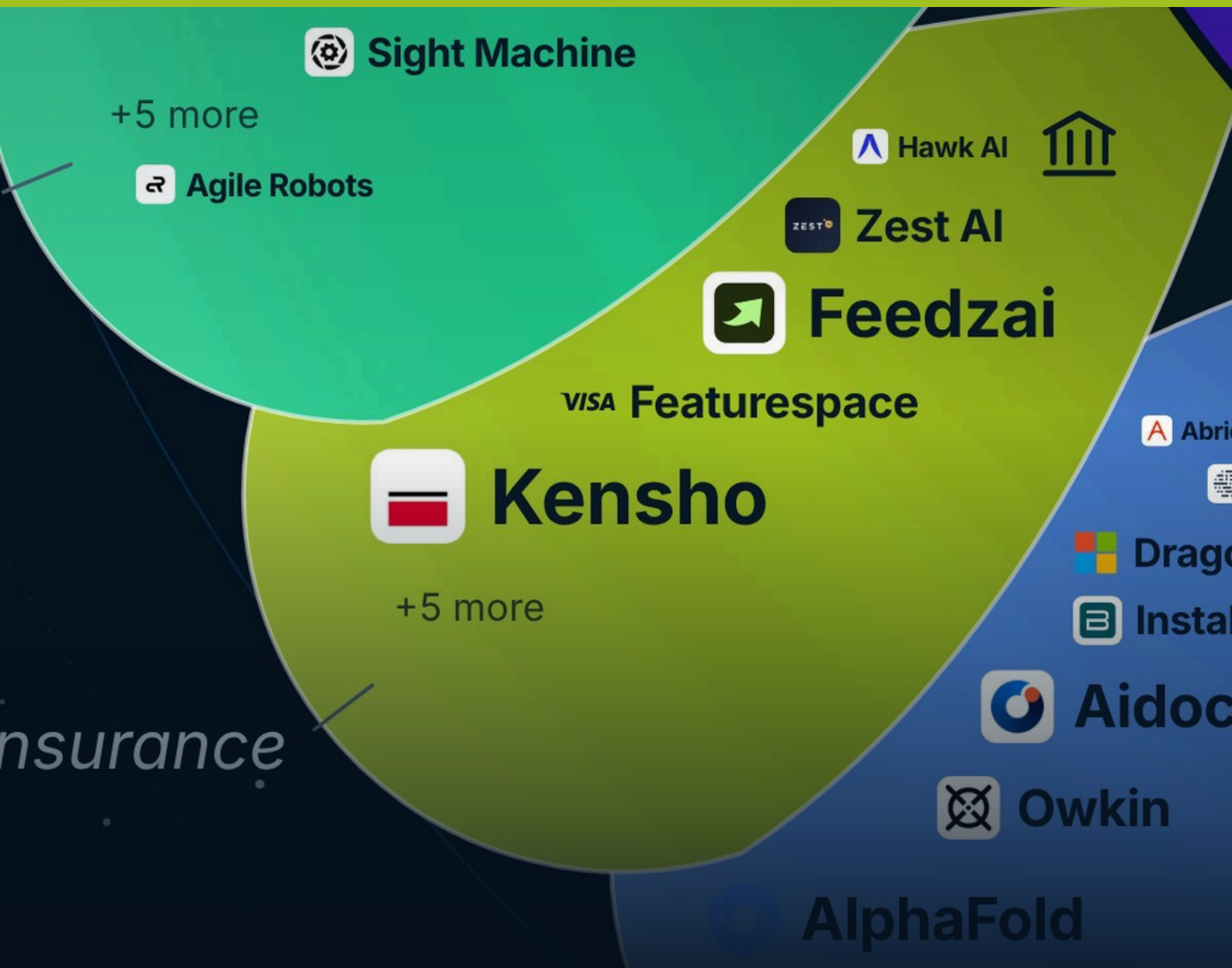
28 AI offerings, from the fraud desk to the pricing team.

The Good AI Prism 2026/27 places 28 offerings in Financial Services & Insurance. Eight fight fraud, financial crime and money laundering. Five support credit decisions and five handle insurance claims and claims fraud. Four price and underwrite insurance risk, three serve research and market intelligence, and three power banking assistants and personalisation.

Financial Services & Insurance

IN THIS CHAPTER

THE FINANCIAL SERVICES & INSURANCE MAP · 20
WHERE THE 28 PROVIDERS · 21



Good AI Prism v3.12 · Financial Services & Insurance petal · close-up · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

8

of the 28 mapped offerings fight fraud, financial crime and money laundering

GOOD AI PRISM 2026/27 STUDY DATASET, OCT 2026

THE MARKET MAP

The Financial Services & Insurance map by job.

EXHIBIT 4.1

Fraud leads the market: 8 of 28 offerings fight financial crime.

