

Leveraging AI in Risk & Compliance

-

2026 Report

Financial Services
Switzerland

Welcome to the 2026 AI in Risk and Compliance Financial Services Report

This report is based on the KPMG AI in Risk and Compliance Survey that was conducted across various financial institutions within Switzerland and delivers insights on AI strategy, use cases, and governance within Risk and Compliance functions.

Contents

01 Executive
Summary
Page 3

02 AI Strategy &
Budget
Page 8

03 AI Potential &
Use cases
Page 11

04 AI Capabilities &
Implementation
Page 14

05 AI Risk &
Governance
Page 17

06 Key Takeaways
& Implications
Page 20

01 Executive Summary



Introduction to the 2026 AI in Risk and Compliance Report



Leveraging insights from senior Risk and Compliance executives across the Swiss financial services industry on the evolving role of AI, this report reflects current industry sentiment and offers a roadmap for organizations seeking to strengthen their AI risk and compliance capabilities while unlocking AI's full potential.

The insights gathered through this survey are structured around **four key dimensions**:



1. AI Strategy & Budget

Examines how financial institutions are setting strategic priorities for AI and allocating budgets to ensure both innovation and compliance are adequately resourced.



2. AI Potential & Use Cases

Explores where financial institutions see the greatest opportunities for AI, as well as where they are already starting to employ AI within the Risk and Compliance functions.



3. AI Capabilities & Implementation

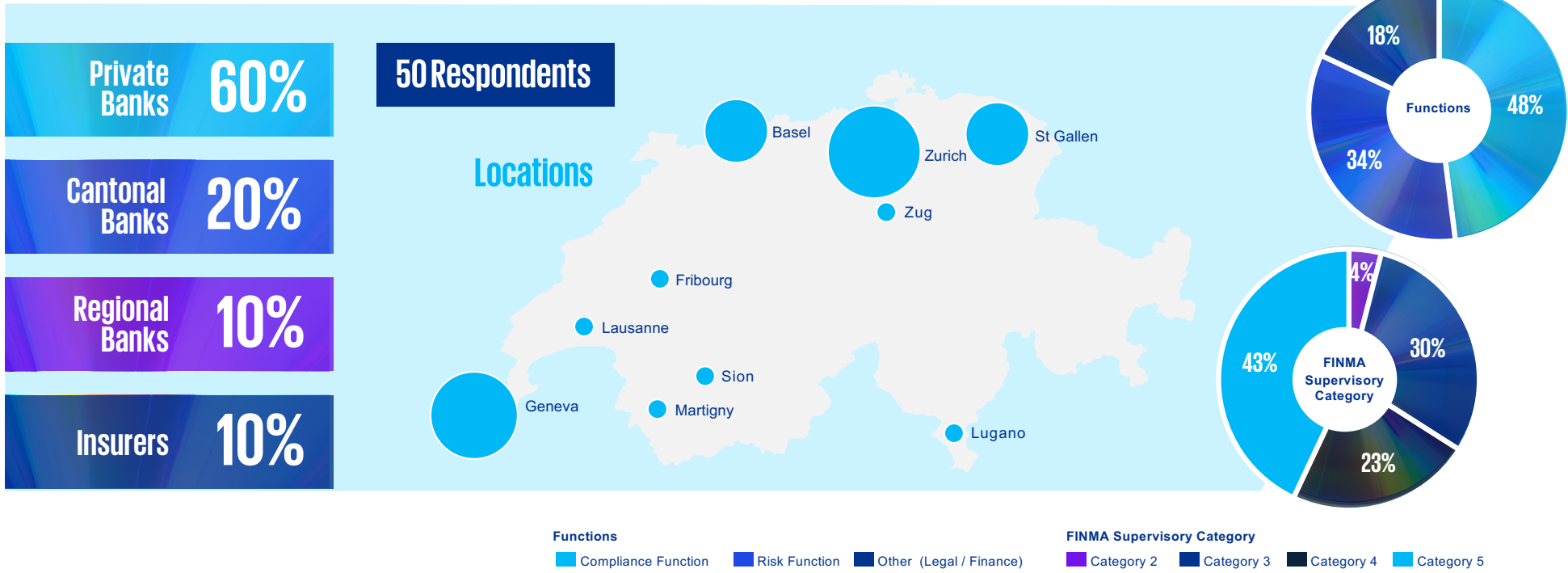
Assesses the practical realities of execution, including talent availability, infrastructure readiness, and cross-functional collaboration between business, technology, risk and compliance teams.



