



RISK MANAGEMENT IN CONTROL  
WITH STATE-OF-THE-ART GOVERNANCE,  
RISK MANAGEMENT, AND  
COMPLIANCE SOFTWARE

# B Wise<sup>®</sup> Risk Management

# Analyst Recognition

## FORRESTER

Independent research firm Forrester has positioned Nasdaq Bwise as a “Leader” in GRC Platforms in their report, “The Forrester Wave™: Governance, Risk and Compliance Platforms\*, Q1 2016.”

The report presents a detailed view and assessment of the most significant GRC software vendors. Forrester Research scored fourteen different GRC technology vendors on thirty distinct criteria, which they subdivided into three categories: Current offering, Strategy, and Market presence.

The Forrester Wave™ report states: “Nasdaq Bwise offers a solid platform with strong capabilities in analytics. [...] Bwise has capabilities that include audit, risk, compliance and policy management as well as sustainability management and information security.”

*The Forrester Wave™: Governance, Risk and Compliance Platforms, Q1 2016.*

## Gartner

Gartner positioned Nasdaq Bwise in the Leaders Quadrant of the Gartner Q4 2015 Magic Quadrant for Operational Risk Management for its Governance, Risk Management and Compliance (GRC) software.

The annual report evaluates the offerings of thirteen leading vendors in this space from around the globe. The companies were analyzed according to their ‘completeness of vision’ and ‘ability to execute’. We see our positioning in the report on the ‘ability to execute’ axe, as a testimonial of our customers appreciation.

The Gartner Magic Quadrant report states: “GRC software solutions have matured and remain a top business priority for senior executives as we enter the new age of digital business.”

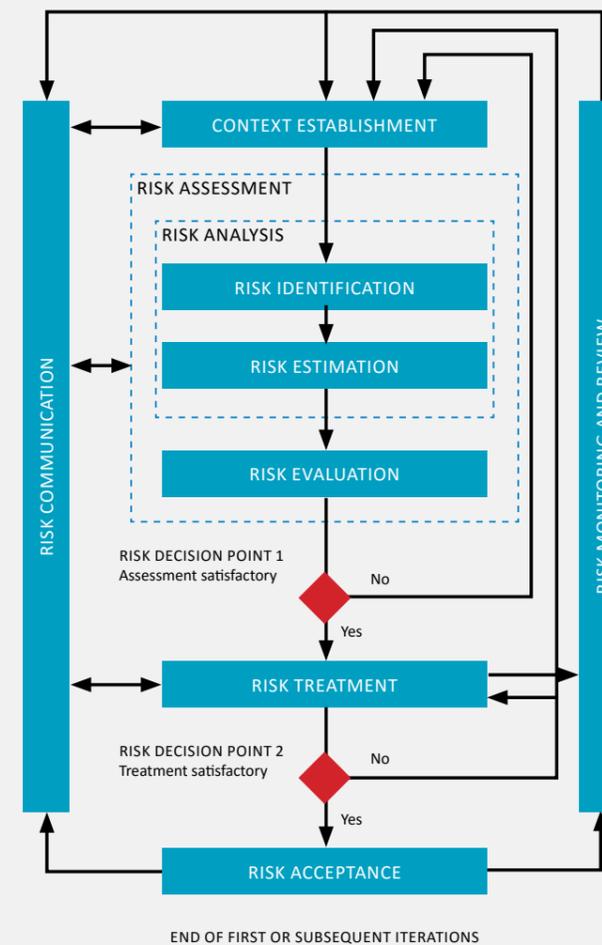
*Gartner, Magic Quadrant for Operational Risk Management Solutions, John A. Wheeler, December 14, 2015.*

# Support for the End-to-End Risk Process

Bwise® Risk Management (Bwise® RM) is a software solution that supports the end-to-end risk management process and is part of the Bwise integrated enterprise Governance, Risk Management, and Compliance (GRC) Platform. With increasing regulations and greater exposure to risk, risk-based thinking and better transparency to shareholders and other stakeholders is a top-level concern in the boardroom. Risk Management is a cornerstone to solid business performance and stability for every

company. Bwise believes risk management disciplines and the business, work best in one integrated system, each with its own distinct responsibilities. The ability to operate using common risk taxonomy and risk language helps risk management to support the business.

