

Fraud Risk Management

Enhancing Fraud Risk Management Framework for an EU headquarter of an Asian bank

We supported an EU headquarter of an Asian bank operating across European markets in designing its fraud policy and performing fraud risk assessment. We assessed and documented the existing state of fraud risk management within the Bank, recommended improvements based on industry best practices, and facilitated workshops to discuss current control environment. We prepared new fraud risk assessment methodology, fraud taxonomy, and defined roles and responsibilities across the three Lines of Defence, as well as the Bank's fraud risk appetite. Additionally, we developed and delivered a comprehensive fraud training to all staff.



Key Activities

- Reviewed the bank's existing fraud governance structure;
- Facilitated strategic workshops to define current organizational setup and risk and control environment;
- Clarified roles and responsibilities across the three Lines of Defence;
- Developed FRA methodology and fraud taxonomy;
- Designed several of the Bank's fraud procedures (e.g. MI, customer awareness programme) as part of the fraud policy work

PwC Deliverable

- Fraud risk assessment including FRA methodology;
- Comprehensive fraud taxonomy;
- A new fraud policy document with guidance on how to update relevant sections locally;
- A fraud risk appetite statement;
- Staff fraud training.

Client Outcome

- Comprehensive understanding on how the fraud risk should be managed within the Bank;
- A set of controls to mitigate identified risks
- Clearly articulated fraud risk appetite that reflects the outcome of the bank's risk assessment;
- Positioned the bank for improved fraud risk management and future growth.