4. AI Risk & Governance

Investigates how organizations are developing governance frameworks to manage ethical, legal, and operational risks while enabling scalable AI deployment.

Capturing Insights across the Swiss Financial Services industry



Key Outcomes

AI is rising as a strategic priority, but many financial institutions still lack the strategy, skills, and governance needed to scale AI across Risk & Compliance. Clear use cases exist, yet cultural resistance, ad-hoc funding, and immature oversight remain the biggest barriers to meaningful adoption.

AI is no longer an emerging technology

AI Maturity

Over 70% of Swiss financial institutions are already experimenting with GenAI.

Private banks show the highest maturity, with some firms operating at advanced levels.

Regional and cantonal banks remain largely in initial awareness or experimentation phases.

Strategy & Budget

AI is recognized as a strategic priority by 84% of firms, however, very few (8%) have a well-defined AI strategy.

Budgets remain fragmented without central coordination and alignment to overall strategy.

Without a clear firm-wide strategy, efforts remain fragmented and tactical, leading to limited scalability and return on investments.

AI Use Cases

Fraud detection and transaction monitoring identified by 84% as having highest AI potential, but only 38% are developing solutions.

Compliance automation dominate early adoption (30% in development). Policy management, control automation and risk modelling are strong followers.

There remains a clear gap between current development efforts and perceived areas with highest AI potential.

Implementation

Cultural resistance (55%) and lack of clear use cases (53%) are the key barriers to AI adoption.

There remains a heavy reliance on vendors (51%) vs. in-house capabilities (39%) with 10% having no access to technical expertise at all.

Financial institutions should invest in structured training, foster cross-functional collaboration, and address cultural change proactively.

Risk & Governance

Responses show that most financial institutions are in the early stages of governance.

Accountability remains unclear – 48% report joint or no accountability at all; whilst 50% report that AI frameworks are still evolving.

Strengthening governance structures and establishing AI frameworks will be critical for mitigating AI-related risks.

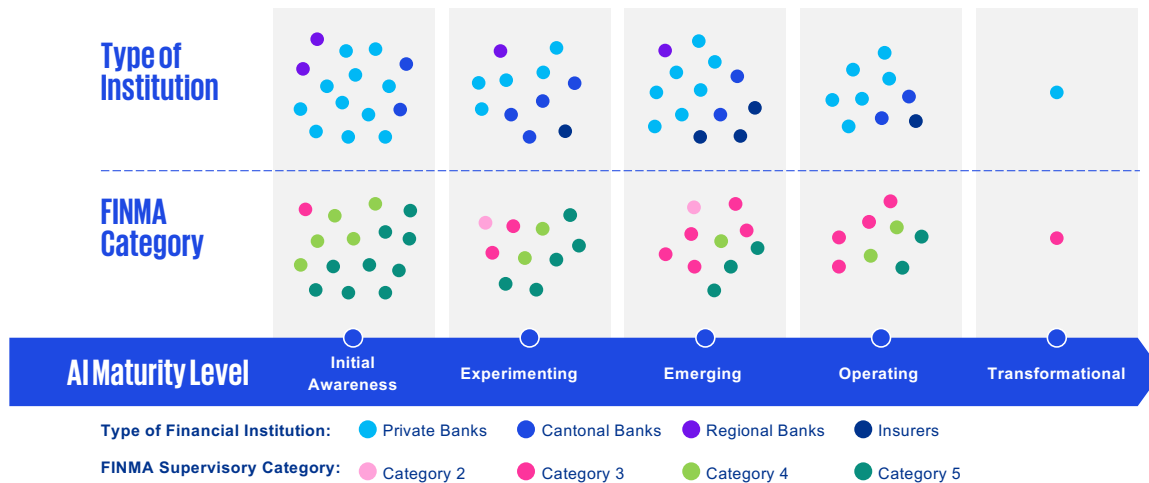
AI Maturity across the Swiss Financial Services Market

Over 70% of Swiss financial institutions are experimenting with GenAI

The below graph indicates the level of AI maturity for each participating financial institution split by type of institution and by FINMA supervisory category.

Private banks show the highest maturity, with some firms operating at advanced levels, while regional and cantonal banks remain largely in initial awareness or experimenting.

Whilst most Category 4 and 5 banks are still in the initial maturity stage, Category 2 and 3 banks have evolved into the emerging and operating stages of maturity.



