Implement digital overlay technology to manage risk and capture value from compliance spending

Leverage technology as building blocks to increase agility and manage regional stress tests variability

Capitalize on emerging market opportunities through increased visibility across business units

Gain deeper insight around business units to capture strategic growth opportunities

EVOLVING REGULATION DRIVES CHANGE
Emerging from the decade ago financial crisis and promulgated by the International Accounting Standards Board (IASB), the International Financial Reporting Standard (IFRS 9) legislation replaces the IAS 39 model. The revised legislation is effective January 2018 and provides a unified approach to classification and measurement of financial assets and implements transformational change to hedge accounting rules.

IFRS 9 legislation is aimed to address perceived deficiencies in accounting standards which were believed to have contributed to the magnitude of the crisis. The major change from IAS 39 is treatment around loan impairment and represents a forward-looking view of likely losses. As a result, losses are recognized sooner, thereby eliminating potential financial crisis.

Consequently, banks will need to reclassify financial assets based on newly established global accounting standards. The legislation presents financial institutions with the challenge of calculating a lifetime view of their customers’ future losses long before they have been incurred. This demands a technology-enabled program that is both disciplined yet flexible.

TRADITIONAL TECHNOLOGY ALTERNATIVES WILL FALL SHORT
As banks scramble to comply with emerging and overlapping regulations—BCBS 239, CCAR, PRA, EBA and GDPR—traditional approaches to technology are quickly rendered ineffective. Point software solutions may provide interim relief, but they lack a holistic view. Legacy core systems are inflexible but unlikely to be replaced anytime soon. Both lack the capabilities demanded by the unique requirements of IFRS 9 surrounding Treasury, Accounting, Risk and Finance and may not even deliver the required statute by January 2018.

Building code based solutions can extend the time to delivery to years rather than months and raise risk the project will never meet all its goals. Once deployed, these solutions also can quickly become unwieldy, brittle legacy applications.

FOSTER INTEGRATED, HOLISTIC COMPLIANCE
McKinsey experts believe that IFRS 9 represents major changes to accounting practices, with most banks facing strategic and business challenges in adapting to this revised legislation. Importantly, addressing all challenges will demand fundamental changes to the banks’ business models. Consequently, banks will need to incorporate the new requirements into capital planning and stress testing to ensure the potential impacts under adverse scenarios are well understood and addressed.

Since IFRS 9 implies revised accounting standards, critical success factors remain data accuracy and clear visibility of the balance sheet across multiple time horizons. This legislation affects how capital resources and requirements are calculated and likely to increase P&L volatility.

You have seasoned compliance professionals in place. Have you enabled them with adequate, relevant technology to accomplish their objectives in the current volatile environment?
Dynamic Case Management for IFRS 9 Compliance

Consequently, EU banks will need to undertake an inventory of financial assets to ensure they are classified and measured appropriately. Appian offers a means to flex and modify the changing shape of the bank operating model to remain compliant, secure and competitive.

**Appian Enables You to Meet Critical Objectives for Your Financial Institution**

**Master Rapidly Changing Regulations**
This requires technology with a flexible, yet disciplined approach. Appian, The Digital Transformation Platform™ and intuitive interface addresses the challenges around existing and emerging compliance requirements and enables banks to deliver differentiated customer experiences.

**Attain Clear Visibility Across Assets in Real Time**
With Appian’s Dynamic Case Management capabilities, banks can integrate structured and disparate data sources into one unified system, fostering information tracking holistically.

**Focus Your Efforts**
Focus your efforts to meet all compliance challenges. With Appian, you can:

- Manage basic cases and more complex scenarios within the same process
- Create comprehensive views across events, departments, products and regions
- Conduct ongoing screening with reasonable review and escalation of exception cases

**Take Control**
Take control of performance with the Appian, a powerful yet easy to use application platform for managing complex business processes.

Quickly build and deploy enterprise apps for:
- Customer Acquisition
- Compliance
- Customer On-Boarding
- Product Management
- Business Operations
- IT and FinTech

**Prepare for the Future**
- Pressure is mounting to deliver innovation at scale in the Financial Services sector. Alleviate the pressure with Appian. Streamline operations, reduce costs, facilitate collaboration and navigate change.
- Unify relevant information and systems to get work done. Achieve significant efficiency in work execution while leveraging your legacy IT investments.

**Launch New Applications in Weeks**
With low-code approach, Appian enables banks to deliver innovative products and services at reduced time to market.

**Converge Data and Process to Drive Efficiencies**
Eliminate employee time spent logging into multiple systems. Strategically shift your operating model to real-time analysis and execution.

**Drive Transparency into Critical Processes**
Appian, The Digital Transformation Platform™ enables you to adopt qualitative approach to manage governance and oversight demanded by IFRS 9.

**Leading Organizations Trust Appian:**

Appian provides a leading low-code software development platform that enables Financial Services Institutions to rapidly develop powerful and unique applications. The applications created on Appian’s platform help companies drive digital transformation and enables competitive differentiation.

For more information, visit [www.appian.com](http://www.appian.com)