This brochure describes the Bwise Risk Management functionalities based on a day-in-the-life of Gerard Parker, Chief Risk Officer.



## Streamline the end-to-end risk process

Risk management is accomplished in many different ways. Some companies take a basic practical approach, others may implement very elaborate risk procedures; some companies are new to risk management, while others are practiced experts. Ultimately, Bwise offers a solution to assist enterprises in any stage or industry. Whether the enterprise is concerned with performing its first risk identification using industry templates, streamlining current highly advanced methods, or following ISO 31.000, Bwise offers risk management solutions for all levels of sophistication. Bwise can also assist an organization growing to risk management maturity.

*“The figure taken from ISO/IEC 27005:2011- Information technology -- Security techniques -- Information security risk management is reproduced with the permission of the International Organization for Standardization, ISO. This standard can be obtained from any ISO member and from the Web site of the ISO Central Secretariat at the following address: www.iso.org. Copyright remains with ISO.”*

# A Day In The Life of Gerard Parker, Chief Risk Officer

As risk management programs continue to grow in number and complexity, risk managers continually search for new ways to manage their work more effectively and efficiently. Bwise Risk Management (Bwise RM) enables Gerard's Risk department to run end-to-end risk management processes, so it can track, measure and manage all of its various risks, as a regular business process.

Risk Assessment: Identify, Estimate and Evaluate Risks  
Bwise RM offers Gerard and his team extensive risk identification and assessment capabilities. A few examples of the most important are that they enable Gerard's team to identify and capture risks in the context with other risks, risk taxonomies, process structures, asset structures and organizational structures. With Bwise RM, Gerard is able to capture new and existing controls and measures to mitigate risks. Risk managers can also ask the risk owners



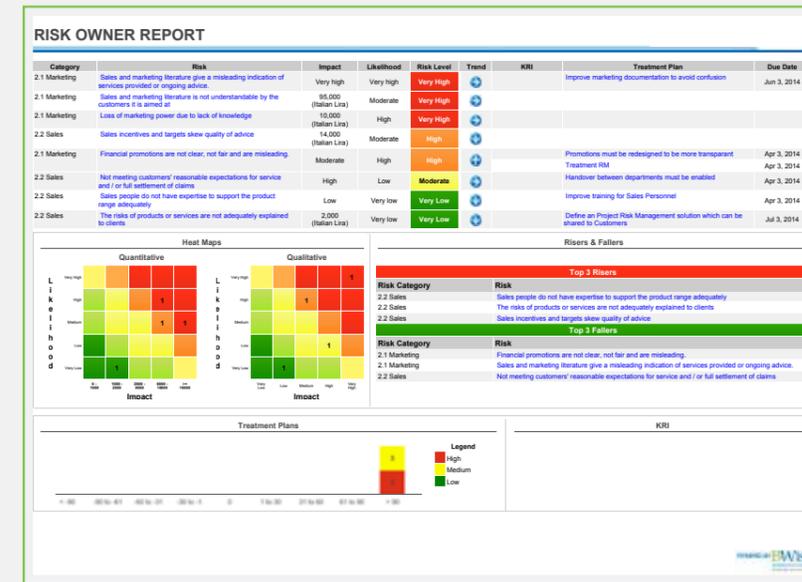
“With Bwise, I have a clear view on my key organizational risks. Now, I can easily define action plans and keep track of them.”

Gerard Parker,  
Chief Risk Officer

to determine the risk level and perform a risk assessment on specifically defined risk taxonomy. Depending on the approach, Gerard may define corporate risk structures that will be assessed using Bwise technology. He may implement incident capturing as well as key risk identification (KRI)-monitoring methodologies. Gerard may decide to involve his local teams more closely by allowing them to define local risk structures enabling consolidation into the corporate risk frameworks. Gerard may even provide colleagues throughout the organization the ability to report risk alerts or specific points of interest that could potentially be risky for the organization. Bwise RM enables him to combine this bottom-up information with the top down risk structures. This gives Gerard enterprise-wide transparency, as well as local awareness and commitment.

