

Accenture and SAS: Delivering end-to-end solutions for FRTB compliance

The new Fundamental Review of the Trading Book (FRTB) regulation, issued by the Basel Committee on Banking Supervision (BCBS), will have a wide-ranging impact on banks and financial institutions across all business functions. To help our clients comply with the January 2019 implementation deadline, Accenture and SAS have developed a solution built on SAS® Capital Requirements for Market Risk (SAS CRMR) aligned with Accenture's end-to-end consulting and implementation services. This joint offering will enable financial institutions to plan for and implement both the Internal Model Approach (IMA) and Standard Approach (SA).

Accenture FRTB services are designed to meet a wide range of needs – from initial evaluation to design, testing and implementation – and are offered globally through the Accenture Risk Analytics Centres staffed with FRTB and SAS experts. Powered by the SAS® CRMR product plus Accenture FRTB accelerators, assets and delivery services, we offer an end-to-end solution that speeds time-to-benefit enabling both FRTB compliance and modernization of banks' market risk infrastructure.

Summary of Accenture and SAS FRTB services

Accenture offers implementation and support services for IMA and SA Capital Calculation powered by the SAS® CRMR solution covering the full market risk capital calculation requirements.

Deployment is tailored to fit your organization's precise and unique requirements, which may include:

- Managed service "on-site" deployment or managed service "offsite" deployment hosted by the Accenture Risk Analytics Centre with a number of Accenture add-on services available.
- Cloud-based solution deployment with extended business, application and data management operations to help provide end-to-end compliance and global coverage.
- Standard application programming interface-driven managed service for organizations which only need or choose to employ the SA calculation.

To address FRTB compliance, Accenture and SAS offer:

- Early deployment to support "what-if" scenario analysis of the desk structure.

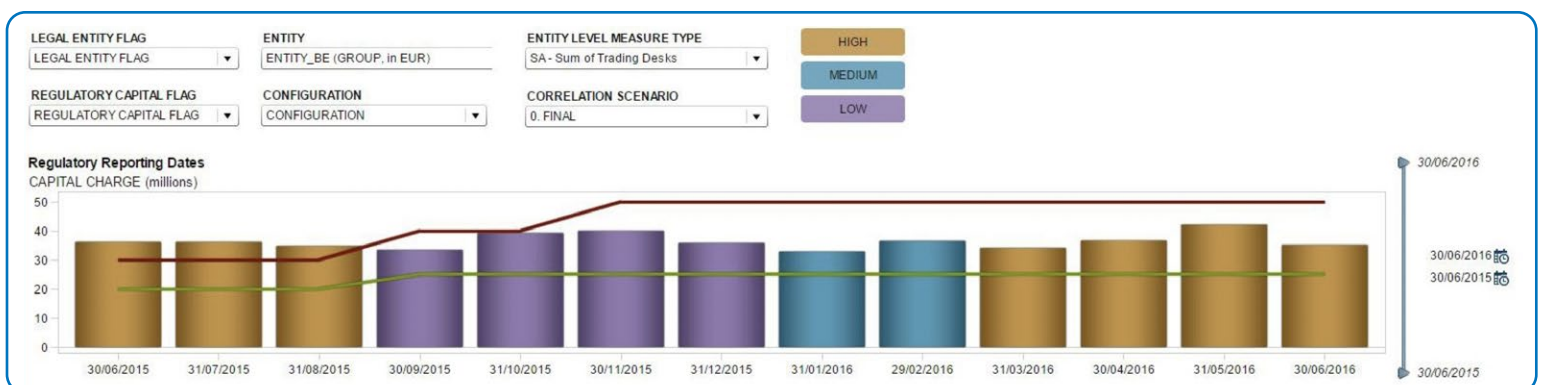
- Flexible deployment options for running program elements of the FRTB program to help meet on-demand implementation requirements and spreading costs over the course of the FRTB implementation.
- Scalable resources for aligning the solution implementation to support evolving program and implementation needs.
- Global delivery capabilities coupled with local market knowledge and regulator relationships to help address local regulatory expectations.

