

“Protecting Vulnerable Clients Against Financial Fraud: A Comparative Analysis of Singapore, Switzerland, and the United Kingdom” – with a Focus on Digital Risk



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The manner in which societies have dealt with vulnerable persons has varied greatly over time and across geographical space. Ancient Athenians and Spartans are historic examples of how civilizations may differ in their treatment. Their inclusion - or lack of it - affected their belonging in their communities, which was an important protective factor. Today there is a common sense of inclusion. However, this inclusion faces shortcomings in the design of the standards and processes in place. Vulnerable groups remain at greater risk if the legal framework and standards used do not account for the needs and requirements of these groups.

This master's thesis examines how vulnerable clients can be better protected against financial fraud in an increasingly digital financial environment, with particular focus on the current protective landscape in Switzerland and comparative lessons from Singapore and the United Kingdom. The study starts from the observation that digitalisation has transformed payment systems, banking access, and client interactions, but has also created new forms of fraud, including phishing, social engineering, deepfake-enabled deception, and unauthorised digital account access. These risks affect vulnerable persons more severely because vulnerability may limit the ability to recognise deception, assess consequences, or resist pressure from third parties.

Using a comparative analysis, this thesis examines how the protection of vulnerable clients in the financial sector varies in different legislations, and explores the extent to which Switzerland's current framework protects them, not only against financial crime, but also against the threats and risks that precede it, such as undue influence of third or trusted persons, and whether foreign approaches provide stronger models for prevention. To answer this question, a review of academic papers, international guidelines, and industry standards forms the theoretical and legal basis for the thesis. This is complemented by qualitative interviews conducted with different individuals working in application security or the welfare of vulnerable groups, as well as a survey conducted among adults with disabilities.

The findings demonstrate that the framework is reactive rather than preventive, and that an effective protection of vulnerable clients requires more than reliance on general conduct duties and voluntary initiatives. Switzerland still lacks a dedicated regulatory definition of the vulnerable financial client, as well as clear guidance for financial institutions on how to identify, support, and protect such clients before harm occurs. The comparison with Singapore and the United Kingdom shows that meaningful improvements are possible without abandoning the principles of autonomy and proportionality. Technology-driven security measures must be complemented with preventive measures and standards, all with the goal of allowing a vulnerable client to have as much self-determination as possible in their financial matters, whilst having the necessary safeguards in place or available to them.