

RISK MANAGEMENT

CAPITAL MANAGEMENT

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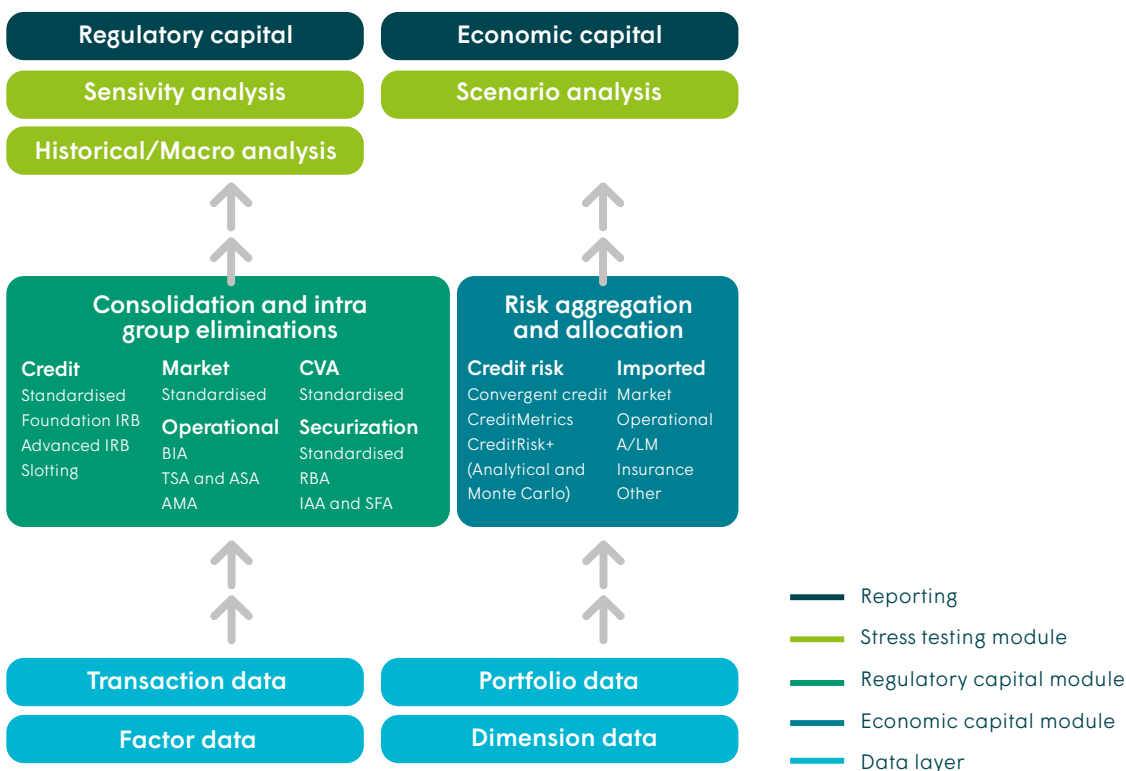
Business Overview

Since the 2008 financial crisis, banks have been required to comply with a wide range of regulatory and reporting requirements, generally within short timeframes. As the Bank for International Settlements (BIS) requirements have filtered down to, regional and local level, virtually every regulator has issued updated guidelines for regulations and reporting. In Europe, the European Banking Authority (EBA) has distilled the Basel III principles of the BIS into the single Capital Requirements Directive (CRD) rule book, CRD IV. The EBA has also introduced new reporting frameworks in the form of Common Reporting (CoRep).

It seems clear that the influx of new regulatory and reporting standards is not going to slow down. A completely revised approach to counterparty credit risk is due for adoption by 2017, and a comprehensive trading book review is underway. The majority of banks complied with the first wave of regulation that emerged in the initial response to the crisis

with short term tactical solutions. But as more thorough refinements continue to be rolled out, financial institutions will need to implement robust, long term solutions to adapt to the constantly evolving regulatory landscape.