Number of offerings per job group; names alphabetical, not a ranking. Logos as shown in the Good AI Prism v3.12 artwork.

8 — **Fraud, financial crime & AML**

BioCatch Connect · VISA Featurespace (Visa) · Feedzai · Hawk AI · Luci (Lucinity) · Napier AI Continuum · Sensa Agents (SymphonyAI) · Unit21

AI Act · Fraud detection is excluded from Annex III 5(b); AML rules and DORA apply

5 — **Credit decisions & lending**

Ocrolus · Provenir · Taktile · Upstart · Zest AI

AI Act · High-risk under Annex III 5(b) when it assesses the creditworthiness of natural persons, from 2 Dec 2027

5 — **Claims & insurance fraud**

FRISS · omni:us Claims Automation · Shift Technology · Sprout.ai · Tractable

AI Act · Depends on use; Art. 50 disclosure for customer-facing automation

4 — **Insurance pricing & underwriting**

Akur8 Pricing · Cytora · Earnix · hx (hyperexponential)

AI Act · High-risk under Annex III 5(c) for life and health insurance; other lines not listed

3 — **Research & market intelligence**

AlphaSense · Kensho (S&P Global) · Moody's Research Assistant

AI Act · Minimal risk in most uses; Art. 50 marks generated content

3 — **Banking assistants & personalisation**

KAI (Kasisto, Backbase) · Personetics · Unique

AI Act · Art. 50 disclosure for chatbots; advice on credit can touch Annex III 5(b)

Source · Good AI Prism 2026/27 study dataset · job groups: ETHORITY classification · The AI Act classifies uses, not products. Whether an offering is high-risk depends on its intended purpose and the people it assesses.

THE MARKET MAP

Where the 28 providers are headquartered.

EXHIBIT 4.2

Europe hosts 15 of the 28 providers, 3 of them in Germany.

Providers in Financial Services & Insurance by headquarters region



15
Europe, of which 3 in Germany

12
North America

1
Mic

Source · Headquarters per provider pages and public sources, October 2026 · Good AI Prism 2026/27 study dataset

Headquarters as of October 2026 from provider pages and public sources. Parent companies: Visa owns Featurespace, Applied Systems owns Cytora, Backbase owns Kasisto, S&P Global owns Kensho, adesso owns omni:us.

The Financial Services & Insurance area in the Good AI Prism

The online Good AI Prism places each offering in its business area and shows the source and date behind every entry. It shows the Financial Services & Insurance area as it appears in October 2026.

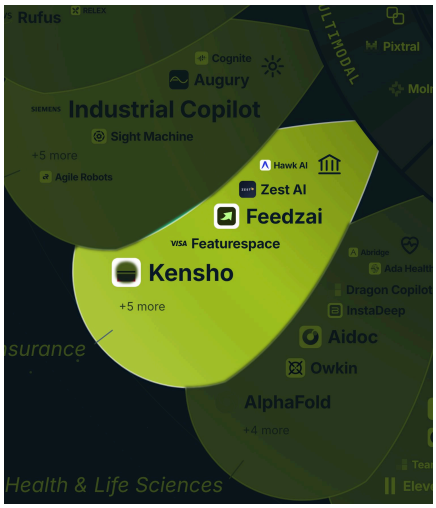
SCENARIO

How to read an area

Select an area to see the offerings placed there, then open a profile to check the provider's own statement, its date and the decision facts recorded for it, such as pricing basis, data hosting and training on customer data where documented. Compare offerings side by side.

ONLINE VIEW

Entries with their source and date. This brief counts all 28 entries recorded for the edition. (Good AI Prism, Oct 2026)



Good AI Prism v3.12 · Financial Services & Insurance petal lit · petal close-up with provider logos · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

