



Navigating financial risk: A guide for modern financial institutions

Unlocking a strategic
risk management approach



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Introduction:

Navigating the new landscape of financial risk

How do financial institutions maintain stability and drive growth in an era of unprecedented change? In a dynamic global economy, the ability to effectively manage financial risk is the core of a resilient and competitive strategy that makes your money work harder. For banks, credit unions and other financial services firms, risk is an inherent part of business.

Leading institutions are adopting a proactive, strategic and holistic view of risk management. This guide provides a clear roadmap for navigating the complexities of modern financial risk, exploring the challenges and solutions across key areas. By transforming risk management from a necessary cost into a strategic function, your institution can foster confidence and enable sustainable growth.





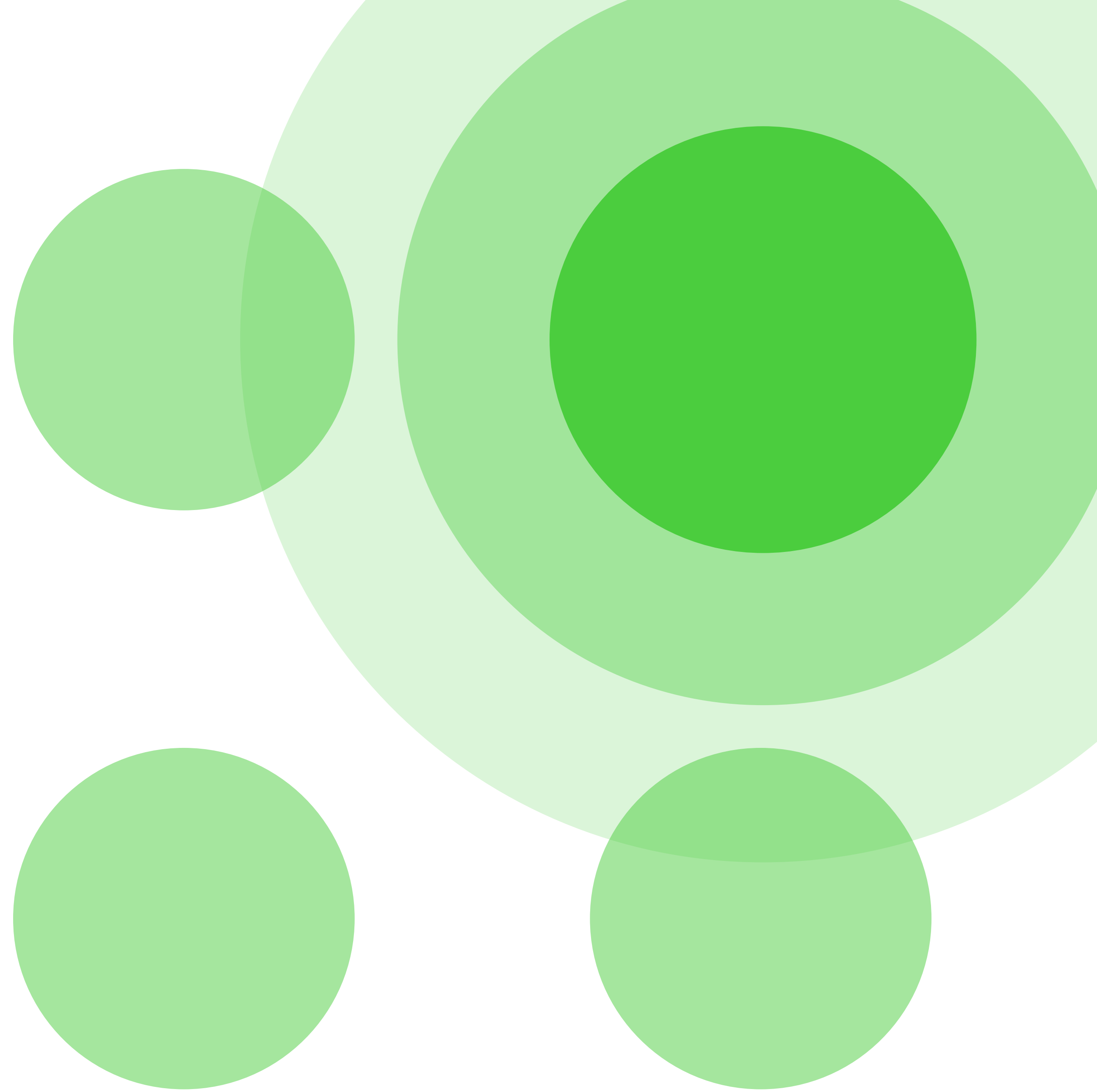
Market risk: Taming market turbulence

How do you protect your balance sheet when market forces are in constant motion? Market risk arises from fluctuations in interest rates, currency values and commodity prices that can directly impact profitability and asset valuations.

Credit risk:

Fortifying your foundation

How does your institution ensure that every loan extended is a pillar of strength? Credit risk - the possibility of loss from a borrower's failure to repay - is the foundational risk for any lending institution.





Liquidity risk: Ensuring stability

How does your institution guarantee it can meet its financial obligations without fail? Liquidity risk is the threat that you will not have sufficient cash to meet short-term commitments, a crisis that can threaten viability almost instantly.

Operational risk: Mastering complexity

How do you defend against a risk that can originate from a server crash, a clerical error or a cyberattack? Operational risk is the threat of loss from failed internal processes, people and systems, or from external events.



Systemic risk: Navigating ripple effects

How does an institution protect itself when the threat comes from the potential collapse of the financial system itself? Systemic risk is the danger that the failure of one entity triggers a cascading failure that destabilizes the entire economy.

Conclusion:

Transforming risk into advantage

A proactive, holistic and strategic approach to risk is no longer optional – it's a strategic imperative. The market, credit, liquidity, operational and systemic risks your institution faces are deeply interconnected and require a unified defense.

The future belongs to institutions that see risk not as a threat to be avoided, but as a variable to be understood and managed. By embedding risk awareness into your culture, leveraging technology and putting your money to work, you build the confidence to innovate, the agility to seize new opportunities, and the resilience to stand firm in the face of uncertainty. The time to act is now. Strengthen your defenses and position your institution to lead the way forward with confidence and stability.



Our **technology** powers the global economy across the money lifecycle.



Money at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability, and compliance as your business grows.



Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems, and financial networks without compromising speed or security.



Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

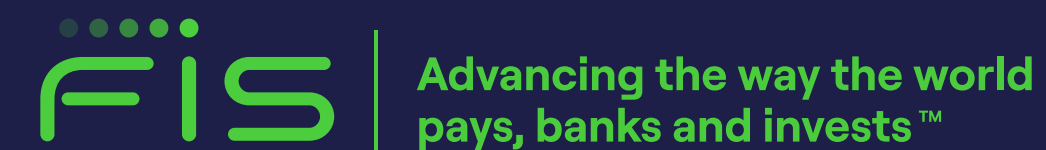
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