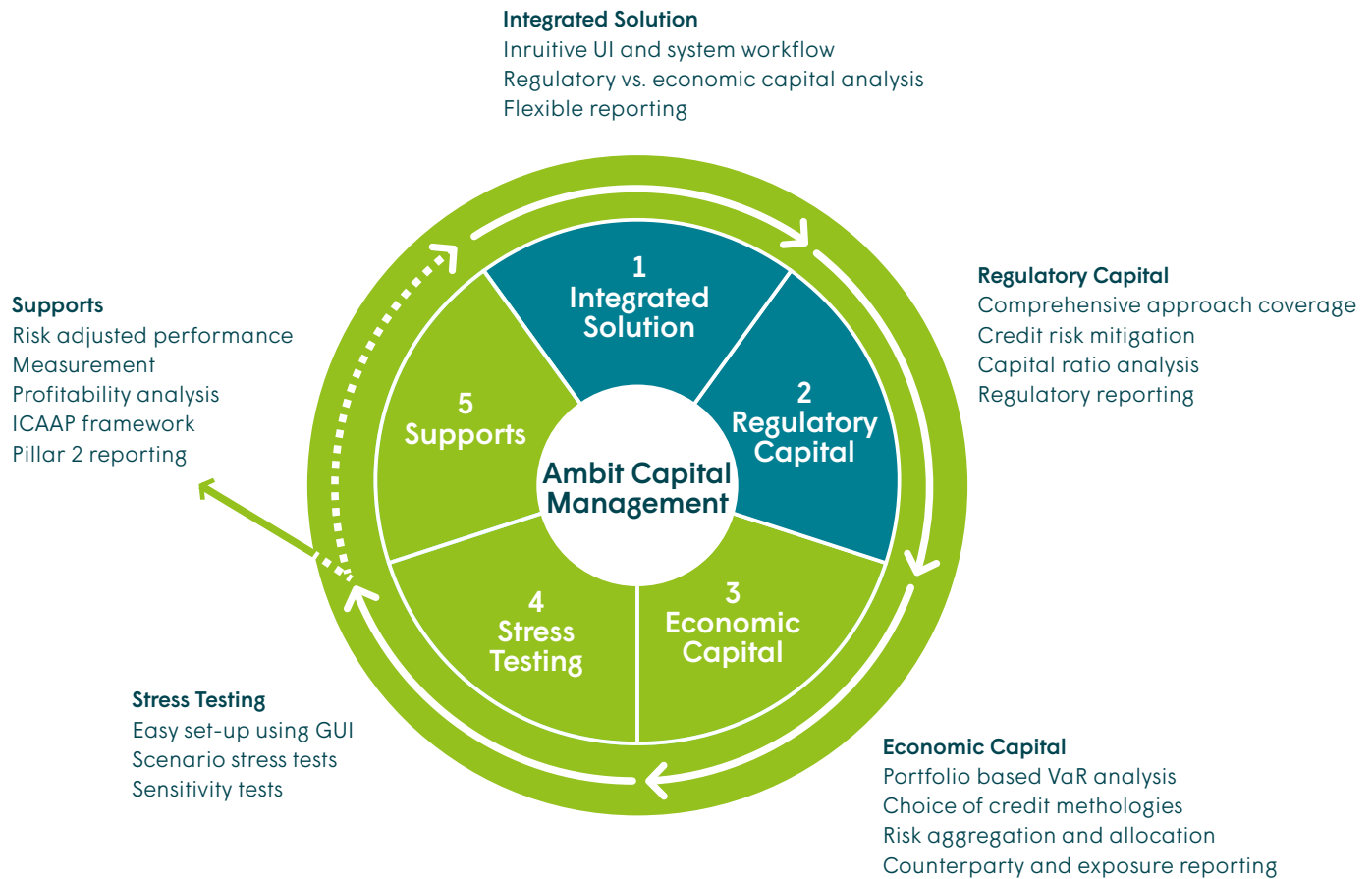
Ambit Capital Management solution overview



FIS can help

FIS' Ambit Capital Management provides out-of-the-box compliance and reporting in accordance with local rules, to help banks comply confidently with the changing regulatory landscape. With an integrated user interface for stress testing, and industry-standard economic capital models, the solution assists with the regulatory requirements of Basel III. Ambit Capital Management supports the full range of approaches to credit risk, operational risk and standardised market risk. As well as ensuring regulatory compliance, it enables banks to set appropriate limits and develop effective risk mitigation strategies.