05

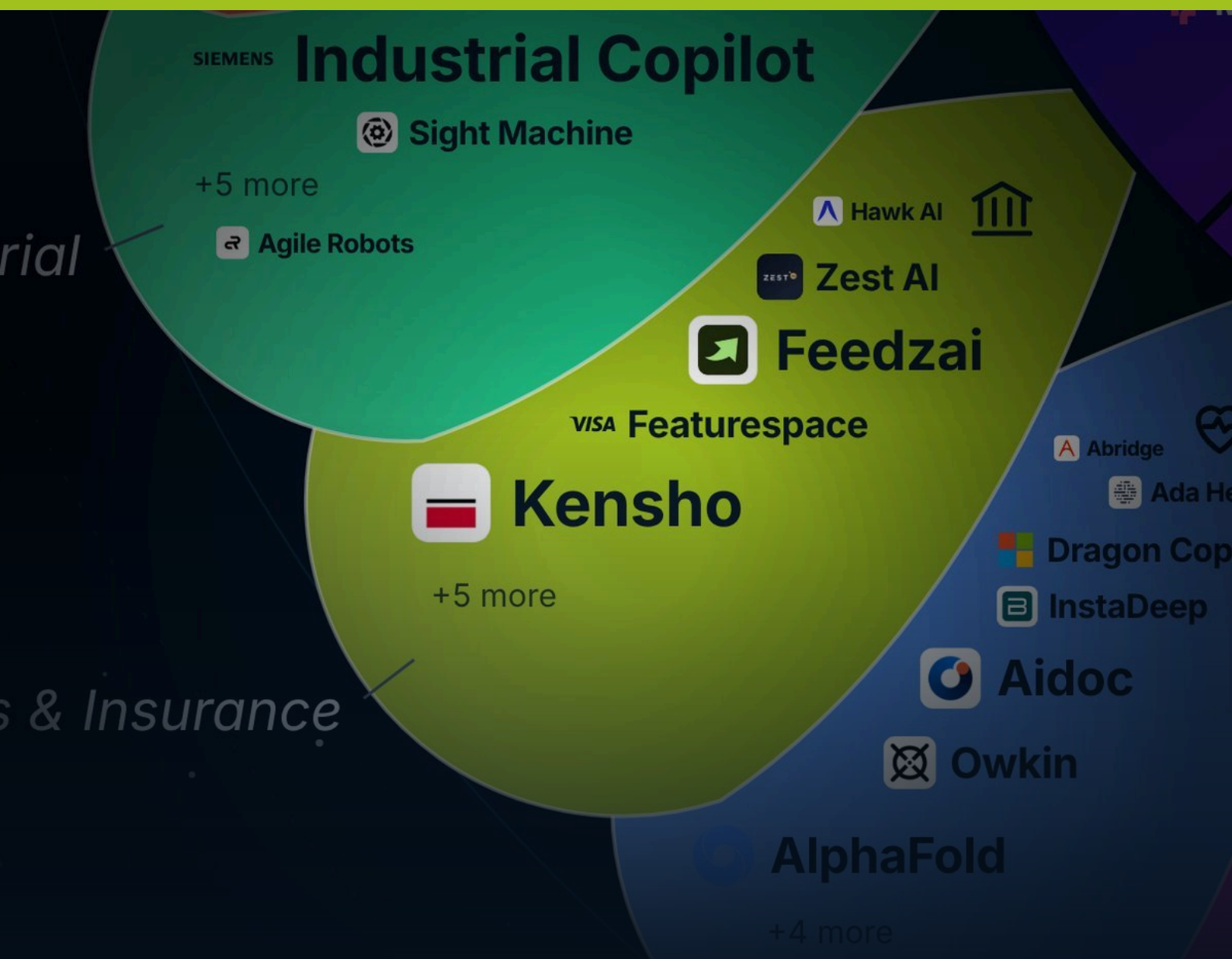
Prove AI is accurate, fair and controlled.

AI already runs through finance. The question is no longer whether to use it, but how to prove it is accurate, fair and controlled. Five conclusions for decisions now. Banks and insurers must choose AI that is accurate, fair and controllable, prove it to supervisors and auditors, and keep customers' trust.

Financial Services & Insurance

IN THIS CHAPTER

WHAT FINANCE LEADERS NEED, · 24
PLAN THE PEOPLE SIDE · 25
A 90-DAY START · 26
WHAT THE EVIDENCE · 27



Good AI Prism v3.12 · Financial Services & Insurance petal · spotlight · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

$486bn

lost worldwide to fraud scams and bank fraud in 2023

NASDAQ, GLOBAL FINANCIAL CRIME REPORT, JAN 2024

NEEDS AND DECISIONS

What finance leaders need, and what to ask before a pilot.

What the evidence shows

FRAUD

Fraud scams and bank fraud cost an estimated $486bn worldwide in 2023 (Nasdaq Global Financial Crime Report).

CUSTOMERS

62% of Germans say AI raises their fear of financial fraud, while a quarter already ask AI about money (Bitkom, Digital Finance 2026).

GOVERNANCE

Australia's regulator found AI governance lagging AI use at some licensees (ASIC report REP 798).

RULES

Credit scoring and life and health pricing become high-risk in the EU from Dec 2027; consumer credit rules add a right to human intervention from Nov 2026.

Seven questions before AI touches a customer decision

1. Is the use high-risk? Credit scoring of natural persons and life or health insurance pricing are, in the EU from Dec 2027.
2. Can we explain each decision to the customer and offer human review, as consumer credit law, GDPR Art. 22 and US adverse-action rules require?
3. Who validates the model, independently, under our model risk framework (PRA SS1/23, OSFI E-23, US interagency guidance)?
4. How do we test for unfair discrimination, as the NAIC bulletin and state insurance rules expect?
5. Is the provider in our DORA register of ICT third parties, with exit and incident plans?
6. Do customers know when they deal with a chatbot or AI-generated content (Art. 50)?
7. Which measures decide scaling: fraud caught, false positives, handling time, complaints and losses?

