



AGENTIC BANKING: PRAGMATIC GUIDANCE FOR CANADIAN BANKS

Executive Thesis

Canadian banking is entering a new competitive regime where two forces converge:

- Consumer-driven banking (open banking) reduces switching friction, and
- Agentic AI compresses operating cycle time by planning and executing work across tools under governance. Institutions that are likely to outperform are increasingly treating agents as a new execution layer across distribution, operations, and risk.

Going Beyond Copilots

Generative AI produces content when prompted. Agentic AI decomposes goals into tasks, selects tools, executes steps, checks outcomes, and escalates exceptions within defined guardrails. In banking terms, copilots help humans work; agents change how work flows. Based on our experiences world over, we see 3 broad implications that matter to CXOs of Canadian banks.

- **Cycle-time becomes the KPI** (onboarding, credit packaging, disputes, AML investigations, KYC refresh, collections)
- **Controls move left:** Policy, risk, and compliance are embedded into runtime routing and tool permissions
- **Operating model shifts:** Banks must prepare to manage digital labor capacity, quality, and risk like any other workforce.

The Leap: From Assistance To Throughput

Capability	Copilot (assist)	Agent (act within guardrails)
Work decomposition	User defines tasks	Agent plans and sequences tasks
Tool usage	Suggests steps	Executes tool calls with entitlements
Assurance	Manual review	Runtime checks, logging, escalation
Value	Productivity uplift	Throughput + cycle-time compression



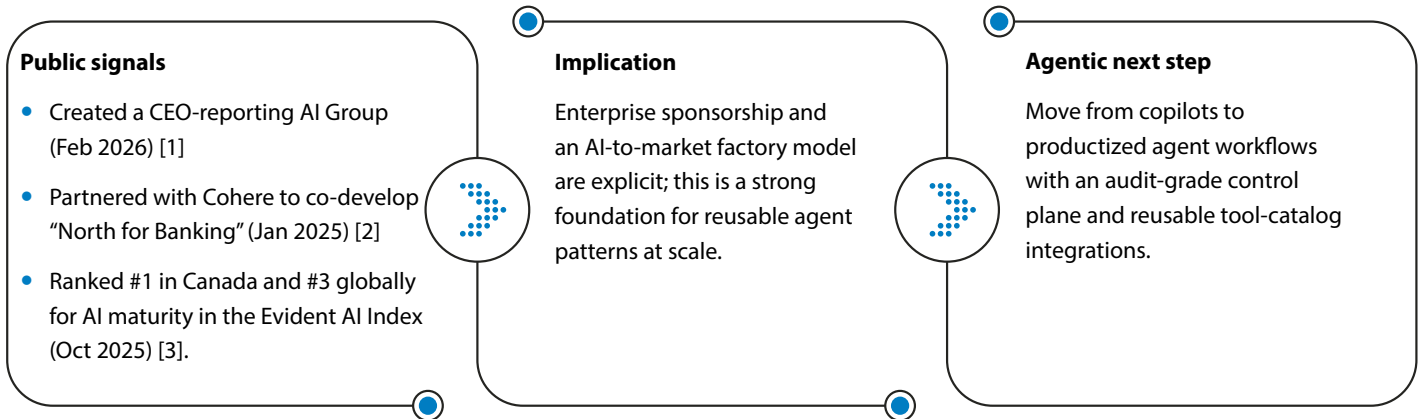
What Canadian Banks Are Already Doing (Signals To Build On)

Across the largest Canadian retail banks, the signals are increasingly clear: enterprise GenAI foundations are in place, and early agentic patterns are emerging. The constraint is increasingly less about ideation and more about controlled scaling (governance, integration velocity, observability, and change control).

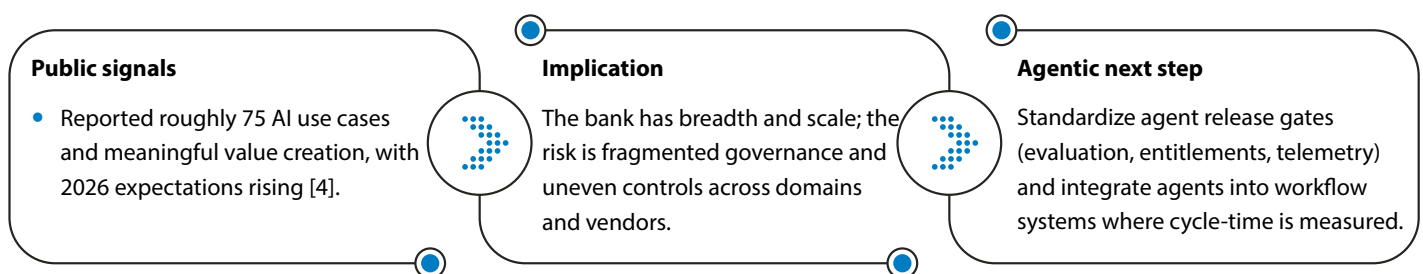
Signals By Bank (Publicly Visible):

