



## **Fraud caused by AI could cause Brazil economic losses close to R\$4.5 billion in 2025**

*The generation of digital doppelgangers created by artificial intelligence to try to defraud banks and financial institutions is already among the top five most used tools in Brazil, still behind others such as phishing or smishing.*

*It is estimated that, in 2024, between 3 and 5% of all frauds related to impersonation in Brazil made use of artificial intelligence or used deepfakes, a percentage that could reach 8% this year, especially in sectors such as banking or cryptocurrency management.*

*Identy.io's touchless biometric verification solutions are able to detect when the user trying to use a digital credential is real and when it is a deepfake or an image generated by artificial intelligence.*

Artificial intelligence and the use of deepfakes could become a real problem for Brazilian financial and banking institutions in the coming years. Entities such as Deloitte predict a 32% growth in the use of these tools for committing crimes related to identity theft, which would lead to losses of close to R\$4.5 billion this year. Of these, 8% of incidents will be caused by deepfakes or digital impersonations.

In this sense, Identy.io's proprietary touchless biometric verification solutions make use of liveness, a technology capable of discarding those attempts to access the user's digital credentials whenever there is no virtually absolute certainty that the person trying to access them is real and not a computer-generated digital double. This does not require the use of expensive technology, but all biometric information is processed and managed from the user's cell phone.

In a moment in which more and more banking or cryptocurrency management entities, increasingly popular in Brazil, are resorting to user identity verification using biometric technologies, it is essential to ensure that it will be possible to differentiate when the user is really who claims to be and when it is merely a representation generated by artificial intelligence.

Unlike other biometric identification solutions, Identy's solutions process all user information - be it fingerprints, facial or palm recognition information - on the user's own mobile device, which increases the level of security by minimising the possibility of any data leakage or loss, while increasing cost efficiency for public or private institutions, which do not need to make any additional investment in cloud management or third-party infrastructure, since, once the onboarding process is completed, which compares the user's biometric information with that of one of the officially recognised databases, it is no longer necessary to carry out any additional verification transaction with these entities. This, in turn, enhances security for the user, who maintains control at all times over what personal information is shared, increasing protection against unwanted use or the ability to carry out actions considered high-risk without undue exposure of personal information.



Identity.io's biometric facial identification solution meets some of the world's most stringent digital identity management and security guidelines, including those of the FIDO Alliance and NIST (National Institute of Standards and Technology) by supporting eKYC (Know Your Customer) processes and AML (Anti Money Laundering) frameworks, as well as complying with the ISO 30107-3 liveness standard, ensuring its security and accuracy.

According to Jesús Aragón, CEO of Identity.io, "the technology used in the practice of fraud and identity theft is constantly advancing, costing Brazil hundreds of millions a year. However, at Identity.io we use artificial intelligence to collaborate directly in tackling a problem that affects more and more people. All this, in a secure and profitable way for financial institutions, but without forgetting the user, who can carry out their critical operations from their mobile device with total confidence, simplicity and effectiveness".

Identity.io is already working with some of the world's leading banks and financial institutions in the development and implementation of different alternatives for user identity validation using touchless biometric technology, reducing the time and cost of implementation. According to Aragón, 'we remain committed to fighting fraud and identity theft in Brazil with a secure, reliable and easy-to-use facial recognition solution.'

### **About Identity.io**

Headquartered in the US with offices in Brazil, Mexico, Colombia, Spain, and India, Identity.io delivers a one-stop platform for touchless mobile biometrics—enabling face, fingerprint, and palm recognition alongside digital ID solutions like ID Wallets and encrypted QR credentials. Its patented on-device technology features certified liveness detection, identity document processing, and biometric identity management interoperability—functioning without servers or constant connectivity.

Identity.io replaces outdated methods like passwords, tokens, and OTPs (One Time Passwords) with secure, privacy-first authentication. Trusted by governments and corporations, the platform meets FIDO, NIST, and ISO standards and has powered over one billion transactions globally, offering a cost-efficient and scalable solution for identity verification in regulated environments.