WORKFORCE PLAN

Plan the people side with the technology.

When agendas change quickly, the people side breaks first: half-adopted tools, skills that lag the system, employees who were not involved, and decisions no one owns. Plan adoption, training, employee participation and accountable oversight as part of every staged commitment, not after it.

SEVERIN L. WILSON, WORKFORCE LENS IN THE GOOD AI PRISM MARKET STUDY 2026/27

Workforce annex to the pilot charter

Affected roles	Which advisory, operations, risk and claims roles the pilot touches, and how many people
Baseline workload	Handling times, backlogs, error and complaint rates today, measured before the pilot
Skills needed	Operating, reviewing and challenging the model; training plan and owner
Staff involvement	Works council and employee representatives where applicable
Oversight owner	The named person accountable for decisions that affect customers
Escalation and appeal	How staff and customers can challenge an output, and the response time
Capacity plan	Where returned time goes: advice quality, customer contact, risk work or reskilling; who decides
Measured quality	Error rate, complaints, fairness test results and audit findings, tracked with the outcome measure

BEST PRACTICE

Count returned time, not saved time

Saved time is not realised value. Count it when returned time has demonstrably gone into customer outcomes, risk quality or new work.

NEXT STEPS

A 90-day start for banks and insurers.

01

Inventory

List every AI use and model, including generative tools staff bring themselves, in one register.

02

Classify

Mark uses that score people or price life and health cover; map all uses to the rules where you operate.

03

Involve

Bring in risk, compliance, data protection and employee representatives early; in Germany, the works council.

04

Enable

Document AI literacy measures and name trained overseers for customer-facing decisions.

05

Pilot

Run one fraud, claims or service use with a baseline, fairness tests and the workforce annex.

06

Decide

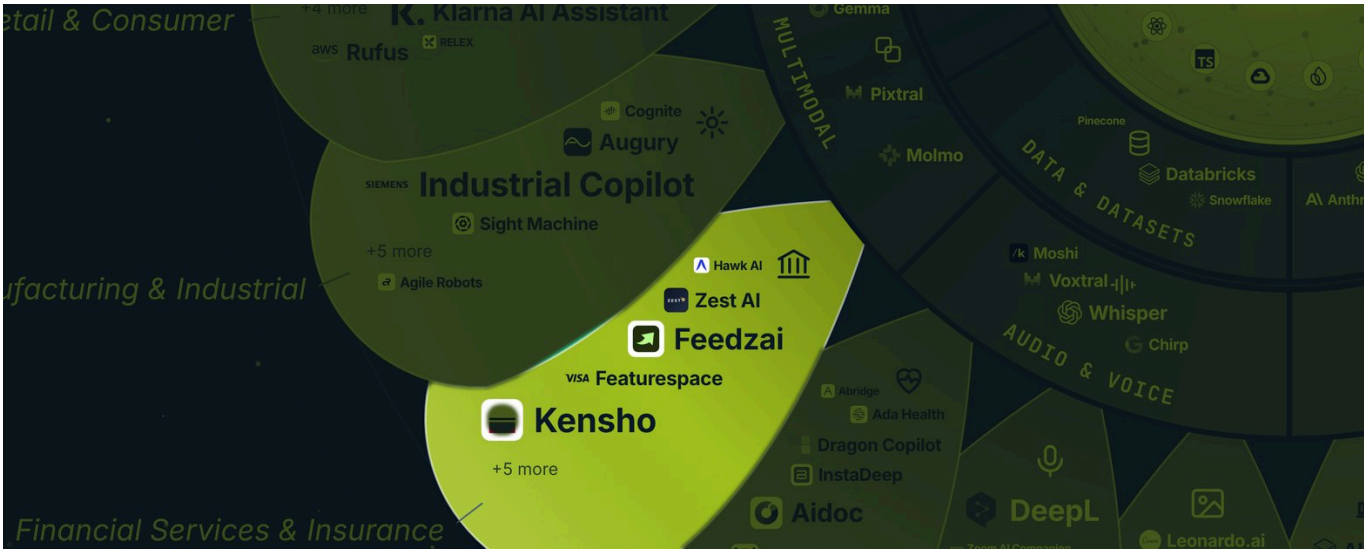
Scale only on measured losses, accuracy, handling time and customer outcomes.

ETHORITY RECOMMENDATION

Derived from the rules and evidence in this brief.

Scale only on measured losses, accuracy, handling time and customer outcomes.

