

## ORACLE FINANCIAL SERVICES BASEL REGULATORY CAPITAL ANALYTICS

ORACLE'S FINANCIAL SERVICES ANALYTICS ENABLE INSTITUTIONS TO MEASURE AND MEET RISK ADJUSTED GROWTH OBJECTIVES, PROMOTE A RISK MANAGEMENT CULTURE AND MITIGATE THE COSTS OF REGULATION THROUGH THE LOWEST POSSIBLE TCO

### KEY FEATURES

- Pre-configured reports covering Pillar I reporting and Pillar III disclosures
- Built-in capability to produce highly formatted regulatory reports (such as FFIEC 101)
- Point-in-time and across-time analysis of risk weighted assets and capital requirements across multiple levels
- Drill-through functionality allows for detailed analysis
- Ability to integrate with existing Basel II applications
- Enables tabular as well as graphical reporting
- Flexible to allow for bank-specific reporting

### KEY BENEFITS

- Enable compliance with Pillar 3 disclosures & regulatory reporting
- Analyze regulatory capital requirements under stress scenarios
- Have actionable information for strategic decision making
- Achieve desired transparency and auditability in reports and dashboards
- Comply with BIS Principles for Effective Risk Data Aggregation and Risk Reporting

*Banks across the globe have made substantial investments in time, money and human resources to address their Basel II initiatives. Basel II compliance is a data intensive exercise requiring a great amount of data from various systems and involving significant processing complexity. However, Basel II initiatives that focus mainly on regulatory compliance tend to undermine these very same investments.*

*Oracle Financial Services Basel Regulatory Capital Analytics allows institutions to capitalize on their Basel II compliance investments by providing extensive dashboards that enable efficient and timely Pillar I analysis and Pillar 3 disclosures, regulatory reporting and provide a complete platform for strategic decision-making across the institution.*

### Enables Compliance with Pillar 3 Disclosures & Regulatory Reporting

Oracle Financial Services Basel Regulatory Capital Analytics provides pre-configured Pillar 3 reports covering all market disclosure requirements of Basel II related to Scope, Capital, Credit Risk, Market Risk, Equities in Banking Book and Interest Rate Risk in Banking Book. The Basel II reports and dashboards can be generated for various levels (solo/consolidated) and downloaded in various formats including PDF or Microsoft Excel. Oracle Financial Services Basel Regulatory Capital Analytics additionally provides the built-in capability to produce "pixel-perfect" Basel II regulatory reports for individual jurisdictions (such as FFIEC 101 in USA); it also provides disclosure requirements as per IFSB guidelines (corresponding to pillar 3 of Basel) for banks offering Islamic financial products that comply with Shariah principles. All together, Oracle Financial Services Basel Regulatory Capital Analytics can serve as a single regulatory and management reporting solution meeting all Basel II disclosure and reporting requirements.

### Analyze Regulatory Capital Requirements Under Stress Scenarios

Oracle Financial Services Basel Regulatory Capital Analytics allows banks to analyze regulatory capital requirements under various stress scenarios. This capability helps banks with strategic and capital planning to ensure they possess adequate capital to meet their regulatory capital requirements. The Basel II Analytics enable stress scenario impact analysis for overall risk weighted assets/capital adequacy and also across risk categories, lines of business, asset classes and legal entities which can assist institutions in determining hot spots requiring management attention.



Figure 1: Credit RWA: Stress Scenario vs. Baseline

**Provides Actionable Information for Strategic Decision Making**

Oracle Financial Services Basel Regulatory Capital Analytics provides thorough Point-in-Time and Across-Time Analysis of regulatory capital requirements across various dimensions including Legal Entity, Line of Business, Asset Classes, Risks and the like, to assist institutions in their strategic decision making and capital planning.

Oracle Financial Services Basel Regulatory Capital Analytics enables concentration risk (Single-Name and Industry/Geographical) analysis through dedicated dashboards and reports on Lorenz Curve, Concentration Curve, Gini Coefficient, Herfindahl Index (HHI), and Rosenbluth Index, for instance.