### Risk Calculation Capabilities

Risk assessments may be designed in many different ways. They may have multiple risk phases including inherent



Risk Owner Report

(gross), residual (net), target and planned risk levels. Risk assessments may have different risk dimensions like financial, reputational, legal, safety dimensions and more, which may also include automated risk consolidation. Bwise RM offers Gerard and his team extensive risk calculation capabilities by including compliance assessment results, pending issues, audit findings and actual incidents into the risk assessment equation.

### Risk Treatment: Determine Measures

Bwise RM enables Gerard's team to define risk appetite levels at a financial level and for non-financial dimensions such as reputation or safety. Depending on the organization's risk appetite, for both risk assessment and risk response, he may decide on mitigating measures. Mitigating measures may be action plans that require follow-up or detailed control activity that could require monitoring. Mitigating measures may also be insurance policies or company policies.

### Risk Monitoring and Review

Bwise RM assists in the definition of action plans to follow-up on any risk issues defined by the organization. Full workflow capabilities are available to guide risk issues through the organization and come to risk acceptance or mitigation. Gerard may want to track the effectiveness of control activities to ensure the risk is properly mitigated. Monitoring may involve the business using self-assessments or peer-reviews. It may involve risk and control specialists, but internal audit may also provide their independent services that provide additional assurance.

### Automated Monitoring

Monitoring is a manual process that can be streamlined

using Bwise RM. Bwise also offers powerful additional solutions for data analytics to automate this process. These solutions are called Bwise® Continuous Monitoring and Bwise® Continuous Auditing. For more information, please visit [www.bwise.com](http://www.bwise.com).

### Risk Communication and Reporting

Finally, Bwise RM supports Gerard in his end-to-end risk management process. With Bwise Gerard is able to track, measure and manage key organizational risks and monitor the defined KRI's using integrated reporting capabilities on a real-time basis. With the extensive reporting capabilities in Bwise, Gerard can communicate the defined KRI's to the various business stakeholders.

### Key Benefits of Bwise RM

- View all enterprise risks throughout the organization including risk levels
- Reduce required capital for risk purposes – especially for financial services
- Reduce costs in the risk management process
- Rapidly manage and prevent risks before they arise
- Integrate all risk initiatives into a single platform including ERM, ORM, IT Risks and others
- Link risk levels with risk appetite so management can take action on risks approaching or exceeding the risk appetite
- Prevent future damage by using risk trending analysis
- Consolidate corporate risks in a high-level overview and have the option to take action on underlying risks and to make actions plans with process owners via drill-down dashboards
- Closely track all risk issues to ensure timely follow-up, avoid large risk events, and prevent potential losses

### More advanced capabilities of Bwise Risk Management

The more advanced capabilities ensure that Risk Management teams can conduct end-to-end risk management processes; everything is managed using one integrated solution, from the initial enterprise risk assessment, to reporting and tracking, and measuring and monitoring key enterprise risks. Many additional capabilities are offered to Gerard's Risk Management team, like strong risk management as well as functionalities for industry-leading risk management practices.

### Capture Incidents and Losses

Gerard wants the business to be involved in the risk management process and would like to enable them to register incidents on different topics. These may be financially-oriented incidents in the financial services industry, but also be IT or safety, health and environment related incidents. Bwise offers the capability to capture these different types of incidents and losses for large numbers of users, enabling all employees to register incidents. The Bwise GRC platform can also integrate with IT Incidents capturing tools such as Qualys. Additionally, in Bwise Gerard and his team can design workflows to escalate incidents and capture their relation to risk frameworks. For example, Bwise offers detailed root cause analysis so that the organization can quantify operational risks. By doing so, a complete AMA-compliant (Advanced Measurement Approach for Basel II/ III) loss database becomes available. This helps Gerard and his team to comply with the Risk-Based Capital Rule and the Market Risk Capital Rule. The Bwise Loss Database may also integrate with external loss databases like ORX and ORIC. For non-financial organizations, Bwise provides extensive Incident capturing capabilities, including work-flow and action tracking.

