



**ELYSIAN**NXT

TOMORROW'S SOLUTIONS TODAY

**Basel 4**



# WHY CHOOSE ELYSIAN Basel4.NXT?

With the final pieces of the Basel puzzle falling in place, the full scale and far-reaching impact of the regulation on the bank's business strategies are starting to become clear to financial institutions worldwide. On the other hand, the demand on the bank's incumbent systems might prove to be equally, if not more, challenging to tackle. Drastically increased data granularity and processing needs will necessitate banks to take a strategic approach to the new 2022 compliance milestone.

Not only will Basel 4 solutions need to be fast, they will also be used in decision making and monitoring, either in a Business-as-Usual, what-if analysis or stress testing context. Dependent on the bank, those scenarios are run for all relevant jurisdictions and approaches.

We have created Basel4.NXT not only to make your institution Basel 4 compliant, but also to ensure that in going forward you are on top of the game. Simulate instantaneously how economic and political events could impact your current and forecasted capital ratio. We provide you with the speed needed in today's world to react on never-ending changes in a cost-effective way.



## Basel Compliance as risk management

Basel 4 is part of the sound risk management practices of the banks and both pillar 1 as pillar 2 components require proper BAU monitoring as well as scenario-based analysis. Basel4.NXT combines best-practices from a compliance as well as risk management perspective.

Some examples of our next generation Basel4.NXT solution:

- Out-of-the-box regulatory compliant configurations and Area's of National Discretion for supported jurisdictions
- **Simulation** framework built with the sound principles for risk management in mind
- Capital **Forecasting** in both static and dynamic scenarios
- Embedded **Stress Testing** framework with built-in stressing of the risk parameters through dedicated user screens
- Extensive **Dashboarding**

The embedded risk management best practice capabilities will enable users to easily process, understand and explain capital requirements under any scenario, supporting both internal management as regulatory scrutiny.



# AI Driven User Experience

Intuitive interfaces in combination with real-time health checks will guide users through their daily activities. In traditional systems, very few users (power users) can modify something in the system. With Basel4.NXT, all rules are fit for purpose and context aware. All you need is right in front of you. Basel4.NXT will turn all your users into superusers.

How intelligent is Basel4.NXT?

- Configuration Management offers full transparency of the different levels of regulatory settings
- Model comparison is even easier with Basel4.NXT because the system will suggest which two models should be compared, and users can immediately see the results on the RWA numbers.
- Immutability helps users automatically keep track of versions, so there's no worrying about version management.
- Users can find everything in a single location (the deck) from results, models and configurations to justify how the numbers were obtained.

This AI-driven user experience will lead to a significant increase in productivity for your risk and finance department.



## Embedded Governance

A robust governance framework is mandatory to ensure good process control and provide clear traceability from calculation results back to model and rule definitions. It is critical to intuitively track versions especially when attempting to identify model changes for regulatory disclosure reporting purposes.

Our solution embeds governance from the ground-up, providing strict controls where needed for Regulatory models, yet allowing more freedom for Simulation models.

Some of the features are:

- Automated governance automatically checks all models and business rules changes and creates a new version when necessary.
- Users can run multiple Basel 4 calculations with completely different business rules and models.
- The calculations and according configurations can be loaded as either regulatory, management or simulation type with different security levels.
- Users have the freedom to run multiple types of calculations with different kinds of configurations to test as many what-if scenarios as they want on the production data set.
- Regulatory, management and simulation results can be compared in different reporting channels including disclosure reports.

Basel4.NXT demonstrates that extreme flexibility can be paired with embedded governance.

# WHAT MAKES US DIFFERENT?



## Real-Time Performance

The number of measures for different risk types included in one calculation is greater than ever before under Basel 4. Also, the output floor requirement requires both approaches to be processed for banks using the IRB approaches. For SA Banks, the inclusion of IRB models is equally on the raise, be it for internal use rather than regulatory reporting.

Traditional systems typically take many hours of processing time after the month-end close for a report to come out. Are you truly happy to spend a significant amount of money and time in implementing a system that might produce a report on time?

***Why settle for anything less if you can have so much more?***

Thanks to the real-time nature of Basel4.NXT, users can :

- Use the system in an interactive mode.
- Change models and see the immediate impact of the changes.
- Compare models on the fly.
- Run live simulations in your production environment.



# ELYSIAN

## Basel4.NXT

Basel4.NXT is built on a loosely coupled state-of-the-art microservices architecture. This allows for a much easier way to implement and upgrade the product going forward.

Basel4.NXT is completely database and operating system agnostic and runs on commodity hardware. It is natively written for the cloud but can be deployed to your liking (on-premise, in a private or public cloud, or following managed service approach).

In a nutshell, Basel4.NXT is not only the fastest, most functionally rich and intuitive solution, but it is also the most affordable in terms of total cost of ownership. Implementation timeframes are considerably shortened and typically range between 3 to 6 months.

If all this sounds too good to be true, then what are you waiting for? Just contact us. We are more than happy to run Basel4.NXT on your data today and welcome you to experience the world of real time.



# TEAM & COMMITMENT

Our consultants are experts in Basel 2&3 having implemented across the globe.

They provide guidance and advisory around the different aspects of the Basel framework across the 3 Pillars, including all risk types and all approaches within the framework and allowed by your regulator(s).

Our implementation methodology follows an agile approach in which the speed of Basel4.NXT allows you to quickly view the impact of Basel 4, so that there is plenty of time to fine tune the models used.

Our involvement does not end with the system going live. We continue to support you in meetings with your auditors and regulators.

Basel 4 is just the beginning of a long and rewarding partnership with Elysian.





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