- 30%** of financial institutions are in the **initial awareness** stage, reporting limited formal AI initiatives and awareness within their organization.
- 24%** of financial institutions are **experimenting** with GenAI using small-scale pilots in isolated areas, but with limited firm-wide strategy and governance.
- 26%** of financial institutions are in the **emerging** stage, reporting a defined AI strategy and governance is starting to take shape with dedicated resources and investment to support early integration into business processes.
- 18%** have indicated that AI is being strategically **embedded in core workflows** across Risk and Compliance with consistent investment and mature AI governance and risk frameworks.
- 2%** Whilst only 1 participant is reported to already be in the **transformation** stage, we anticipate that AI will become a more strategic enabler across the enterprise with Risk and Compliance functions leveraging Agentic AI for coordination, predictive insights, automation and decision-making.



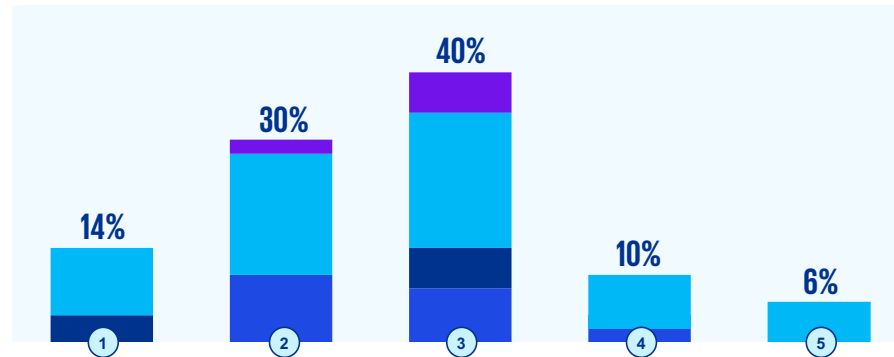
02 AI Strategy & Budget

AI as a Strategic Priority across FS Organizations

84%

of financial institutions recognize AI as a moderate to high strategic priority

Most respondents report a growing recognition of AI as a key strategic priority, though some note limited focus within the R&C function compared to enterprise-level initiatives.

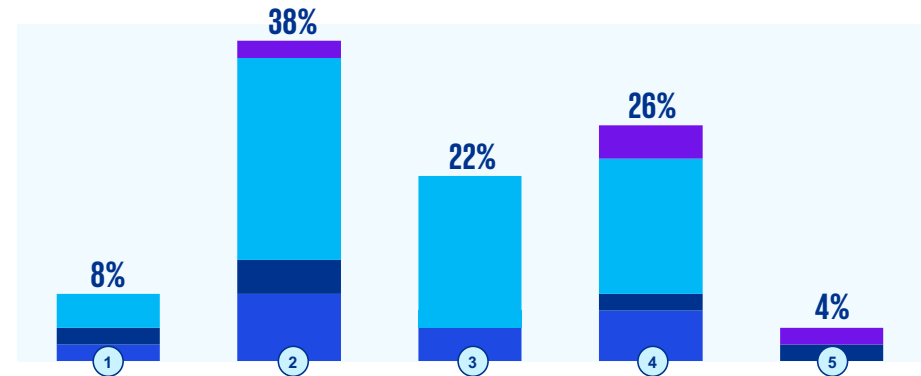


1. **Top** strategic priority – featured in leadership agendas and investment plans
2. **High** priority – actively resourced and tracked, but not the top focus
3. **Moderate** priority – recognized as important, but limited dedicated resources
4. **Low** priority – limited attention or investment
5. AI is **not** currently a priority for our firm

46%

of financial institutions report that a firm-wide AI strategy is either fully defined or currently in development

While most firms are progressing toward AI adoption, the predominance of AI strategies that are still in development suggests limited readiness for R&C-specific challenges.



1. Firm-wide AI strategy is **fully defined** and **actively implemented**
2. Firm-wide AI strategy is **in development**
3. Strategy has been **informally discussed** but not formalized
4. **No** enterprise-wide strategy in place
5. **Unsure**