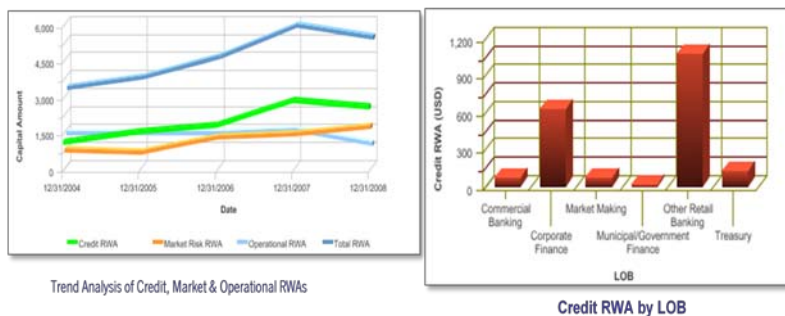


Figure 2: Across Time and Point in Time Analyses for Regulatory Capital Requirements

**Enables Transparency and Auditability**

Oracle Financial Services Basel Regulatory Capital Analytics provides exhaustive drill-down, drill-through and drill-across capabilities within the dashboards and reports enabling traceability of results to individual exposures and sub-exposures. Built on the industry-leading Oracle Business Intelligence platform, these capabilities help simplify supervisory and internal audit review of Basel II computations (as needed per regulatory requirements) while also assisting senior management with top-down analysis of results.

**Supports Integration with Third-Party and In-house Risk Management Solutions**

Oracle Financial Services Basel Regulatory Capital Analytics is pre-wired to the Oracle Financial Services Basel Regulatory Capital solution and its extensive Basel II regulatory computational and data management capabilities, to ensure rapid deployment and powerful analysis of Basel II results for any user of Oracle Financial Services. Additionally, Oracle Financial Services Basel Regulatory Capital Analytics can also serve as a standalone business

intelligence solution, through easy integration with any upstream risk management solution. This helps institutions to leverage investments already made in existing risk management applications and IT infrastructure.

### Provides Key Dashboards to Help Address Pillar II Requirements of Basel II Accord

The Basel II Accord has mandated the need for financial institutions to develop suitable internal procedures and systems in order to improve risk management practices. Oracle Financial Services Basel Regulatory Capital Analytics provides a host of powerful dashboards and reports to help strengthen a bank's ability to address the requirements of the Internal Capital Adequacy Assessment Process, as described under Pillar II of the Accord.

### About Oracle Financial Services Analytical Applications

Oracle Financial Services Basel Regulatory Capital Analytics is part of the Oracle Financial Services Analytical Applications family of solutions for the global financial services industry.

Oracle Financial Services Analytical Applications are built upon a commonly available analytical infrastructure consisting of a unified financial services data model, analytical computations and the industry-leading Oracle Business Intelligence platform.

Oracle Financial Services Analytical Applications include award-winning solutions for Enterprise Risk Management; Governance, Risk, and Compliance (GRC); Enterprise Performance Management (EPM); and Customer Insight for financial services.

### RELATED PRODUCTS

The following solutions are also available from Oracle Financial Services:

- Oracle Financial Services Basel Regulatory Capital
- Oracle Financial Services Economic Capital
- Oracle Financial Services Market Risk
- Oracle Financial Services ICAAP Analytics
- Oracle Financial Services Enterprise Risk Assessment
- Oracle Financial Services Retail Credit Risk
- Oracle Financial Services Advanced Analytical Applications Infrastructure
- Oracle Financial Services Corporate Credit Risk
- Oracle Financial Services Operational Risk Economic Capital
- Oracle Financial Services Operational Risk
- Oracle Financial Services Asset Liability Management

### Contact Us

For more information about Basel Regulatory Capital Analytics, visit [oracle.com](http://oracle.com) or call +1.800.ORACLE1 to speak to an Oracle representative.



Copyright © 2013, Oracle and/or its affiliates. All rights reserved.

This document is provided for information purposes only and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. UNIX is a registered trademark licensed through X/Open Company, Ltd. 0713

**Hardware and Software, Engineered to Work Together**