

Zombie Company Directors

What is a “zombie” company director?

A zombie company director is a person appointed to become a director of an active business after their death.

With Companies House responsible for gathering and processing data rather than verifying the legitimacy of what's submitted, fraudsters can steal the identities of others and create distance from their nefarious behaviours with no chance of detection.



It's a growing problem in the UK

Whilst companies are regularly updating their Companies House listings with information about directors and shareholders, not all may be as it appears.



We found:

There were **6,452 zombie directors** associated with active UK businesses, who were appointed as directors after their death. (February 2022)

What's the solution?

Experian's Key Party Screening will identify all owners (Directors, Persons of Significant Control and Ultimate Beneficial Owners) and verify that they exist and are who they say they are using Experian's Electronic Identity Verification Service, Authenticate Plus. Authenticate Plus combines identity validation and identity verification.



Identity validation

An individual's personal information, such as their name, address, phone number and email address, are checked to validate that they exist in the real world, using a number of data sources.



Identity verification

In-depth checks to link an individual directly to the personal information provided, to make sure they're genuine.



Fraud alerts

Additional checks using 'high risk' data sources.

We've also developed several business risk flags to give businesses deeper fraud insights, including: **Zombie director flags** which identify directors who have been appointed after their death. All the available data is then amalgamated and passed through a scorecard to generate an overall measure of confidence that a person's identity is real – **the Authentication Index**.

What's being done to tackle the issue?

As part of Government reforms to Companies House, identity verification is being strengthened.

Under the changes, identities will be verified by checking official photographic ID documents such as a passport or driving licence against the holder's biometric data. Making it harder for fraudsters to appoint zombie company directors.



Photographic ID documentation



Biometric data



Verification complete