### Risk Analysis Capabilities

To determine loss distribution as well as scenario analysis, Gerard uses the extensive risk analysis capabilities of Bwise. Using advanced Monte Carlo simulation techniques, Gerard is able to determine not only the value at risk, but also the quantitative project risk on budget

and time, on cash flow at risk and many other quantifiable risks. Built-in templates for analysis in Bwise ensure that Gerard's team does not need extensive statistical knowledge. In addition, Bwise offers Gerard and his risk specialists advanced capabilities for building risk models, leveraging data from within Bwise; risk assessments, scenario analysis, loss database, assessments, control testing, risk and control framework data, risk appetite and so on. Models can be created and run by Risk Managers from Gerard's team, and results can be stored and managed in Bwise for future reference, as well as a full audit trail of models and simulation runs can provide the foundation for audits and compliance purposes.

### Extensive Assessment Capabilities

Bwise RM offers additional assessment capabilities for risk measures and controls. This offers Gerard and his Management team the ability to monitor key measures and controls, which can then be used on a regular basis during risk assessments. These monitoring measures and controls include evidencing, scheduling, email alerting to control owners and configurable questionnaires and workflows.

### Key Benefits of monitoring measures and controls with Bwise Risk Management

- Reports on recorded incidents for compliance with regulations such as Basel II/III and Solvency II
- Manages incidents to prevent future problems and allow follow-up on damage
- Calculates enterprise risk profiles, provides better insight into future business planning and the influence of risk factors
- Improves decision-making based on risk and opportunity thinking
- Monitors key controls to assure continuous insight into the current risk status of key operational risks

# Bwise Academy



The Bwise Academy provides learning solutions to explain the risk management process and successfully implement the Bwise solution in your organization. Through the Learning Center, customers have access to a broad offering of cost-effective and innovative learning experiences. Customers can choose from different formats including: eLearning courses, virtual classrooms, traditional class room courses, and tailor-made training programs.

### New Risk Management Colleagues

The Bwise Academy can support Gerard by training new team members on the company's risk management methodologies. The web-based Bwise Learning Center grants his new colleagues access to a broad offering of eLearning courses such as a Quick-Start with Bwise, Understanding Your Business Control Framework and Risk Management. Gerard can even monitor the progress and results of the training via a web-based training portal.

### Software for On-the-Job Training

Risk Management team members may want to refresh their knowledge on the company's risk management methodology or how to use the Bwise® GRC Platform. If so, they can access the Bwise Learning Center to take a five-minute tour on a specific topic. With its thorough explanations and practical workflow illustrations, users will then be able to effectively utilize Bwise software and carry out their responsibilities for the organization. Visit [www.bwise.com/academy](http://www.bwise.com/academy) for the latest training topics.

