

Basel II Services

Driving Business Value in Risk and Compliance Programs

The current financial crisis has brought regulatory and compliance issues to the forefront. Both banks and regulators involved in regulations such as Basel II which deal with risk management and capital adequacy are reevaluating the efficacy of their programs. It is estimated that the banks may spend almost 10% of their Tier I capital on Basel II compliance. This cost increases if one were to include other compliance standards like Sarbanes-Oxley, Solvency II and MiFID objectives.

These days achieving compliance is not enough. Our clients tell us that going beyond compliance to capture business benefits and a competitive edge from investments, is the only way to gain board-level support. Capgemini provides both a holistic view and the down-to-earth skills to run compliance programs that deliver business value.

By using our global experience of being involved in 100+ Basel II

program implementations, Capgemini can help you avoid costly mistakes. We leverage our existing intellectual property, including requirements, reference data models, template scorecards, report templates and other accelerators to reduce the timeline to compliance.

Beyond pure compliance, Capgemini takes a business view of Basel II, working collaboratively with banks to improve business processes so the program delivers business benefits and improves returns through better pricing, reduced charge-offs, more automated reporting and more effective portfolio management. The design of our approach is built on a commitment to help you achieve success in reaching critical program milestones through a partnership framework.



Proprietary Tools & Accelerators

Our experience with Basel II implementations has allowed us to build proprietary tools, accelerators and templates to help jump start your initiative.

Capgemini's unique QIS-4 "Lite" approach to Basel II provides a clear, quantifiable understanding of impact of risk sensitive capital on management of business units. This helps banks quantify and prioritize gaps and ensures sound alignment of project plan to regulatory needs.

Our **Basel II Reference Architecture** provides a mature data mart framework—not just a single data mart—implemented across your peers. It lowers the need for business involvement by using definitions which need to be validated rather than gathered.

Capgemini's repository of **Reporting & Analytics Templates** gives you access to real world reports from many other implementations so you can pick the one that best meets your bank's reporting and regulatory management requirements.

Our library of **Risk Scorecards** uses the Basel-recommended DUAL rating to help meet your risk management goals and better differentiate your risk.

Capgemini's **Model Validation** algorithms and tools help you maintain your bank's credit scoring tools at a much lower cost. We offer standardized documentation which provides continuity and transparency to the process for third parties such as regulators.

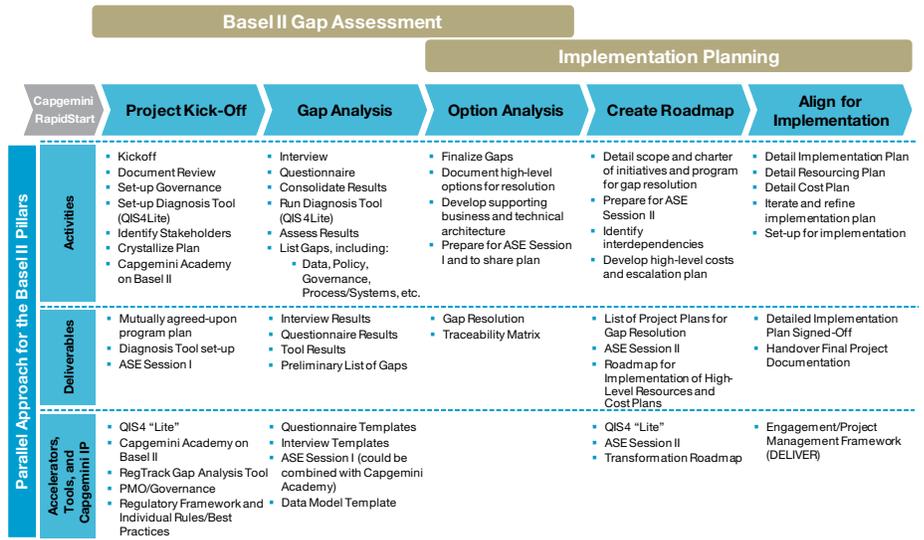
Identify problem areas in your bank's portfolio using our **Stress Testing** solution to assess the impact of market conditions on your balance sheet.

The **Data Quality Framework for Risk** provides you with Capgemini's proven data quality scoring methodology to measure and score key risk indicators.

Manage the different aspects of risk data across your organization using our **Data Governance Framework**.

Our **Basel II Metadata Framework** lets you gain data consistency and transparency from the source to final reporting.

All Basel II programs start with the bank having to define an implementation plan to be approved by the Board. Capgemini has a unique approach to defining and delivering the plan.



Capgemini Academy

Capgemini provides training resources, program material and instructional facilities to enable critical knowledge transfer and mentoring for banks on the Basel II Accord.

Capgemini's Accelerated Solutions Environment

Our patented facilitation environment and process, fused with a deep financial services consulting and technology expertise,

provides the most powerful approach to rapidly build a transformation map to convert compliance into competitive advantage. We bring people together in a way that unleashes group genius and yields breakthrough solutions and action plans in days rather than months.

For more information, contact us at financialservices@capgemini.com.



About Capgemini and the Collaborative Business Experience

Capgemini, one of the world's foremost providers of Consulting, Technology and Outsourcing services, has a unique way of working with its clients, called the Collaborative Business Experience.

Backed by over three decades of industry and service experience, the Collaborative Business Experience is designed to help our clients achieve better, faster, more sustainable results through seamless access to our network of world-leading technology partners and collaboration-

focused methods and tools. Capgemini utilizes a global delivery model called Rightshore® which aims to offer the right resources in the right location at competitive cost, helping businesses thrive through the power of collaboration.

Capgemini employs approximately 92,000 people worldwide and reported 2008 global revenues of 8.7 billion euros.

More information about our services, offices and research is available at www.capgemini.com.