



Press release

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Aizkraukles Banka continues to invest in risk management solutions

Aizkraukles Banka – the bank with headquarters in Riga, Latvia, continues to invest in more stable, reliable and secure execution of bank core operations. A new project has been started to improve the efficiency of operational risk management with automated Nexum Operational Risk Management (Nexum ORM) solution. It provides a structured and efficient approach to risk minimization and brings a good foundation for more responsive customer service.

In February 2009, the bank started a project to empower operational risk management functions with a new automated *Nexum Operational Risk Management (Nexum ORM)* software solution. The supplier is Nexum Insurance Technologies - an international provider of information technology solutions and business consultancy for financial sector.

The head of Risk analysis department Ms. Oksana Gladiya explains: *"We need to react in minutes and involve the right employees who provide resolution for all interruptions in bank processes. Along with that the risk management must also collect and analyze the whole history of activities performed to resolve the issue. Accumulation of accurate statistics about financial impact resulted from each incident allows us to focus on the most critical sources of risk and eliminate them."*

Aizkraukles Banka was looking for efficient and responsible way to develop risk management function. Therefore it was decided to implement automated operational risk management system that all involved persons benefit from – customers, employees, management and risk managers. To keep focus on accurate data collection, *Nexum ORM* solution was selected as a software platform which has a leading *Ultimus Business Process Management* engine at the core and ensures high degree of process automation, deadline control and workload distribution.

Operational risk management has always been very important for Aizkraukles Banka. The improvements began in early 2008 and the new solution is a next step to put all operational issues under tight control. Good results in operational risk identification were the reason for future improvements. The new system helps to register, resolve and control each operational risk event effectively and quantify it as defined by international *Basel II* requirements.

"In bank we emphasize the importance of operational risk control and management. To develop our excellence in this area we need a simple software solution for users but at the same time powerful enough for the risk management. This is what Nexum ORM gives us." – Ms. Oksana Gladiya concludes.

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