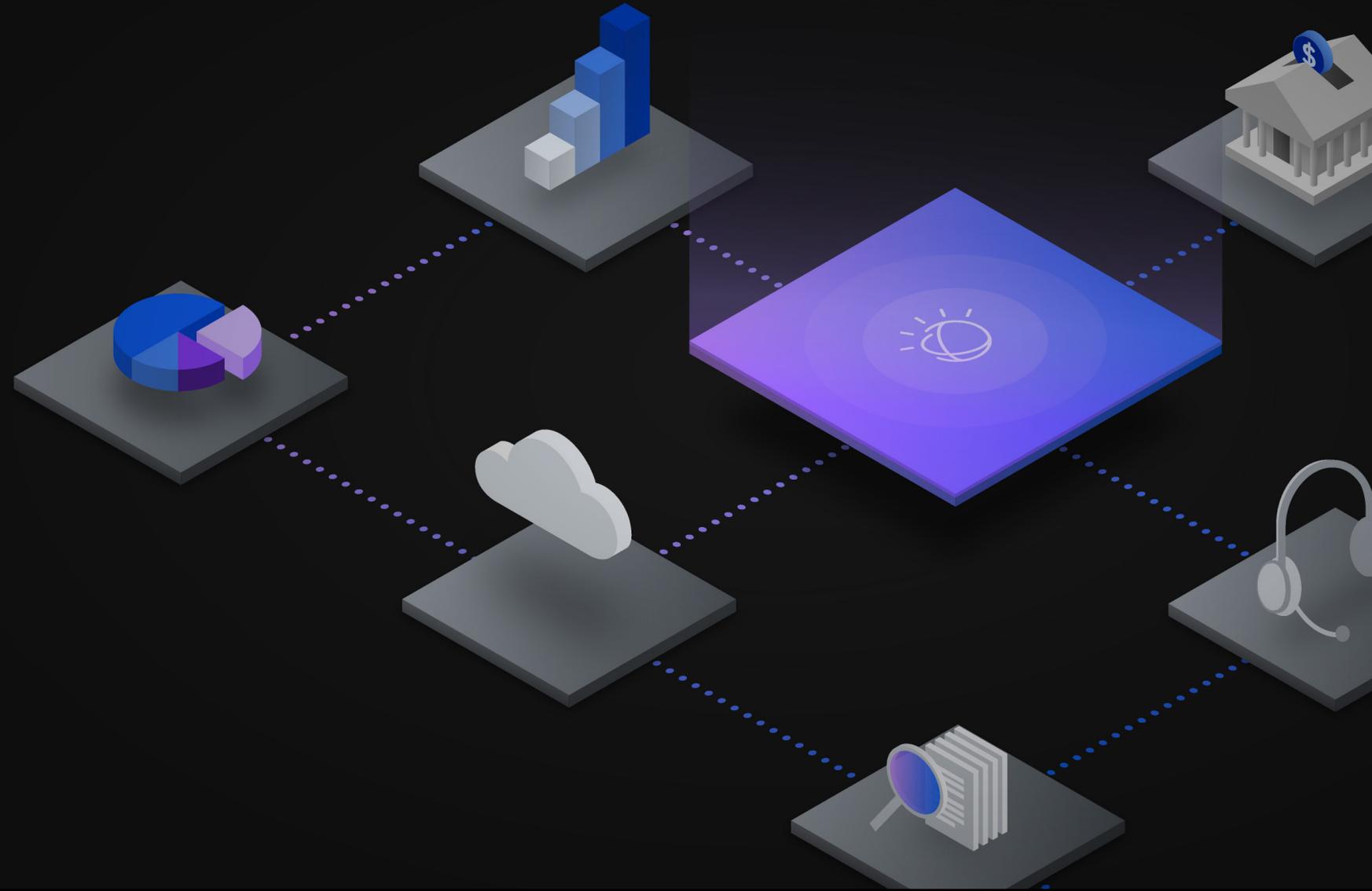


IBM OpenPages with Watson

Model Risk Governance



Demonstrate
**strong model
governance,
reporting and
compliance**
as part of an
integrated
GRC solution

Market challenges

Models are foundational business tools for modern banking, insurance and finance, and model risk is fast becoming one of the most significant challenges facing global finance. These organizations increasingly rely on models that cover a wide range of business functions. Models include risk, business strategy analyses, predictive, valuation, pricing, stress testing and asset management to provide the risk measurement, performance and financial projections critical to success.

These strong operational and regulatory incentives establish the clear and present need for a model risk management framework to support stakeholders from the C-suite to the front office in their strategic and everyday business decision-making.

IBM OpenPages Model Risk Governance

IBM OpenPages Model Risk Governance enables organizations to meet the challenges of managing model risk. The solution brings together all key stakeholders that can often be working independently on siloed and duplicate data. From the model developer, owner, validator, and business unit executive, IBM OpenPages Model Risk Governance combines a flexible data model with overall document management, powerful workflow capabilities, and business intelligence.

It helps ensure a greater level of engagement and transparency in model risk management processes. IBM OpenPages Model Risk Governance is designed to provide strong model governance, reporting and compliance as part of an integrated GRC solution.

