



THE JOURNEY TO FINANCIAL SUCCESS IS PAVED WITH SOUND MODELS.



"This perfect storm of model-inventory revisions and development presents organizations with a unique opportunity to act strategically. The requirement is clear: institutions need to streamline the entire model life cycle, including ideation, development, implementation, validation and monitoring."

*The next S-Curve in Model Risk Management
mckinsey.com | Jan. 13, 2021*



HOW MUCH DAMAGE CAN ONE BAD MODEL DO?

Suboptimal models don't just generate added costs, they result in missed revenue opportunities.

When you understand your model risk clearly, the benefits are vast:

- ⚓ Optimized P&L
- ⚓ Right-sized capital
- ⚓ Protection for the organization

Do you know when your models are failing?



ORGANIZATIONS WITHOUT ADEQUATE MODEL RISK MANAGEMENT FACE ROUGH WATERS AHEAD.

CAN YOU ANSWER REGULATOR QUESTIONS?

What % of your models are you failing?

Do you have live models in production that were not used in the past 12 months?

What is the probability your model will fail within the next 12 months?

ARE YOUR PROCESSES PUTTING YOU AT MORE RISK?



unable to identify AI & ML models across enterprise inventories.



manage model risk governance with traditional tools like spreadsheets.



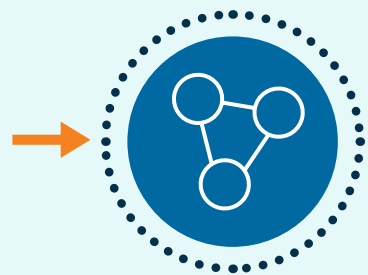
think complexity of developed models will be biggest challenge to MRM.



MODEL RISK



DO YOU TRUST YOUR MODELS?



- ⚓ Many complex and black box
- ⚓ Multiple uses
- ⚓ Many dimensions
- ⚓ Rapid degradation
- ⚓ Unseen relationships



BUILD TRUST IN YOUR MODELS.

BETTER MODEL GOVERNANCE

EFFICIENT COMPLIANCE



Address business and regulation priorities.



Lower validation costs.



Establish uniform model-lifecycle methodology.



Centralize model information.



Reduce model risk.



Visualize model dependencies across the enterprise.



Accelerate time to value.



WHY SAS?

As the world leader in model risk management, our customers include 12 GSIB (global systemically important banks) and over 60 successful deployments.

Learn how SAS can help you manage your model risk at sas.com/modelrisk