Our tailor-made service for your day-to-day risk management process and monitoring.

Our service...

...is based on an in-house developed solution.
...is provided by a team with regulatory and technical expertise.
...features a flexible set-up of tailored calculation modules.
...uses a proven VaR model, and is supported by risk experts.
...is tailor-made to suit your needs.
...can comprise a "fully-managed outsourcing service.”
...reduces your workload while increasing your process efficiency.

Anticipate tomorrow.
Deliver today.
Detailed features

Our services include:

- Daily calculation of global exposure, using the commitment as well as sum of notionals approach (UCITS requirements, including netting and hedging arrangements)
- Calculation of commitment, concentration, counterparty and coverage risk indicators
- Daily calculation of VaR and CVaR (historical simulation, parametric approach (variance-covariance approach), Monte-Carlo simulation), and clean and dirty back-testing
- Computation of AIFMD risk measures (VaR, credit and interest durations and delta sensitivities, leverage calculation [gross/commitment method for AIFMD requirements])
- Computation of liquidity risk (asset liquidity and investor redemption VaR)
- Calculation of stress scenarios, predefined scenarios as well as portfolio-specific scenarios
- Enriching client data with data from different market data providers
- Aggregation of risk measures in a tailor-made report and delivery of these reports via web platform, SFTP or email
- Follow-up of reporting activities, exception management and report validation via a web platform

For contact details please go to: valueforfunds.com
Provide up-to-date, consistent performance measurement and performance attribution to your investors.

Our service...

...enables correct measurement of the fund’s or portfolio’s performance.

...provides an accurate picture to your clients.

...highlights the sources of value addition.

...demonstrates the importance of skill and strategy in the portfolio management framework, and justifies the cost of active management.

![Performance measurement and attribution service](valueforfunds.com)

Anticipate tomorrow.
Deliver today.
Detailed features

Included in this service is:

- creation of and comparison with a suitable benchmark for different asset classes/strategies
- time- and money-weighted methodologies
- asset-specific and risk-adjusted return measures such as Sharpe, Sortino, Treynor, Calmer, Information Ratio, etc.
- Alpha, Beta, Tracking error, etc. to evaluate if the performance is in line with expectations
- fund-of-fund look-through (depending on data availability)
- performance contribution as well as performance attribution relative to a benchmark
- attribution analysis of equity portfolios using both arithmetical and geometrical methods
- equity attribution analysis along different dimensions (e.g. sector, geographical area, currency)
- fixed-income attribution analysis using different approaches (e.g. weighted duration approach, Campisi framework)
- multi-period attribution using different smoothing algorithms (e.g. Carino, Menchero, GRAP method)

For contact details please go to: valueforfunds.com
Our tailor-made service for your day-to-day investment compliance.

Our service…

…is based on a cutting-edge risk and compliance engine.
…is tailor-made to suit your needs.
…can comprise a “fully-managed outsourcing service.”
…covers a wide range of investment compliance aspects.
…leverages on KPMG’s expertise and workforce.
…reduces your workload while increasing your process efficiency.
…offers synergies with other KPMG services.
Detailed features

Our services include:

- conducting automated compliance checks, covering legal and fund-specific investment restrictions for a wide range of fund types
- carrying out asset eligibility checks (UCITS)
- calculation of netting and hedging for commitment approach, and monitoring of cover rules
- monitoring rules on the umbrella/fund level (e.g. share holdings)
- treating a wide range of financial instruments and portfolio items (including complex structures)
- standardised as well as customised monitoring and reporting
- manual assessments (e.g. of the eligibility of structured instruments, funds or indices)
- “pre-investigations” on reported violations to determine follow-up needs (new breaches; active/passive)
- set up of compliance rules, including interpretation of prospectus and transition of rules into rule matrix for documentation and review purposes

For contact details please go to: valueforfunds.com
A pricing service for OTC derivatives and structured products.