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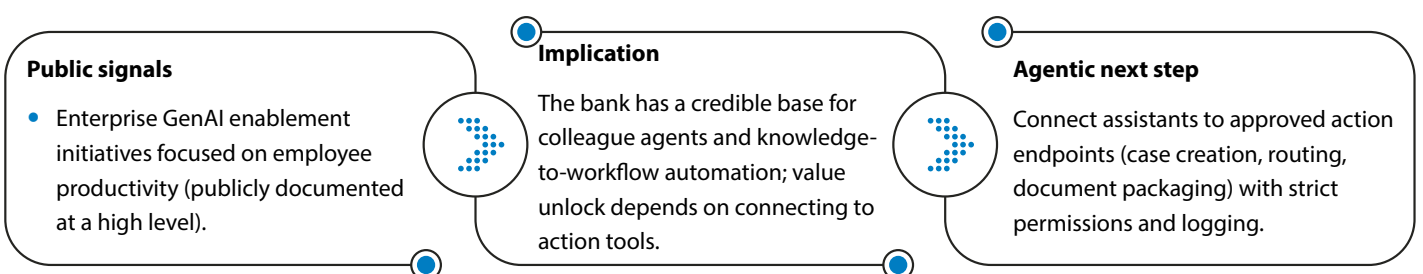
Largest Canadian Retail Bank



Diversified North American Bank



Relationship-Focused Retail Bank



Globally Active Canadian Bank

Public signals

- Publicly frames Agentic AI as the “next big wave” and notes deployment in Commercial banking [6]
- Publishes perspectives on using AI agents to transform payment operations [7].

Implication

The narrative has already shifted from copilots to agents; the main challenge is enterprise standardization and safe scaling across lines of business.

Agentic next step

Industrialize: shared testing harness, observability, and change control so new agents are cheaper and safer to deploy.

Digitally Innovative Retail Bank

Public signals

- Launched Lumi Assistant to accelerate employee access to internal policy and procedure knowledge; recognized for digital innovation [5].

Implication

The bank has a proven internal adoption wedge; the next leap is moving from knowledge to bounded actions under strict controls.

Agentic next step

Extend from search and summarization to bounded workflow actions (case routing, form prefill) with entitlements, audit logs, and rollback.

Reality check

If GenAI investments are not wired into workflow systems (CRM, case management, KYC platforms), cycle-time compression will be limited. Agentic value is a systems integration problem as much as a model problem.



The Canadian Reality: Open Banking And Model Risk Expectations

United Kingdom: Controlled Customer-Facing Trials With Regulator Engagement

UK banks have progressed from internal GenAI rollouts to customer-facing Agentic AI trials expected in early 2026, with close regulator engagement [10]. NatWest’s public collaboration with OpenAI illustrates how leading banks are institutionalizing AI partnerships and acceleration [12].

Australia: Agents In Frontline And CRM Workflows

Australia provides a pragmatic blueprint for embedding agents into frontline work. The bank has announced an Agentic AI-powered CRM to automate routine banker work [11]. Commonwealth Bank has published a detailed report describing its organizational approach to AI and responsible practices [14].

Commonwealth-market lesson for Canada

Do not wait for “perfect clarity.” Build bounded trials with a strong control plane now, so you can expand safely when competitive pressure spikes.