Private Cantonal Regional Insurance

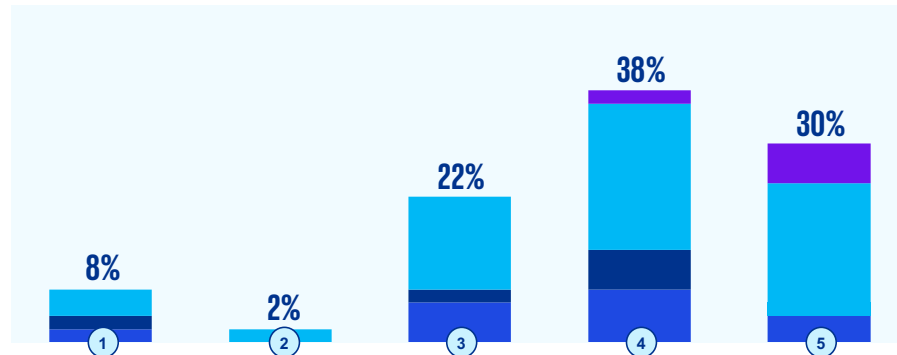


Risk & Compliance Functions are Developing an AI Roadmap

32%

of financial institutions have established or are currently developing an AI roadmap for Risk & Compliance

Minimal integration of AI roadmaps for Risk & Compliance functions with group strategy signals a strategic gap that could impede enterprise-wide consistency.

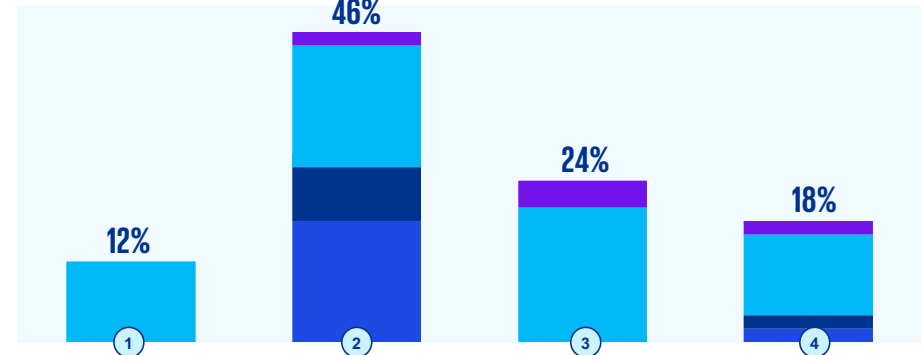


1. AI roadmap for Risk & Compliance functions developed independently of enterprise strategy
2. Fully defined AI roadmap for Risk & Compliance functions in place and aligned with enterprise strategy
3. AI roadmap for Risk & Compliance functions currently in development
4. AI strategy for Risk & Compliance functions informally discussed but not formalized
5. No strategy in place for Risk and Compliance functions

12%

of financial institutions have a dedicated AI budget for their Risk & Compliance functions

AI funding for R&C functions remains reactive with few firms allocating dedicated budgets, limiting scalability and long-term impact. Predominant reliance on ad-hoc funding suggests AI initiatives in R&C lack strategic prioritization.



1. Dedicated AI budget within Risk & Compliance functions
2. Ad-hoc funding provided for specific AI initiatives
3. No budget allocated to Risk & Compliance for AI
4. Shared AI budget with other functions

■ Private ■ Cantonal ■ Regional ■ Insurance



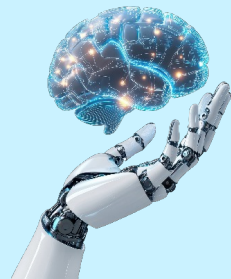
03 Leveraging AI in Risk & Compliance processes

Risk & Compliance Functions are Experimenting with GenAI

AI is emerging as a critical enabler for Risk & Compliance functions. Beyond efficiency gains, AI offers the potential to enhance risk detection, strengthen controls, and improve decision-making through advanced analytics and automation.

The Swiss financial services industry is moving from **conceptual exploration to practical application**, with firms identifying high-impact areas where AI can deliver measurable value. These include **transaction monitoring, fraud detection, regulatory reporting, and model risk management**, among others.

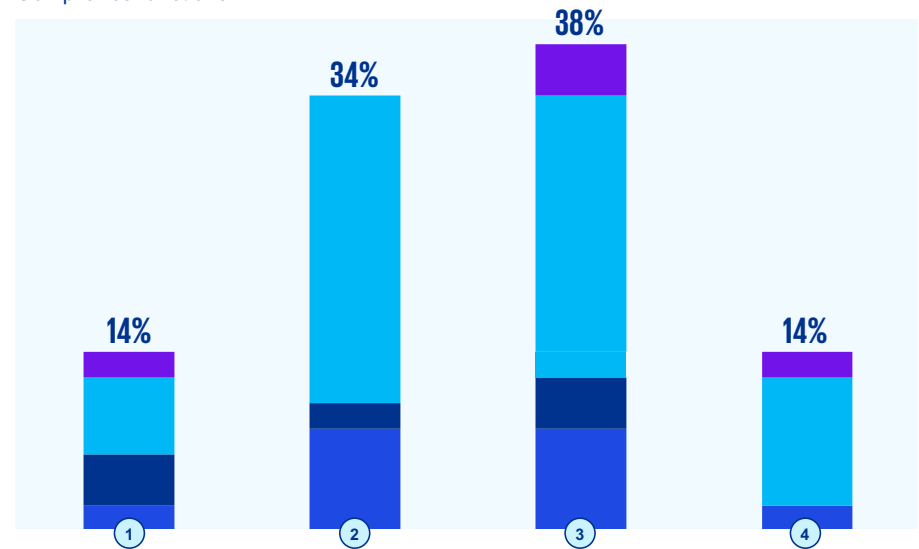
However, adoption patterns vary widely as most organizations are still experimenting, while few are embedding AI into core workflows.