Our OTC valuation service…

…can handle a large number of complex instruments.
…uses leading-edge valuation algorithms.
…is tailor-made to suit your needs.
…can comprise a “fully-managed outsourcing service.”
…reduces your workload while increasing your process efficiency.
…is executed by our regulatory and technical experts.
Detailed features

Our OTC valuation tool has a number of functionalities. It features:

- an independent pricing service for OTC derivatives and structured products on a daily basis
- tailor-made (hybrid) models and exotic payoffs in order to meet your needs
- high-quality up-to-date models, plus full transparency (model, calibration, market data, etc.)
- the capacity to define a valuation frequency that achieves the best cost-benefit ratio
- analysis and interpretation of valuation results from your counterparties
- the ability to confidently interact with your counterparties to sort out valuation differences

For contact details please go to: valueforfunds.com
Private equity and real estate market risk analytics

valueforfunds.com

A scalable, low cost and AIFMD-compliant solution that leverages our expertise and supports you in managing your funds’ risks.

01 Private Equity - A Non-Traded Asset Class

Due to the lack of readily available market data, risk modeling poses a particular issue for private equity portfolios. Methodologies used for traditional investments may be available, but not meaningful for illiquid and opaque investments. This results in a trade-off between model accuracy and granularity.

02 Risk Quantification – Methods and Meaningfulness

In contrast to traditional investment strategies, private equity strategies are typically asset-level focused. Since a core risk of the risk management function is to manage the risk on portfolio-level, the risk management should have the tools to perform its function efficiently.

03 Portfolio-Level Focus of Private Equity Risk Management

Private Equity is characterized by a high degree of opaqueness. Future business opportunities as well as future cash flow predictions are very difficult to foresee. Market data (such as data points and time series) for private equity funds is barely available.
Our approach:

- Minimal set of input Data: KPMG addresses the PE data scarcity by focusing on a standardized minimum set of input data that is required to perform the risk assessment.
- Scalability: the KPMG approach offers a scalable solution with an implementation customized to your needs, from a modularized risk report to fully-automated report generation.
- Cost efficiency: a fully-automated report generation paired with a state-of-the-art market risk measurement solution that provides meaningful insights for a low cost.
- AIFMD compliant: With regulatory requirements becoming increasingly complex, the KPMG market risk approach makes sure you stay ahead of the game.

For contact details please go to: valueforfunds.com
In this era of environmental economic transition, society, investors and regulators are demanding concrete approaches to sustainability risk integration and transparency.

KPMG’s reporting solution addresses the sustainability-related transparency needs of investment funds, including:

- Specialized ESG and climate data
- Integrated with client-specific risk management framework
- Sustainability metrics and KPI calculation
- Automatized investment ESG screening

Value for Funds
Anticipate tomorrow. Deliver today.
Challenges from UCITS and AIFM directives regarding integration of sustainability risks and factors:

KPMG provides a comprehensive solution for sustainability risk integration and reporting, via its exclusive platform:

- Extensive sustainability and ESG integration methodologies
- Custom KPIs, risk limits and exclusion criteria
- Access to specialized climate and ESG metrics
- Risk modelling, impact and transition scenario stress testing
- Dedicated data integration layer for streamlined client onboarding
- Synergies with KPMG risk and reporting engine
- Alignment with international standards and supervisory requirements
- Adaptable report layout and white labeling
- Dedicated sustainability team expertise and reporting know-how
- Front-end interface covering generation and validation processes

A one-stop-shop solution for sustainability risk reporting that combines risk management, data processing and regulatory expertise

Key benefits

1. Ready-to-use, comprehensive and scalable reporting solution for sustainability risks
2. Integration with client-specific risk management framework, KPI and screening rules
3. Cost-effective access to specialized ESG and climate risk data
4. Flexible report layout (format, style and sections)

Want to know more? Contact us at SustainabilityRiskReporting@kpmg.lu

For contact details please go to: valueforfunds.com