BANK-GRADE REFERENCE MODEL: EXPERIENCE, EXECUTION AND CONTROL PLANES

Plane	Bank-grade capabilities
Experience plane	Colleague agents (Teams/CRM/intranet); client agents (mobile/web) when controls mature
Execution plane	Agent runtime, orchestration, tool execution, bounded deterministic workflows, and human-in-the-loop checkpoints
Control plane (the differentiator)	Identity & entitlements, policy-as-code, audit logs, observability, evaluation harness, drift/regression testing, and change controls

Minimum Control-Plane Checklist (Non-Negotiable)



Entitlements: Every tool call authorized like a human action (role, client context, data class)



Policy-as-code: Permitted actions, thresholds, and escalation rules per use-case risk tier



Observability: Trace prompts, retrieved context, tool calls, outputs, and exception paths



Evaluation gates: Regression suites, adversarial tests, and scenario-based acceptance criteria



Change governance: Versioning, approvals, rollback plans, and operational SLOs for agents.

USE-CASE LADDER: WHAT TO DO FIRST AND WHAT TO AVOID EARLY

Phase-Based Adoption (A Pragmatic Ladder)

Phase 1 (0-90 days): Safe throughput (read, recommend, draft). Examples: Policy/procedure agent; contact center assist; AML/KYC packaging; dev/SRE agent assist.

Phase 2 (3-6 months): Bounded action (tool use under strict permissions). Examples: Case creation/routing; form prefill; evidence assembly; credit memo drafting with human approval.

Phase 3 (6-18 months): Customer-facing agents (mature guardrails). Examples: Proactive servicing; dispute initiation; SME relationship agent; personalization using accredited consumer-driven banking channels.

What Not To Automate Early

- Autonomous money movement, limit changes, or trading actions without deterministic controls and validated guardrails
- Credit approvals/declines without formal validation, explainability expectations, and clear accountability
- Unbounded customer-facing agent experiences before audit logging and containment are proven in production.

Governance And Operating Model: Risk Tiers, Auditability, And Assurance

Agent governance should be tiered by the risk of the action and the sensitivity of the data. Classify agents by the maximum action they can perform, then enforce runtime controls and evidence capture accordingly.

8.1 Example Risk-Tier Taxonomy

Tier	Allowed behavior	Typical domains	Mandatory controls
T0	Read-only Q&A	Knowledge, policy search	Retrieval allowlists; citations; logging
T1	Recommend / draft	Contact center, investigations	Human approval; safeguards; evaluation suites
T2	Bounded action	Case routing, form submission	Entitlements; policy-as-code; tool logging; rollback
T3	High-stakes execution	Payments, credit, limits	Deterministic workflow; dual control; validation; monitoring

CXO accountability question

If an agent makes an incorrect action, who is accountable: the model owner, the process owner, or the platform owner? Define this before you go into production.

Platform Strategy: Scaling With A Composable Fabric

Most banks will assemble an agent stack from multiple components: models, retrieval, orchestration, workflow tools, and observability. Scaling pain typically appears in four places: reuse, governance consistency, integration velocity, and auditability.

Topaz Fabric Positioning

Infosys Topaz Fabric is positioned as a layered, composable, open and interoperable stack of data infrastructure, models, agents, flows, and AI apps. A pragmatic role in a Canadian bank context is to use it as an orchestration and reuse layer: standard agent patterns, flow templates, tool-catalog integration, and governance hooks (telemetry, evaluation gates, change control) aligned to enterprise risk management expectations.

Principles For A Credible Vendor + Platform Narrative

- Interoperability: support the bank's preferred models, clouds, and security posture
- Auditability: evidence capture is first-class, not an afterthought
- Separation of duties: platform controls, model controls, and process controls are independently testable
- Measured outcomes: every agent release ties to cycle-time reduction, cost-to-serve, or risk containment.

CXO Action Plan (Next 6 Weeks) And Success Metrics

Decisions and Deliverables

1. Define agent risk tiers, accountability model, and non-negotiable control-plane requirements.
2. Select 3 thin-slice journeys (AML/KYC packaging, contact center resolution acceleration, SME onboarding/credit memo drafting).
3. Build tool catalog, entitlements, audit logging, and evaluation harness; ship first internal agents to a controlled pilot group.
4. Measure outcomes (cycle-time, containment, escalation rate), harden controls, and approve the scale-out plan.

Metrics That Matter

- Cycle-time reduction (median and 90th percentile) for the targeted journey
- Containment rate: % of cases resolved without human intervention (by tier)
- Escalation quality: % of escalations correctly routed with complete evidence
- Risk events: policy violations, data leakage, and hallucination-driven errors (tracked and trended)
- Adoption: active users, repeat usage, and measured productivity (not self-reported).

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