14%

of financial institutions are actively using GenAI in production within their Risk & Compliance functions

Most organizations are exploring or piloting GenAI use cases within their Risk & Compliance functions.



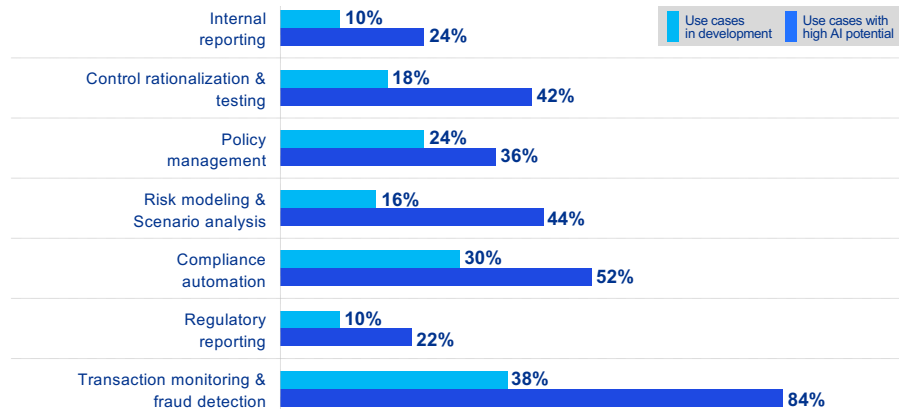
1. Actively using GenAI in production
2. Piloting/Prototyping GenAI use cases
3. Exploring opportunities but no active use
4. No current GenAI activity

■ Private ■ Cantonal ■ Regional ■ Insurance

AI has Significant Potential to Enhance R&C Processes

84% believe transaction monitoring & fraud detection have the biggest potential for AI

The perceived potential for AI efficiencies far outpaces current development, revealing a clear AI implementation gap across traditional risk and compliance processes.



Whilst organizations are actively deploying AI within their risk and compliance processes, the responses in the chart reveals a significant gap between current development efforts and perceived areas for highest AI potential:

- **Transaction monitoring & fraud detection** stands out as the **top priority**, with 84% identifying it as having the highest AI potential, yet only 38% of firms are actively developing solutions in this area.
- Other domains such as **compliance automation** and **control rationalization & testing** show **strong interest but limited execution**, signaling opportunities for accelerated adoption
- **Policy management** and **risk modeling & scenario analysis** also reflect a similar trend – **high potential** for efficiencies **but slower implementation**.
- Lower figures for **internal reporting** and **regulatory reporting** suggest these areas remain **largely manual** and are **not yet prioritized for AI transformation**.
- In addition to these, participants also noted the potential for AI to create significant efficiencies across **KYC onboarding and period reviews** with some solutions already in development.
- Other use cases in development also include **documentation analysis, memo drafting, contract reviews, chatbots** and **regulatory change analysis**.

This trend underscores the industry’s recognition that AI can streamline processes, enhance accuracy, and free up resources for higher-value activities, provided governance and risk frameworks evolve in parallel.