IBM OpenPages with Watson is an AI-driven governance, risk and compliance (GRC) solution built to help organizations manage risk and regulatory compliance challenges. Using AI capabilities from IBM Watson®, the OpenPages platform consolidates disparate GRC systems and centralizes siloed risk management functions in one integrated solution. This helps reduce the cost of maintaining multiple solutions.

With OpenPages, clients can operationalize AI across the business, build and scale AI with trust and transparency, and create a business-ready analytics foundation. The solution drives GRC adoption with zero training into all three lines.



Supports model risk regulatory compliance

With increasing regulatory requirements for financial institutions to ensure strong governance over how they create, manage and use financial risk models, IBM OpenPages Model Risk Governance enables organizations to:

- Support compliance with a variety of model-focused regulations across multiple regions and jurisdictions.
- Help reduce maintenance costs through compliance with a wide variety of regulations.



Create and maintain a comprehensive model inventory

The IBM OpenPages Model Risk Governance solution provides a configurable platform that can be customized to help you create and maintain a comprehensive model inventory. This enables the organization to better align your catalogue or inventory of models to specific requirements that vary by regulator, allowing you to demonstrate your organization's strong financial risk governance more effectively.



Helps document and track issues and metrics associated with models

By enabling financial institutions to define the policy and procedures governing the inception, management and retirement of each model, this solution:

- Allows management review of compliance with these policies across the organization, with results displayed in a configurable dashboard.
- Enriches reports from the inventory with related capabilities for better issue management, self-assessment of models and key metric tracking.



Provides dynamic dashboards for reporting on model inventory management

IBM OpenPages Model Risk Governance features dynamic, configurable dashboards and dimensional reporting. These dashboards:

- Provide management with the visibility and control to better manage model risk.
- Give clear insight into the state of model usage and model risk across the enterprise.



Assigns appropriate roles and responsibilities for model ownership

By offering your organization the capability to identify model owners and those responsible for creating, validating and vetting the models, IBM OpenPages Model Risk Governance helps managers proactively and efficiently assign tasks to mitigate model risks.



Demonstrates strong overall financial risk governance as part of an integrated GRC solution

IBM OpenPages Model Risk Governance helps your organization to demonstrate strong overall financial risk governance. The solution supports organizing and centralizing the models used by banks, insurance firms and other financial institutions to measure and manage financial risk. This allows you to:

- Organize and maintain an enterprise-wide list of models.
- Document and track issues associated with models in a central location.
- Record model change management governance activities.
- Schedule, track, and manage model reviews and validations.
- Assign appropriate roles and responsibilities for model ownership and model risk management.
- Report on model inventory and model issues.



Manage AI models with built-in IBM Watson OpenScale integration

There is an increasing need for organizations to manage risk associated with the use of AI models. IBM Watson OpenScale enables enterprises to validate pre-production AI models and monitor production AI models to ensure you can trust them to perform as intended. The built-in integration enables OpenPages users to:

- Automatically receive metrics and reports from IBM Watson OpenScale.
- Store documentation of AI model validation test results from IBM Watson OpenScale.

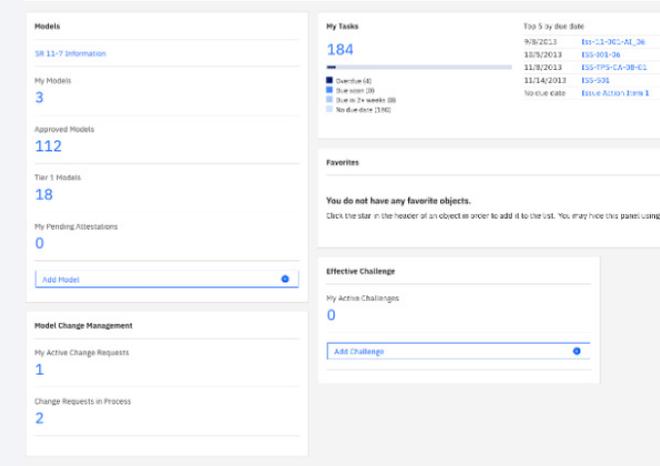


Figure 1:
IBM OpenPages Model Risk
Governance dashboard

Conclusion

IBM OpenPages Model Risk Governance enables organizations to create and maintain a comprehensive model inventory for enhanced collaboration and regulatory compliance across multiple regions and geographies.

With IBM OpenPages Model Risk Governance, organizations can demonstrate strong controls throughout the model lifecycle. This provides executive management with transparency into the state of model risk across the enterprise with rich, interactive dashboards and dynamic reports, all of which helps ensure model data quality, regulatory compliance and overall financial risk governance.

Why IBM OpenPages with Watson

IBM OpenPages with Watson transforms the way risk and compliance professionals work. By providing core services and functional components on a scalable platform that spans operational risk, model risk, third party risk, regulatory compliance, IT governance, business continuity, internal audit, policy and financial controls management, IBM OpenPages with Watson delivers a holistic view of risk and regulatory responsibilities across the enterprise.

IBM OpenPages with Watson merges Watson's AI capabilities and the expertise of our extensive partner network to help risk and compliance professionals make more informed decisions to manage risk and compliance processes. It delivers on the marketplace demand for an integrated end-to-end solution that enables organizations to connect internal GRC policies and practices to the external regulatory environment. To learn more, visit our product page at: ibm.com/openpages

For more information

To learn more about IIBM OpenPages Model Risk Governance, visit ibm.com/openpages



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