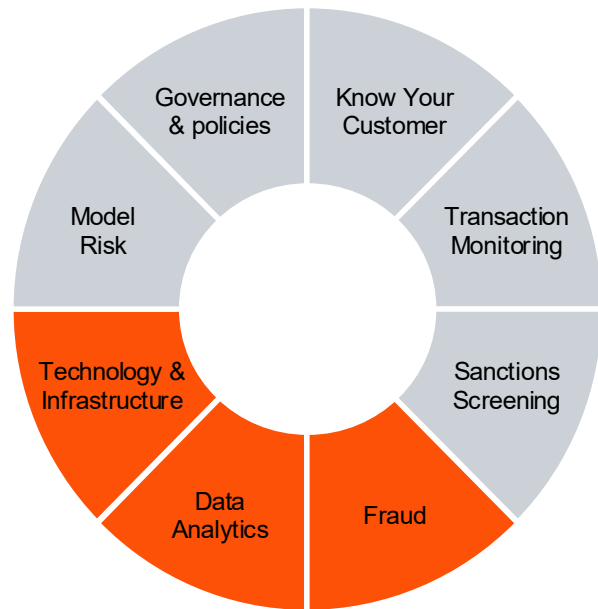


# Implementation of fraud transaction monitoring and online channels monitoring

## Proposed and implemented a fraud transaction monitoring system in multiple entities of a Nordic bank

A banking group from Nordics was searching for a strong AI-powered real-time fraud transaction monitoring system together with a biometric profiling detecting suspicious activity of users of mobile / internet banking (incl. PSD2 channel). We participated in a tender, proposed a joint proposition with our technology partner and subsequently implemented it in three entities of the group.



### Key Activities

- We participated in a tender, proposed a solution and implementation project and were selected by the Bank.
- Reviewed the business needs and strategy plans of the Bank (focus on online channels, credit cards fraud in the second phase etc.) and overall system architecture
- Analysed the current operations of the Bank's fraud teams, fraud scenarios and capabilities of the current systems and defined new target state.
- Selected, configured and calibrated fraud detection scenarios, trained relevant machine learning models.
- Performed a data mapping required for the integration of the fraud solution, prepared technology architecture and designed data flows.
- Performed testing of the data flows, implemented fraud scenarios and models.

### PwC Deliverable

- Winning proposal.
- Detailed assessment report with detailed findings and recommendations about the current state of the fraud detection and investigation function and recommended operational model after adoption of the new system.
- Definition of the target state of the fraud risk management system considering the strategy goals of the Bank and IT architecture.
- Business analysis documentation.
- Functional and technical specifications.
- Implemented fraud scenarios and machine learning models.
- Test strategy, test plans and test cases.

### Client Outcome

- Real time integration of the fraud detection solution.
- The new system met the success criteria and the agreed KPIs when increased the detected fraud by >300% in comparison to the current system and reached high fraud detection ratio and accuracy.
- Newly defined strategy, including risk appetite, risk factors and control effectiveness quantification
- Designed and implemented set of relevant fraud detection scenarios, strategies and machine learning model covering transactional behavioural algorithms as well as biometric and other models detecting suspicious behaviour of mobile/internet banking users.