ETHORITY RECOMMENDATION



Good AI Prism v3.12 · Financial Services & Insurance petal lit · petal and inner rings, wide · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

CONCLUSIONS

What the evidence adds up to.

AI already runs through finance. The question is no longer whether to use it, but how to prove it is accurate, fair and controlled. Five conclusions for decisions now.

1 Start with an AI register

EVIDENCE Three in four UK firms and half of German finance establishments use AI; supervisors expect an inventory with owners.

WHAT TO DO Record every model and AI use, including generative tools, with purpose, owner and risk class.

SEE · WHERE FINANCE STANDS

2 Treat customer decisions as high-risk now

EVIDENCE Credit scoring and life and health pricing become high-risk in the EU from Dec 2027; consumer credit law adds human review from Nov 2026.

WHAT TO DO Build explanation, human review and fairness testing into credit and pricing models before the deadline.

SEE · THE RULES

3 Make model risk cover generative AI

EVIDENCE US model risk guidance now excludes generative and agentic AI; FINMA, OSFI and MAS expect lifecycle controls.

WHAT TO DO Extend validation, monitoring and change control to language models and agents.

SEE · RULES BY JURISDICTION

4 Win on fraud and service first

EVIDENCE Fraud detection leads today; firms expect the largest growth in customer support and compliance.

WHAT TO DO Pilot where losses and handling times are measured daily, with a baseline.

SEE · EXHIBIT 1; MARKET MAP

5 Bring customers and staff along

EVIDENCE 62% of Germans say AI raises their fear of fraud; ECB finds no hiring gap between AI users and others.

WHAT TO DO Disclose AI to customers, explain decisions and plan the people side with the works council.

SEE · THE WORKFORCE SIDE

THE PROBLEM

Finance is not short of AI. It is short of decisions it can defend to supervisors and customers.

Banks and insurers must choose AI that is accurate, fair and controllable, prove it to supervisors and auditors, and keep customers' trust.

THE PROBLEM	WHAT WE SEE IN THE EVIDENCE	WHAT IT COSTS
Many tools, unclear evidence	28 offerings in this map alone, each with its own claims on accuracy and fairness.	Wrong vendor choices and duplicated models.
Rules from many sides	AI Act, DORA, consumer credit law, GDPR, model risk and insurance rules apply together.	Delays, rework and supervisory findings.
Model risk for new AI	Generative and agentic AI fall outside many existing model risk frameworks.	Uncontrolled change and hidden risk.
Trust and fairness	Customers fear AI-enabled fraud and expect explanations for decisions.	Complaints, churn and reputational damage.
People and skills	Advisers, underwriters and claims handlers must use, review and challenge AI.	Tools unused or trusted too much.

The question behind every project: what should improve, which options are credible, what evidence is missing, what implementation requires, and who owns the outcome?

ETHORITY



Good AI Prism v3.12 · Financial Services & Insurance petal lit · outer arc of the industries · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

HOW ETHORITY HELPS

From AI ambition to decisions you can defend.

ETHORITY helps banks and insurers choose, govern and prove AI: from independent market evidence to decisions that can be defended to supervisors and outcomes that can be measured.

01
Discover
Find and qualify the opportunity: options, evidence, constraints and rules.

02
Create
Design and build the solution with your data, systems and people.

03
Run
Operate it responsibly, with owners, controls and support.

04
Improve
Measure against the objective and adjust.

05
Grow
Turn what was learned into new capability and value.

Where a project can begin

AI opportunity case
One use, such as fraud triage, claims intake or service automation, assessed against evidence, cost and rules, ending in a decision: pilot, redesign, expand or stop.

Vendor and evidence due diligence
Good AI Prism research profiles and comparisons of the 28 offerings, with a structured check of accuracy, fairness and data claims.

AI estate audit
A register of all models and AI uses, including shadow AI, mapped to owners, risks, costs and overlaps.

Governance and AI Act readiness
Each use mapped to the AI Act, DORA, consumer credit law and model risk rules, with proportionate controls.

AI literacy for finance teams
Role-based training for advisers, risk, claims and management, with named overseers.

From pilot to operation
A pilot charter with baseline, threshold and stop conditions, then building and running the solution on ETHORITY's AI Business Operating System.

WHO WE WORK WITH

Banks, savings banks and cooperative banks, insurers and brokers, payment and fintech companies, supervisors and associations. Start with one question. Talk to us: sten@ethority.ai · severin@ethority.ai

ABOUT ETHORITY

From understanding markets to building AI capability.