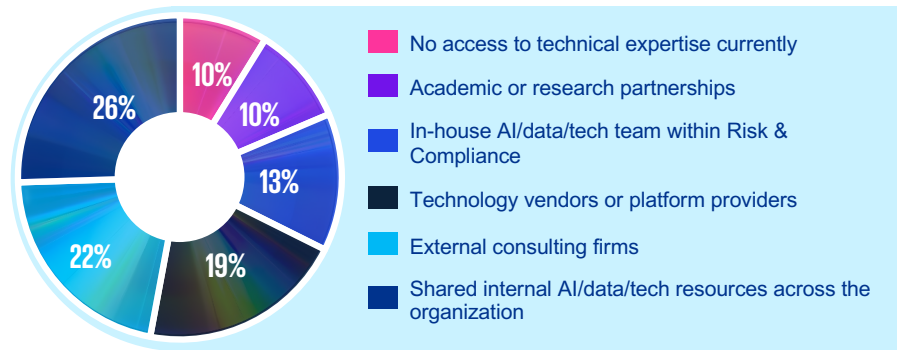
04 AI Capabilities & Implementation

Financial institutions struggle to gain access to AI expertise

19%

of financial institutions rely on Technology vendor or platform providers

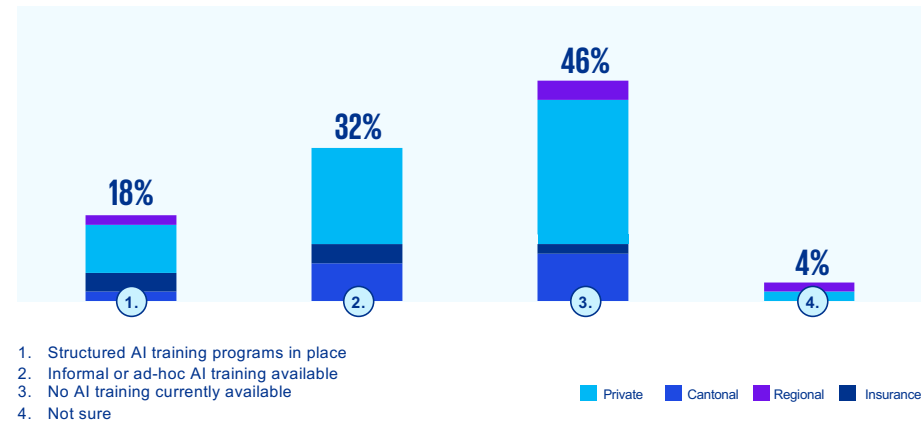
Around a quarter of organization rely on shared internal resources across the organization to grow AI capabilities and implement AI. Organizations also commonly rely on technology vendors or platform providers and external consulting firms. Others report leveraging in-house specialists within the Risk & Compliance and academic or research partnerships.



18%

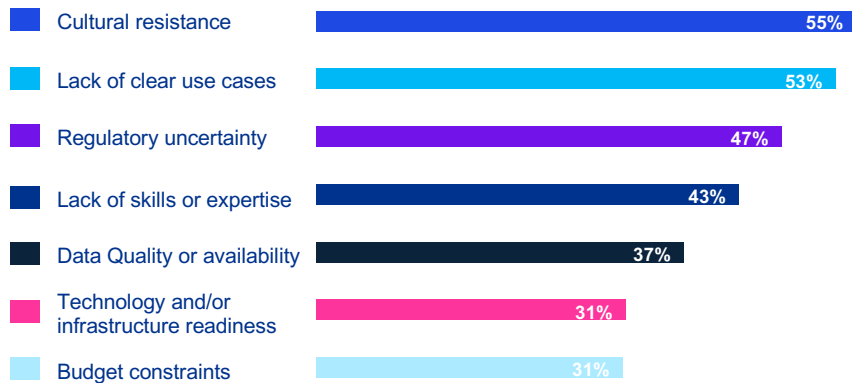
of financial institutions have structured programs in place to upskill Risk & Compliance teams

Only 18% of financial institutions have structured programs to upskill Risk & Compliance teams, while 32% rely on informal training. Alarming, 46% offer no training at all, highlighting a major gap and an opportunity to improve compliance resilience through formal programs.



Cultural resistance remains the biggest challenge to AI adoption

55% of financial institutions view cultural resistance as the biggest barrier to scaling AI across the function



Scaling AI across organizations is not just a technical challenge—it's a cultural one. The data shows that **more than half of financial institutions (55%) struggle most with cultural resistance**. This means that even with advanced tools and infrastructure, success depends on people embracing and adopting change.

The second biggest challenge is the **lack of clear use cases**, signaling that many firms know AI is important but do not always know where to deploy it effectively.

Other hurdles like **budget constraints, regulatory uncertainty, technology readiness, data quality, and skills gaps** also remain significant.

05 AI Risk & Governance

Building Trust in Intelligent Systems is Crucial

While the potential for AI is vast, the risks associated with AI, e.g., bias, lack of transparency, regulatory non-compliance, and operational failures, can have significant financial and reputational implications.