# BWise® GRC Platform

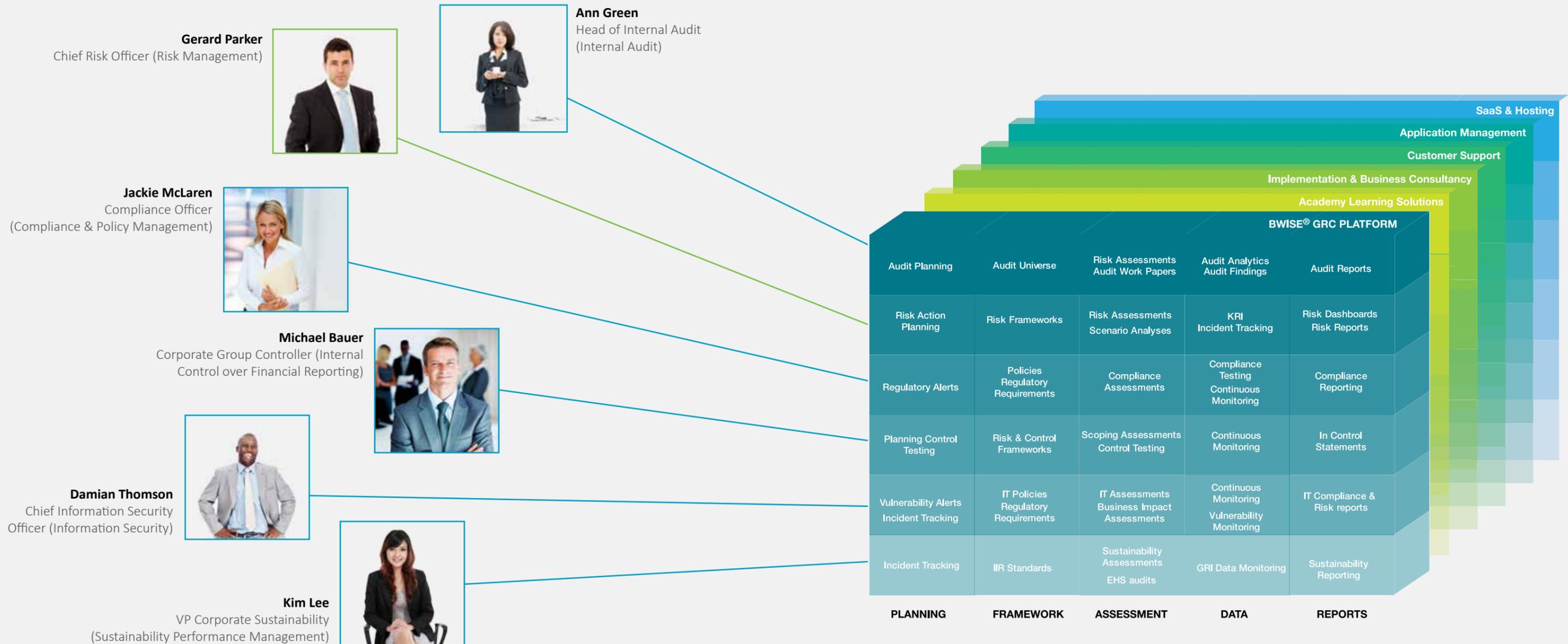
BWise® Risk Management is one of the six different role-based solutions BWise offers within the GRC platform. Gerard and his colleagues in Internal Control, Internal Audit, Compliance & Policy Management, Information Security and Sustainability Performance Management

all work in the same solution. They all use the same risk taxonomy and speak the same language, improving transparency and efficiency, and creating common ground.

# More information

To learn more about how your organization can benefit from an integrated approach to Governance, Risk and Compliance, request the corporate brochure on [www.bwise.com/grc-library](http://www.bwise.com/grc-library).

Meet Gerard's colleagues Michael Bauer (Internal Control), Ann Green (Internal Audit), Jackie McLaren (Compliance & Policy Management), Damian Thomson (Information Security) and Kim Lee (SPM) and see how they work with BWise, visit [www.bwise.com](http://www.bwise.com)



# Join us on the GRC Journey Today

BWise provides GRC solutions for single GRC initiatives as well as cross functional implementations around the globe which are delivered through local service and delivery teams.



## About Nasdaq B Wise

Nasdaq B Wise is a global leader in Enterprise Governance, Risk Management and Compliance (GRC) software. Based on a strong heritage in business process management, the B Wise® GRC Platform provides companies with highly-rated, proven software solutions for Risk Management, Internal Control, Internal Audit, Compliance & Policy Management, Information Security and Sustainability Performance Management.

B Wise's end-to-end solutions support an organization's ability to understand, track, measure, and manage key organizational risks. Nasdaq B Wise helps companies truly be in control by balancing performance with their financial and reputational risks, improving corporate accountability, increasing financial, strategic and operating efficiencies. Using B Wise, organizations are able to efficiently comply with anti-corruption regulations like FCPA and the UK Bribery Act, the Sarbanes-Oxley Act, European Corporate Governance Codes, ISAE3402/SAS-70, PCI-DSS, Solvency II, Basel II and III, Dodd-Frank, ISO-standards, and many more.

Nasdaq B Wise sales, service and support offices around the globe provide for the GRC needs of hundreds of leading companies worldwide. For more information, visit [www.bwise.com](http://www.bwise.com).

## Contact Information

Nasdaq B Wise has sales, service and support offices worldwide. To contact us at our local offices in Asia, Australia, Europe and the United States, visit [www.bwise.com/offices](http://www.bwise.com/offices)

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