

# FACT SHEET

## RISK MANAGEMENT

Kyriba offers extensive Risk Management capabilities to support the needs of corporate treasury groups globally. Using Kyriba, our clients achieve better visibility into risk exposures and make more effective risk management decisions.

### Financial Risk Management

Kyriba supports a complete workflow of pre-trade, trade, and post-trade capabilities for foreign exchange and interest rate risk management.

#### FX Exposure Management

Kyriba's FX Position Worksheet allows users to analyze compliance with internal hedging policies driven by sophisticated tracking of currency exposures and FX transactions. Exposures can be imported from the ERP and/or other internal systems and can be netted to determine aggregated currency exposures.

#### Mark-to-Market Valuations

Kyriba clients can compute the independent market value of all financial instruments tracked in the system, including FX, interest rate derivatives, and debt. Valuations are calculated based on the Kyriba Market Data Service (included with the system) or from source data imported from external providers.

#### Sensitivity Analysis

Kyriba supports modification of currency and interest rate curves so that users can analyze the sensitivity of different FX and interest rate projections, including parallel and variable yield curve shifts. Multiple scenarios can be applied allowing many valuations to be analyzed per financial transaction.

#### Derivative and Hedge Accounting

Kyriba supports derivative and hedge accounting for FX and interest rate hedging programs, including effectiveness testing, risk designation, documentation upload, support for de-designation events, and full accounting integration. Kyriba's hedge accounting supports compliance with FASB, IFRS, IAS, and ASC regulations as well as local GAAP requirements.

### Counterparty Risk Management

Counterparty risk management is one of the top two priorities cited by global treasurers. Kyriba helps identify and mitigate counterparty risks in both financial positions, as well as in the supply chain.

#### Counterparty Exposure Reporting

Kyriba clients can also manage their overall financial relationships with banks and counterparties by tracking all transactions, including trades, credit availability, and bank activity. Treasuries can report on exposures, deals, and activity by counterparty, or compare across all counterparties.

#### Deal Limit Monitoring and Enforcement

Kyriba offers full counterparty and internal limit management for all financial transactions. Users can structure limits by counterparty, deal type, rating, and other criteria to ensure that internal trading policies are effectively managed. Limits can either prevent deals from being completed, or serve as a warning.

#### Supply Chain Finance

Through the use of Kyriba's Supply Chain Finance portal, buyers can reduce the risks of liquidity issues within their supply chain through the early payment of supplier invoices and consequent improvement to a supplier's working capital and liquidity position. For suppliers, access to cash at reasonable financing rates can significantly reduce the likelihood of full or partial default, helping mitigate potential disruption due to lack of liquidity.

#### Key Capabilities:

##### Financial Risk Management

- FX Exposure Management
- Mark-to-Market valuations
- Sensitivity Analysis
- Derivative and Hedge Accounting

##### Counterparty Risk Management

- Counterparty exposure reporting
- Deal Limit monitoring
- Supply Chain Finance

##### Liquidity Risk Management

- Cash Visibility
- Liquidity Management
- Cash Forecasting

##### Operational Risk Management

- Financial Controls
- Separation of Duties
- Disaster Avoidance and Recovery

## Liquidity Risk Management

Global treasurers rate liquidity risk as the #1 or #2 (behind counterparty risk) risk management priority for their organization. Kyriba provides strategic capabilities to help treasurers mitigate liquidity risk:

### Cash Visibility

Gathering a consolidated and instantaneous view of cash across the organization is a necessary building block to minimizing the risk of potential cash deficits. Kyriba, as the global leader in SWIFTNet implementations, is the leading authority in global cash visibility for any bank, in any geography.

### Liquidity Management

Adding to the view of global cash, treasurers must have a clear view of liquid investments, borrowing availability, and working capital improvements, such as extending payment terms. Kyriba's Liquidity Worksheet consolidates this information in one view for a real-time picture of corporate liquidity. In addition, Kyriba's Supply Chain Finance module offers opportunities to take advantage of improved payment terms to suppliers while not negatively impacting the supply chain.

### Cash Forecast

Kyriba offers full integration with internal systems and sources to ensure that treasurers have a complete, enterprise-wide corporate cash forecast. The key to successful forecasting is to ensure complete visibility into anticipated cash events as well as dynamically calculating forecast accuracy so that best practices are implemented and re-implemented on a consistent basis. Kyriba allows treasurers to achieve confidence in their cash forecasting so that financial decisions can be proactively made.

## Operational Risk Management

Through the use of Kyriba, corporate treasuries are better protected from the risk of operational breakdown due to ineffective controls, insufficient separation of duties, or inadequate disaster avoidance and recovery.

### Financial Controls

Kyriba offers extensive controls and audit trails minimizing errors, protecting core data (e.g. bank reporting), and tracking touch points on all treasury data. Auditors favor Kyriba's automated and structured workflow especially when compared to spreadsheets and manual processes.

### Separation of Duties

Kyriba provides segregation of user access and privileges throughout the treasury workflow to ensure that only authorized individuals have access to information and can initiate and/or approve transactions (payments is an excellent example). Clients determine levels of access and approval and implement across their organization, including for remote users where introducing controls and duties is especially important.

### Disaster Avoidance and Recovery

Kyriba's 100 percent cloud solution is supported by best-in-class IT infrastructure and processes to ensure that our clients can minimize disruptions due to internal or geographic events. Kyriba offers the highest committed uptime in the industry and delivers the best disaster recovery metrics of any provider. If business continuity is a priority for your organization, Kyriba is your best option.

## About Kyriba

Kyriba is the global leader in cloud treasury solutions, delivering Software-as-a-Service (SaaS) treasury technology to corporate CFOs and Treasurers. More than 1,200 treasury clients use Kyriba to deliver global cash visibility, improve financial controls, and increase productivity across their cash & liquidity, payments, supply chain finance and risk management operations. Kyriba is headquartered in San Diego, with offices in New York, Paris, London, Tokyo, Singapore, Dubai, Hong Kong, and Rio de Janeiro. To learn how to be more proactive in your treasury management and drive business value, contact [treasury@kyriba.com](mailto:treasury@kyriba.com) or visit [kyriba.com](http://kyriba.com).