NAPIERAI   **BANCO DO BRASIL**

BANKING

BANCO DO BRASIL REDUCES FALSE POSITIVES BY MORE THAN 90% WITH NEXTGEN SCREENING

CASE STUDY

Summary

Banco do Brasil is a 200 year old financial services company headquartered in Brazil. Among the oldest banks in continuous operation in the world playing a crucial role in the development of Brazil's financial system and economy, Banco Do Brasil chose Napier AI to augment transaction screening capabilities for its foreign operations. This resulted in the bank transforming its compliance requirements into a business advantage – securing real-time payments in multiple screening configurations to establish a holistic view of financial crime risk, and a 90 percent reduction in the bank's false positive rates; all while meeting regulatory requirements and strengthening its strong tradition of secure customer experience.

Challenge

Banco Do Brasil upholds its values in which they emphasise a culture of innovation as the enabler of the company's perenniality and competitive edge. The compliance team realised that the existing legacy solution used in conjunction with data vendors wasn't meeting the expectations of changing regulatory requirements, or its compliance needs of foreign branches in the UK, France, Portugal, Austria and Germany.

The proliferation of jurisdiction specific requirements and processes laid over its legacy system across each of the foreign entities posed a challenge for the financial crime compliance (FCC) team to calibrate rules and strategies, requiring IT resources to make even small finetuning adjustments, generating too many false positives, and was costly to run. Banco Do Brasil identified the need to deliver autonomy in executing their compliance strategies for transaction screening.

The business wanted to decentralise the operational task of remediation of all alerts, integrate sanctions lists from both external and internal sources, and support a more detailed audit trail with hierarchies included for better regulatory reporting and compliance.

> "Napier AI's solution has given us the autonomy to centrally calibrate financial crime compliance rules and strategies and continue providing an industry-leading service to our customers, enabling us to tackle financial crime while maintaining the highest level of customer experience"
>
> Bruno Pereira Carneiro, Deputy Head of IT for EMEA at Banco do Brasil

Solution

Napier AI implemented its Transaction Screening module and consulted with the business on the best rules strategies, reducing Banco do Brasil's False Positive Rate (FPR) to just 2%. This significantly increased operational efficiency by reducing manual reviews and enhanced risk management which in turn facilitates fewer disruptions to customers through faster transaction processing.

Results

False positive hits reduced by more than 90%

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Multi-org capability

The solution granted scalability and flexibility to the team by providing the opportunity to deploy the solution across multiple geographies and business units in a single tenancy environment. This supports up to 300,000 transactions screened annually, while segregating and configuring the solution to best fit each business unit's requirements.

Sandbox environment

Napier AI's sandbox environment helps Banco Do Brasil to tailor their rules using the wealth of data about their customers to improve outcomes in screening significantly. This granted the FCC team significant time and cost savings by independently changing and testing rules within the user interface, without any need to understand the code. The sandbox also acts as a centralised repository, providing an audit trail useful for regulatory reporting, narrating a clear understanding of the 'story' or the contextual narrative that precipitated modifications to the rules.

About Napier AI

Napier AI is a RegTech delivering anti-money laundering and financial crime compliance software to financial institutions, payments firms and wealth & asset management firms. Napier AI designs and engineers technological innovation to make a measurable difference in driving down financial crime. Trusted by over 150 institutions worldwide, the company's platform, Napier AI Continuum, is transforming compliance from a legal obligation to a competitive edge.

Banco do Brasil won the Celent Model Risk Manager Award 2024 for their initiative 'Banco Do Brasil: Optimizing sanctions operations through technology transformation'.

Read the full case study by Celent here.

Discover how Napier AI can transform your compliance processes

For more information on Napier AI's award-winning AML solutions, please contact us at info@napier.ai or book a demo online at www.napier.ai

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