

Governing AI in financial risk management

Target

Ensure AI models used in financial risk, credit decisioning, and compliance workflows are accurate, explainable, and defensible over time.

Challenges

Financial institutions increasingly rely on AI to support high-stakes decisions across credit risk, fraud detection, portfolio analysis, and regulatory stress testing. As AI becomes embedded in core risk workflows, leaders must be able to explain how models behave, how changes affect performance, and how risk is managed over time.

- ⚠️ AI models are often selected using generic benchmarks or vendor claims that do not reflect firm-specific data, risk thresholds, or regulatory requirements.
- ⚠️ Model behavior can change significantly as a result of tuning, prompt updates, or data shifts, without clear visibility into where performance improves or degrades.
- ⚠️ Blind spots in bias, drift, and adversarial behavior make it difficult to demonstrate ongoing compliance to regulators, internal audit, and senior leadership.

Solution

With SeekrGuard, financial institutions can compare candidate AI models using their own data, scenarios, and risk criteria as the benchmark. Risk teams assess performance across relevant stress conditions, understand how tuning affects accuracy and bias, and apply consistent evaluation standards across the model lifecycle.

As models evolve, SeekrGuard supports repeatable testing against the same criteria, creating a documented record of performance, risk, and change over time. This integrates evaluation and governance directly into existing AI workflows rather than treating oversight as a one-time review.

EXAMPLES

- Compare credit risk models against historical downturn and regulatory stress scenarios.
- Detect model drift as market conditions or customer behavior shifts.
- Produce audit-ready evidence for internal governance reviews and regulatory examinations.

Impact

- ☑️ Clear visibility into model behavior across real financial risk scenarios
- ☑️ More defensible model selection and deployment decisions
- ☑️ Earlier detection of drift, bias, and emerging risk
- ☑️ Stronger audit and compliance posture grounded in documented evidence
- ☑️ Increased confidence in AI systems used for high-stakes financial decisions