AI Governance refers to the structures, roles, processes and controls that ensure AI systems are developed and deployed responsibly. It encompasses elements such as:

- **Model Risk Management:**
Ensuring models are accurate, robust, and monitored for drift.
- **Data Governance & Quality:**
Maintaining integrity, privacy and fairness in training and operational data.
- **Explainability & Transparency:**
Making AI decisions understandable to stakeholders and regulators.
- **Ethical Use & Bias Mitigation:**
Preventing discriminatory outcomes and safeguarding trust.
- **Cyber:**
Ensuring AI systems are well protected against adversarial attacks.
- **Regulatory Compliance:**
Meeting evolving global standards and sector-specific obligations.

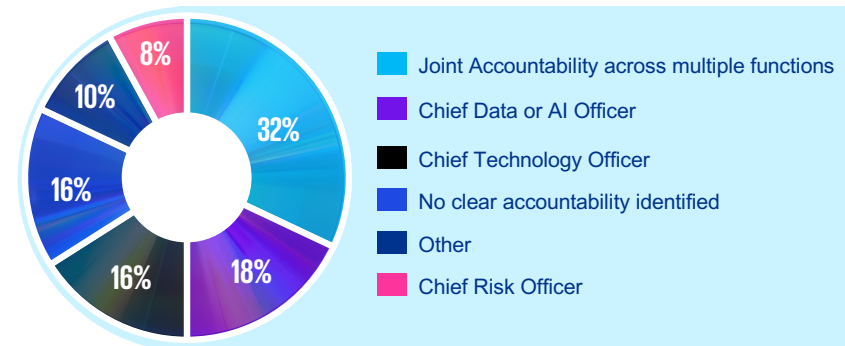
The findings highlight a shared recognition: effective AI governance is no longer optional. Organizations that establish strong, scalable AI risk and compliance frameworks are better positioned to deploy AI solutions quickly, confidently, and responsibly.

32%

Reported that accountability for AI Risk Management is distributed across multiple functions

The results of our survey show that responsibility for AI risk management is distributed across multiple roles, with no single dominant owner.

- Common accountable roles include Chief Data / AI Officer, Chief Technology Officer and Chief Risk Officer
- A notable portion of organizations report joint accountability across functions, while some indicate no clear accountability defined, signaling a governance gap.

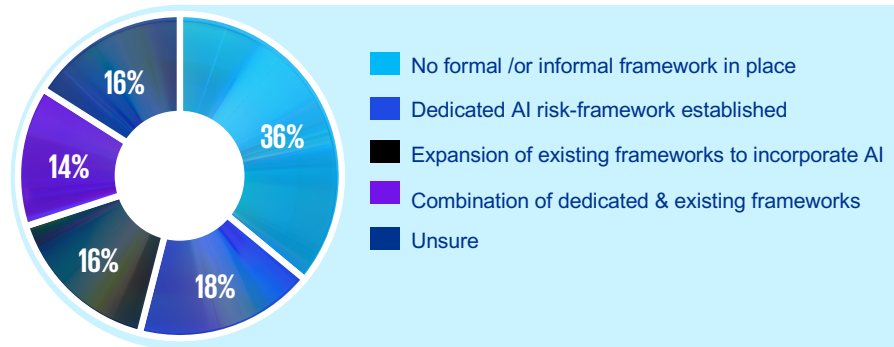


Managing AI Risk: From Compliance to Confidence

18%

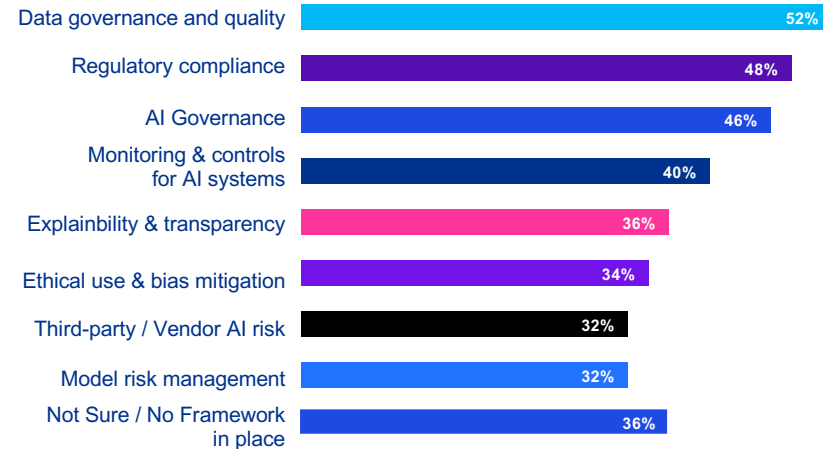
of financial institutions have established a dedicated AI Risk Management Framework

Only 18% of financial institutions have a dedicated AI risk management framework, while 36% lack any formal approach, highlighting a critical governance gap. Financial institutions should consider accelerating the development of AI-specific risk frameworks to reduce exposure and meet regulatory expectations.