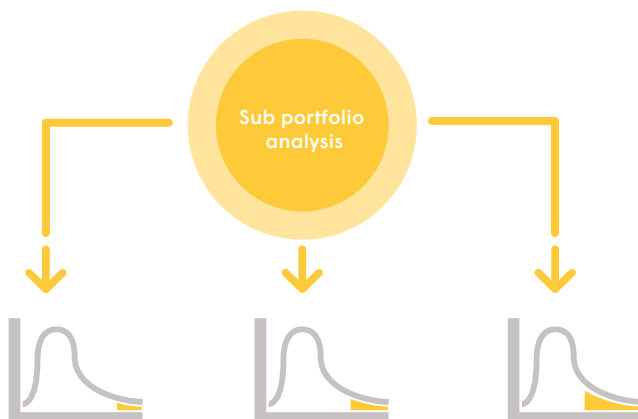
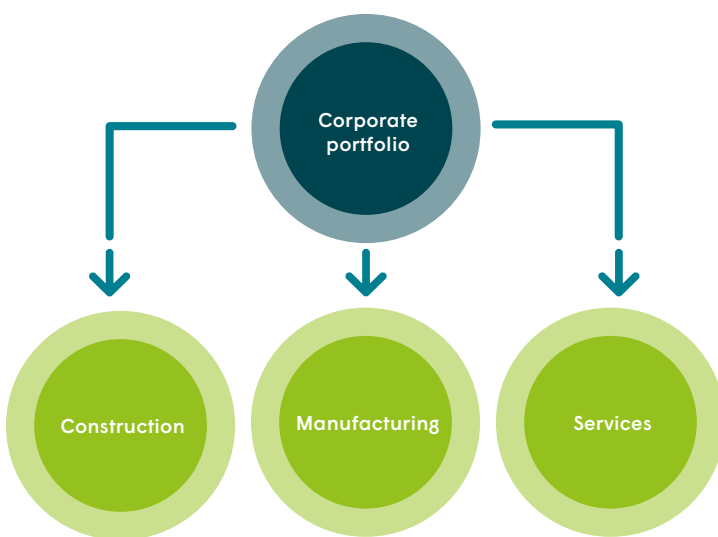
Ambit Capital Management solution overview



Advanced Pillar II Support

- Understand economic capital requirements under a choice of methodologies, such as CreditRisk+, CreditMetrics and FIS' proprietary methodology, ConvergentCredit.
- Gain a bank-wide view of diversified capital by aggregating credit, market and operational risk in a single distribution – taking into account inter-risk correlations.
- Deliver a truly comprehensive view of risk through the solution's integrated regulatory and economic capital modules.
- Calculate Operational Risk Capital under the Advanced Measurement Approach (AMA) using internal and external event data via Loss Distribution Approach methodologies which generate an Operational Value at Risk (OpVaR).
- Create targeted macro- and micro-economic stress tests through a fully integrated stress-testing framework that makes it easy to define ad-hoc stress tests against targeted segments.

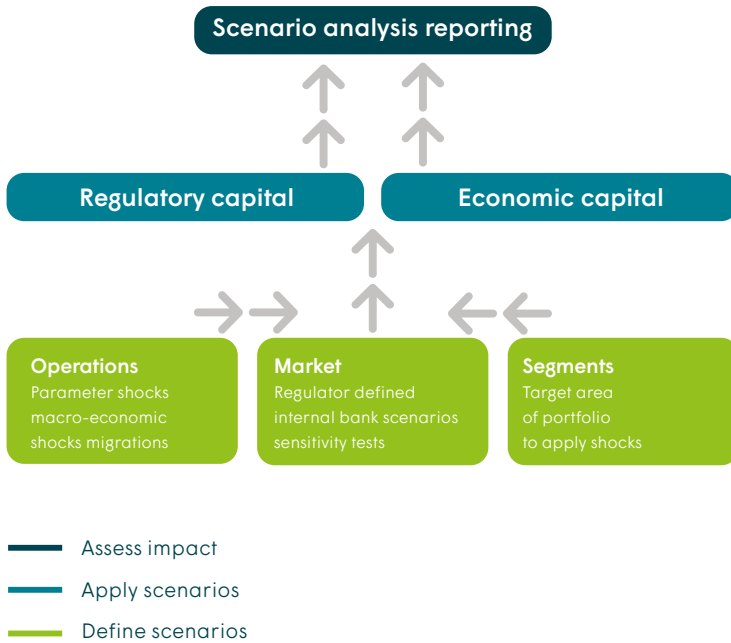
Portfolio analysis and reporting



With a safer, simpler and fairer system in place, the FSB can begin to look ahead to how, collectively, we will engage in the next phase of reform and regulate and supervise the global system.

MARK CARNEY,
GOVERNOR OF THE
BANK OF ENGLAND.

Stress testing: Overview



The standardised approach for counterparty credit risk represents an important milestone in the Committee's post-crisis overhaul of the capital framework. It also shows the Committee's commitment to simplifying the framework by ushering in a single standardised approach that will be complemented by a single modelled approach in this area.

STEFAN INGVES,
CHAIRMAN OF THE BASEL
COMMITTEE AND GOVERNOR
OF SVERIGES RIKSBANK.



About FIS' solutions for Risk Management

FIS' Apex Collateral solution helps collateral traders, heads of trading desks, risk professionals, operations staff and senior management manage and optimize their collateral on an enterprise-wide basis. Apex Collateral offers a single platform for trading directly from a real-time, consolidated global inventory as well as supporting operational requirements for underlying securities lending, repo and derivative transactions. It uses numerical algorithms to automatically allocate collateral in the optimal way, helping firms minimize costs and maximize return on assets.

About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 55,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit www.fisglobal.com



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