2009

the first Social Media Prisma, the start of ETHORITY's market maps

ETHORITY, 21 SEP 2009

LINEAGE

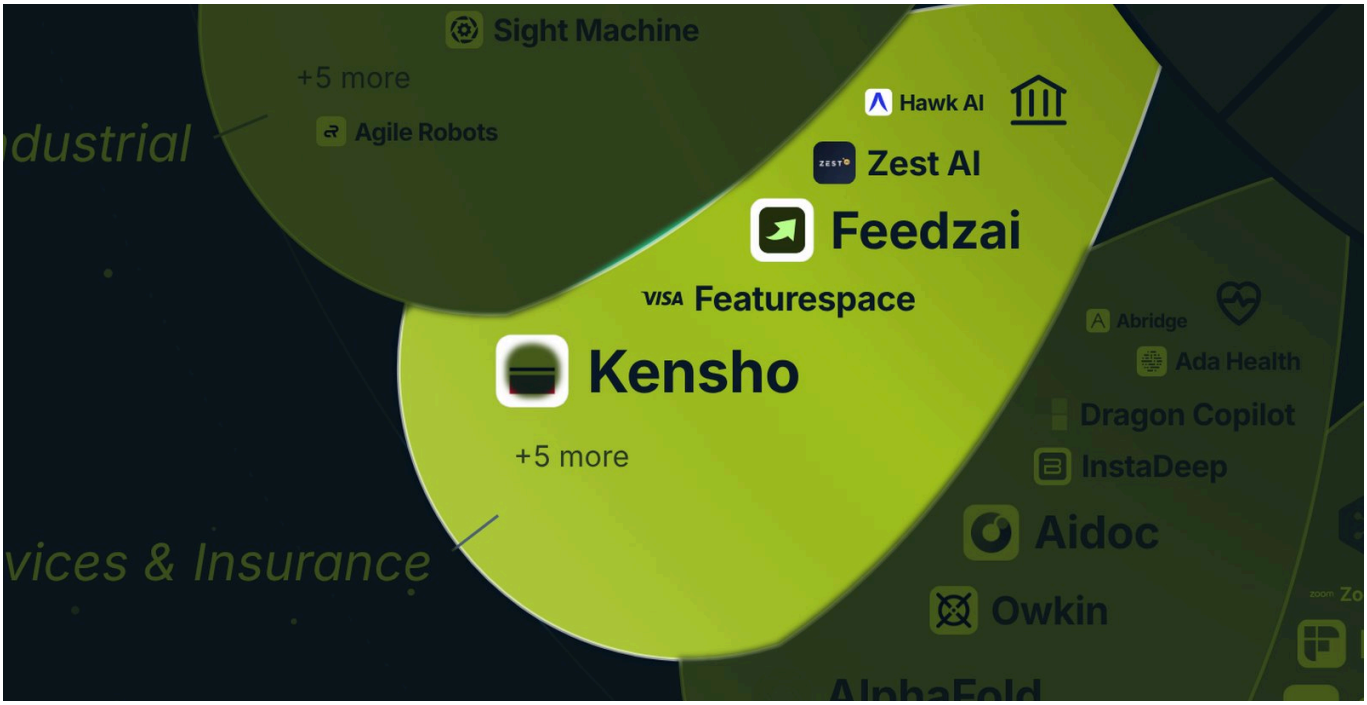
Good AI Prism by Sten Franke & ETHORITY® · since the first Social Media Prisma in 2009 · mapping markets since 1997 · roots: ETHORITY.AI and STEN.AI

ETHORITY connects market intelligence, research and practical delivery to help organisations put AI to work. It is built as an AI1st organisation: humans and AI agents work on one AI Business Operating System, with the research, engineering and operations to build and run AI after the pilot. Its roots lie in the digital intelligence business Sten Franke founded in 2005, which combined monitoring, research and advisory work to help organisations understand changing markets.

The Good AI Prism is the entry point: research profiles, documented relationships and comparisons help users investigate their options. Advisory, governance and transformation work connect those options with an organisation's objectives, data, systems, people and operating conditions. More on ETHORITY, the company.

SELECTED REFERENCES AND PARTNERS SINCE 2005

Bosch · Bayer · BMW · Siemens · Mercedes-Benz · Coca-Cola · Deutsche Bank · T-Mobile · Telefónica o2 · DHL · EDEKA · AIDA Cruises. Selected historical references and partners from the group's market-intelligence and advisory heritage, in projects or through former group companies.



Good AI Prism v3.12 · Financial Services & Insurance petal lit · provider logos in the petal · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

METHOD

How this brief was built.

Market figures: Good AI Prism 2026/27 study dataset, Financial Services & Insurance area, 28 entries, each with a dated source from the provider's own pages (October 2026).

Job groups and AI Act relevance: ETHORITY classification by intended use.

Jurisdictions: status October 2026 from regulators and law-firm briefings.

External figures as cited and not combined.