Regulatory compliance and AI governance are the most commonly addressed topics within the AI Framework

While regulatory compliance and governance dominate, critical areas like bias mitigation and third-party risk remain underdeveloped, highlighting the need for more comprehensive and consistent AI frameworks.



06 Key Takeaways and Implications

Key Takeaways and Implications



01

AI is growing as a strategic priority within Risk & Compliance functions with defined AI roadmap and dedicated budget.

02

Risk & Compliance functions are experimenting with AI – particularly in the areas of AML, fraud detection, KYC and policy management.

03

Scaling AI in Risk & Compliance is **hindered less by technology** and more by **culture**.

04

More than one third of firms report joint accountability for managing AI risk across multiple roles, but governance gaps remain.

KPMG can support your AI transformation

KPMG helps financial institutions unlock AI-driven value across four essential pillars — from defining ambition to deploying solutions, preparing your workforce, and ensuring trusted governance.

01 Define a clear AI strategy

We help clients establish a focused, value-driven AI vision and roadmap.

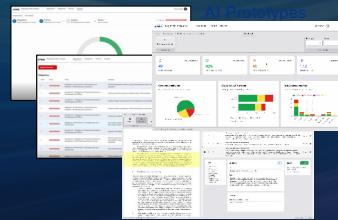
- Executive workshops
- AI impact & maturity assessments
- Use case identification & prioritization
- Business Case & RoI estimation
- AI strategic roadmap
- AI operating model



02 Develop AI Solutions

We co-create solutions that deliver measurable value while enabling safe experimentation.

- Rapid prototypes, PoCs and MVPs to validate value fast
- Design & build of scalable AI solutions using KPMG accelerators
- Integration with your data, cloud and core platforms
- Industrialisation support to move from experimentation to production



03 Enable your workforce

We prepare your people to confidently adopt and apply AI across the business.

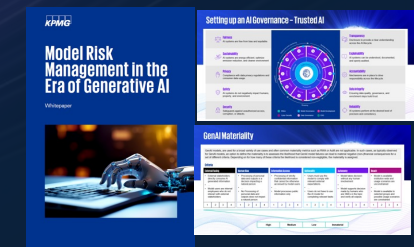
- AI literacy training programs
- Role impact assessment & automation potential
- AI workforce readiness & adoption strategy
- Talent strategy & capability building
- Prompt Engineering & Copilot Training



04 Enhance your AI governance

We ensure your AI is safe, compliant, and trusted.

- AI governance gap assessment
- AI governance framework implementation
- Dedicated AI implementation & validation guidelines
- AI lifecycle management & validation
- AI cyber & control modernization



Talk to our AI experts today...



Matthias Degen

Partner,
Head of Financial Services
Consulting
KPMG Switzerland

E: mdegen@kpmg.com
T: +41 79 946 76 08



Adrian Glatz

Partner,
Head of Financial Services
Technology
KPMG Switzerland

E: aglatz@kpmg.com
T: +41 79 946 76 04



Lisa Afonso

Director,
Financial Services Risk
Consulting & AI Strategy
KPMG Switzerland

E: ljardinafonso@kpmg.com
T: +41 79 281 22 50



Fabian Meier

Director,
Financial Services Risk
Consulting & AI Governance
KPMG Switzerland

E: fabianmeier@kpmg.com
T: +41 79 669 06 36



Thierry Kellerhals

Director,
Financial Services AI &
Digital Innovation
KPMG Switzerland

E: tkellerhals@kpmg.com
T: +41 79 281 22 50



[kpmg.com/ch](https://www.kpmg.com/ch)

The report may only be republished by written permission of the publisher and quoting the source "KPMG's Leveraging AI in Risk and Compliance 2026 Swiss Report". The views and opinions expressed herein are those of the author and do not necessarily represent the views and opinions of others.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity.

Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. The scope of any potential collaboration with audit clients is defined by regulatory requirements governing auditor independence.

If you would like to know more about how KPMG AG processes personal data, please read our Privacy Notice, which you can find on our homepage at www.kpmg.ch

Document Classification: KPMG Confidential