



CASE STUDY

Napier works with Tier 1 to overhaul customer risk assessments

Summary

In line with FATF recommendations, regulators expect to see a risk-based approach to anti-money laundering efforts. Napier was brought in deliver a solution for a tier 1 bank to significantly upgrade and automate its customer risk assessment.

"The best measure for preventing financial crime is simply not onboarding high risk customers. The starting point for compliance, therefore, is to know who you are doing business with. Napier's Risk-Based Scorecard helps to get this right from the beginning."

Mariola Marzouk,
Head of Product,
Napier

Background

The local regulator required our client to demonstrate its understanding of the customer risk inherent in onboarding financial, government and legal entities.

The requirement was that the bank implement a risk-based assessment of their customers.

At the time, the existing approach was based on collecting only a small amount of data about customers which was not enough to adequately assess risk levels.

Why Napier?

With a consultancy developing a new risk-based model for the bank, Napier was called in as the technology partner to deliver it.

The model was based on implementing consistent, repeatable customer risk assessments.

Napier's task was to deploy a system that would be easy to implement, could easily ingest existing KYC data as well as new data sources, and importantly, be easy for the customer to use.

Solution

Napier implemented the Risk-based Scorecard Review that could be bolted onto an existing anti money laundering system via an API.

Able to ingest data from multiple sources, the solution used weighted risk data attributes to score each customer's risk on a scale of high, medium and low. This provided a systematic repeatable method of assessing risk.



Risk-Based Scorecard Review

Perform enhanced risk assessments to generate a risk level for each client.

Use these levels to optimise your screening and monitoring processes.

[Learn more](#)

Benefits

The Risk-based Scorecard Review identifies the additional necessary data required to perform a complete and accurate customer risk assessment.

The risk level derived from the scorecard review can optimise transaction monitoring, allowing efforts to focus on high-risk customers.

Integrated workflow enables the system to assign the task of completing any missing key risk data attributes to the compliance officer.

A scorecard review can be automatically scheduled and performed as often as necessary and based on the risk level of the customer. Regular monitoring is recommended for high-risk customers.

As consecutive scorecards are created for each customer, a full profile history is created. No coding required - users can modify questions and risk level requirements without code.

Summary

- Napier designed the Risk-Based Scorecard review to be compatible with the bank's third-party transaction monitoring and Know Your Customer (KYC) software.
- It also perfectly complements our own Transaction Monitoring and Client Activity Review solutions, providing a truly integrated next generation Intelligent Compliance Platform.
- Customer data, such as geographic location and employment status, are usually regulator driven requirements. Any number of risk attributes can be set for a Risk-based Scorecard Review but 30 is typical.

Discover how Napier can transform your compliance processes

For more information on Napier'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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"Money launderers are really good at getting onboarded as low risk, so what happens after onboarding really matters. Our Risk-Based Scorecard Review provides an accurate and up to date customer risk score, so appropriate action can be taken. It's an essential tool in the AML toolkit."

Mariola Marzouk,
Head of Product,
Napier