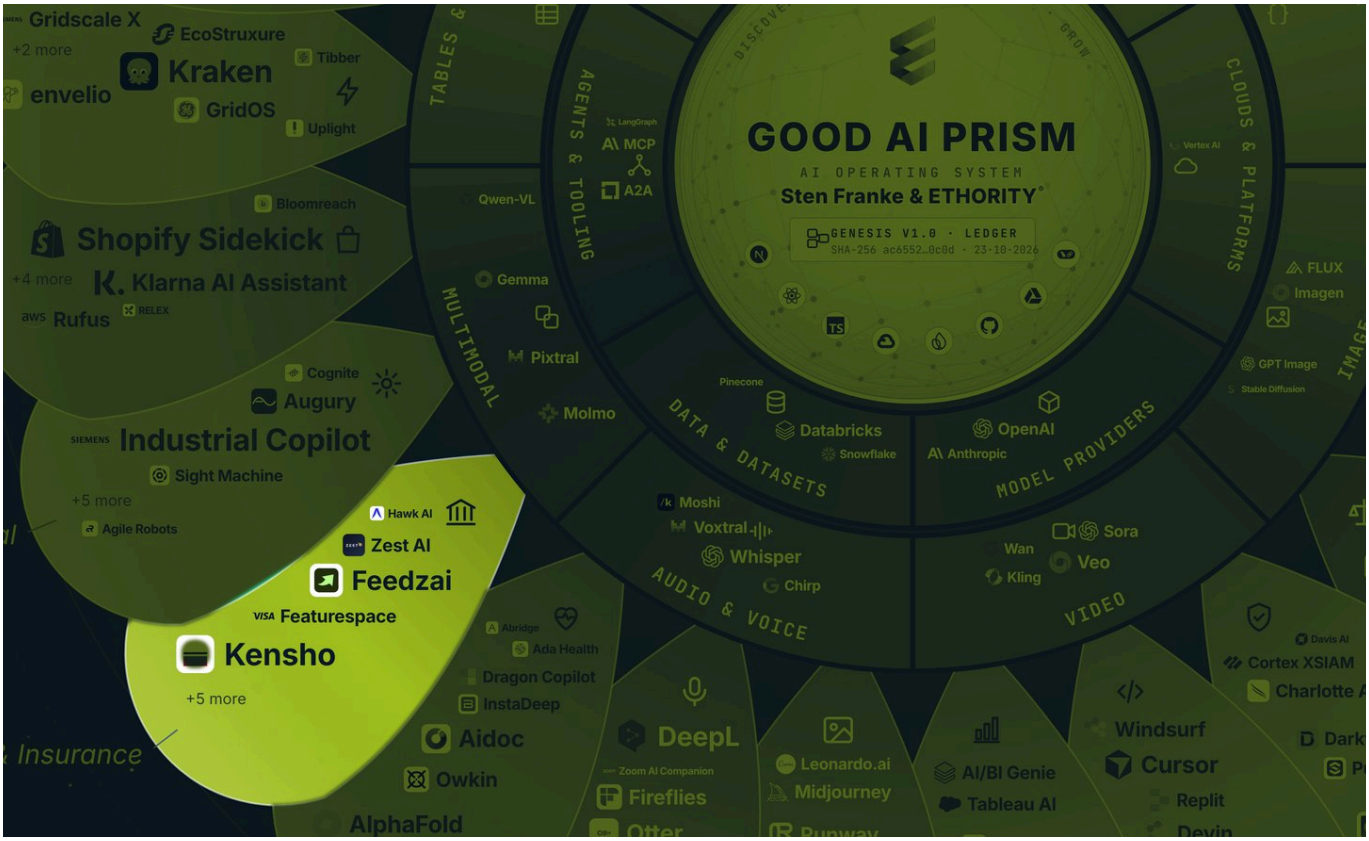
Not legal or financial advice.

DATASET

Good AI Prism 2026/27 study dataset, Financial Services & Insurance area, October 2026.

EXHIBITS

Charts are drawn from the figures printed in this brief; each names its source under the chart.



Good AI Prism v3.12 · Financial Services & Insurance petal lit · petal and the core of the wheel · Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.

SOURCES

Main sources.

01 Bank of England and FCA, Artificial intelligence in UK financial services, 21 Nov 2024

02 EIOPA, survey on generative AI in insurance, 2 Feb 2026; EIOPA Opinion on AI governance, 6 Aug 2025; EBA, AI Act implications for banking, 21 Nov 2025

03 IAB Kurzbericht 8/2026, generative AI in German establishments, 5 May 2026

04 Bank of Japan, Financial System Report annex on generative AI, Aug 2026

05 NAIC, AI Model Bulletin adoption map, 8 Oct 2026

06 Bitkom, Digital Finance 2026; AGV Versicherungen, Sozialstatistische Daten 2025; DSGV, Sparkassen-Finanzgruppe in Zahlen 2025