Why Accenture and SAS for your FRTB solution?

With more than a decade of successful partnering, Accenture and SAS enable organizations to use the power of analytics to seize growth opportunities, get precise answers to complex problems, and speed innovation and decision making. Hundreds of companies worldwide have benefited from Accenture's business analytics solutions powered by SAS' pioneering analytics.

We jointly provide financial institutions with well-orchestrated and robust solutions enabling them to address their most complex risk analytics, decisioning and reporting challenges. Key benefits of engaging Accenture and SAS for FRTB include:

- Leverage the strategic alliance between SAS and Accenture with our proven track record.
- Increase speed of implementation and reduce cost with an end-to-end solution.
- Access our unique global system integration capability.
- Deploy high calibre risk specialists in FRTB to integrate the solution into the bank's environment, protecting your current infrastructure investments.
- Use local knowledge and relationships with regulators and our understanding of market structure to align implementation with local regulatory expectations.
- Align with your organization's target timelines, with an efficient delivery plan.



Key features of SAS® CRMR

Market risk analytics

- Compute risk capital at various hierarchical levels to identify capital-intensive operations.
- Explore the regulatory capital impact of business decisions such as:
 - Trading desk structure.
 - Investment portfolio composition.
- Identify potential regulatory capital savings with an Internal Model Approach vs. the Standardized Approach.

Manage workflow, monitoring and extension

- Modular approach that allows IT to fulfil the needs of multiple business divisions while managing a single platform.
- Integrate multiple systems and third-party tools for more reliable decision making.
- Monitor job execution status with dashboards.
- Access historical data and provide data management and auditability.
- Visualize analytical operations via easy-to-understand process and analyze input and output of each step.

Data management

- Continuously monitor and assess data quality in alignment with BCBS 239 guidelines with interactive reporting. Support for integration with SAS risk solutions and third-party applications.
- Create and amend user security for access, authentication and authorization.
- Create and review of audit trails.
- Analyze IMA results for comparison with SA results.

Risk reporting

- Interactive capital impact analysis, including intraday changes.
- Intraday updates of risk results and capital measures in response to newly confirmed or hypothetical trades and positions.
- Reports delivered out of the box:
 - Production – Entity Level Capital Charge vs. Capital Appetite and Upper Tolerance Levels.
 - Production – Trading Desk Level Capital Charge vs. Capital Appetite and Upper Tolerance Levels.
 - Production – Capital Charge Drill Down With and Without Trading Desk Level Aggregation.
 - Production – d356 – Market Risk Standardized Approach.
 - Simulations – Capital Charge Drill Down With and Without Trading Desk Level Aggregation.
 - Simulations – Portfolios and Desks Allocation Strategies.
 - Simulations – Expected Shortfall vs. VaR.

Let's talk.

Contact us to discuss your requirements and for a demonstration of the complete and end-to-end FRTB solution.

Takis Sironis

Accenture – Global FRTB Program Lead
takis.sironis@accenture.com

Joseph Hegarty

SAS – Accenture Global Risk Lead
joseph.hegarty@sas.com

For more information about Accenture Finance & Risk, visit www.accenture.com/us-en/financial-services-finance-risk

For more information about SAS, visit www.sas.com/CRMR

Copyright © 2016 Accenture
All rights reserved.

Accenture, its logo, and
High Performance Delivered
are trademarks of Accenture.

SAS and all other SAS Institute Inc. product or
service names are registered trademarks or trademarks
of SAS Institute Inc. in the USA and other countries.

® indicates USA registration.

Any third-party names, trademarks or copyrights
contained in this document are the property of
their respective owners.

SAS and all other SAS Institute Inc. product or service names are registered trademarks or trademarks of SAS Institute Inc. in the USA and other countries. ® indicates USA registration. Other brand and product names are trademarks of their respective companies. 108641_G43443.1216