07 ECB Blog, AI and hiring in the euro area, 4 Mar 2026

08 Nasdaq, Global Financial Crime Report, Jan 2024; ASIC REP 798, Oct 2024

09 Regulation (EU) 2024/1689 (AI Act), Annex III 5(b), 5(c); Regulation (EU) 2026/1744; Regulation (EU) 2022/2554 (DORA); Directive (EU) 2023/2225 (CCD2); CJEU C-634/21

10 BaFin principles for algorithms (2021) and guidance on ICT risks of AI (Dec 2025)

11 Good AI Prism Market Study 2026/27 and study dataset (ETHORITY, October 2026)

12 Orrick on the revised US interagency model risk guidance, Apr 2026; OSFI Guideline E-23; FCA AI Live Testing

RULES BY JURISDICTION

Sources: regulators and supervisors (EBA, EIOPA, BaFin, PRA, FCA, FINMA, OCC, Federal Reserve, FDIC, NAIC, OSFI, NFRA, PBoC, FSA, FSC, MAS, RBI, ASIC, CBUAE) and law-firm briefings. Status October 2026. Not legal advice.

IMPRINT

Imprint, licence and lineage

GLOBAL EDITION · EN · v1.1 · OCT 2026

PUBLICATION

Good AI Prism Sector Brief: Financial Services & Insurance · 2026/27 · Global edition · English · version 1.1 · 25 Oct 2026.

EDITION HISTORY

v1.0: 22 Oct 2026. v1.1: 25 Oct 2026, new editorial design, restructured finding-first; content and figures of v1.0. Earlier editions remain available.

CREDIT

Created by Sten Franke with a people and governance lens by Severin L. Wilson.

METHOD AND DATA

Good AI Prism 2026/27 study dataset, Financial Services & Insurance area, status October 2026. External figures as cited; see Sources.

CITE AS

ETHORITY (2026). Good AI Prism Sector Brief: Financial Services & Insurance. Global edition, v1.1, October 2026. ethority.ai/ai-prism/fsi

PUBLISHER AND CONTACT

ETHORITY · San Francisco HQ · European operations: Hamburg, Germany · ethority.ai · sten@ethority.ai

GOOD AI PRISM ARTWORK LICENCE

Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC, by Sten Franke & ETHORITY®. Licensed CC BY-NC-ND 4.0 (creativecommons.org/licenses/by-nc-nd/4.0).

ETHORITY additionally permits unchanged editorial and press use with credit. Commercial licences: ETHORITY.

Data, software and third-party logos and trademarks are not covered.

TEXT AND EXHIBITS

© 2026 ETHORITY & STEN.AI LLC. Exhibits may be quoted with source attribution. The licence above applies to the Prism artwork only, not to this document as a whole.

THIRD-PARTY MARKS

Provider names and logos shown in the Prism artwork and the market map remain the marks of their owners.

ADVICE

This brief is not legal or financial advice.

Good AI Prism by Sten Franke & ETHORITY®

SINCE THE FIRST SOCIAL MEDIA PRISMA IN 2009 · MAPPING MARKETS SINCE 1997 · ROOTS: ETHORITY.AI AND STEN.AI

ETHORITY®

AI BUSINESS OPERATING SYSTEM

FROM BUSINESS AMBITION TO AI THAT WORKS

Put AI to work, with evidence.

ETHORITY helps organisations choose, govern and prove AI: from independent market evidence to decisions that can be defended and outcomes that can be measured.

Sten Franke
Founder, Principal Architect & Lead Creator
sten@ethority.ai
linkedin.com/in/stenfranke

Severin L. Wilson
Chief Business & Transformation Officer
severin@ethority.ai
linkedin.com/in/severinwilson

01 **Put AI to Work: The Good AI Prism Global Market Study 2026/27**
Global edition · EN and DE

02 **Good AI Prism sector briefs 2026/27** YOU ARE READING
HR & Workforce · Health & Life Sciences · Financial Services & Insurance · Public Sector · Education · Energy & Utilities · Mobility & Logistics · Global EN and DE

03 **Good AI Prism technology briefs 2026/27**
AI Models · Chips & Compute · Robotics & Physical AI · Global EN and DE

04 **AI for Care in Ageing Societies**
Study 2026/27 · EN, DE, US and Global editions

05 **AI in Pharma, Biotech and Longevity**
Study 2026/27 · Global EN and DE

06 **The Social Media Prisma 2009–2025**
Historic paper · EN and DE

ethority.ai/ai-prism/fsi

GLOBAL EDITION · EN · v1.1 · OCT 2026

Good AI Prism artwork © 2026 ETHORITY & STEN.AI LLC · CC BY-NC-ND 4.0 · data and third-party marks not covered.
© 2026 ETHORITY & STEN.AI LLC · San Francisco HQ · European operations: Hamburg, Germany · ethority.ai