

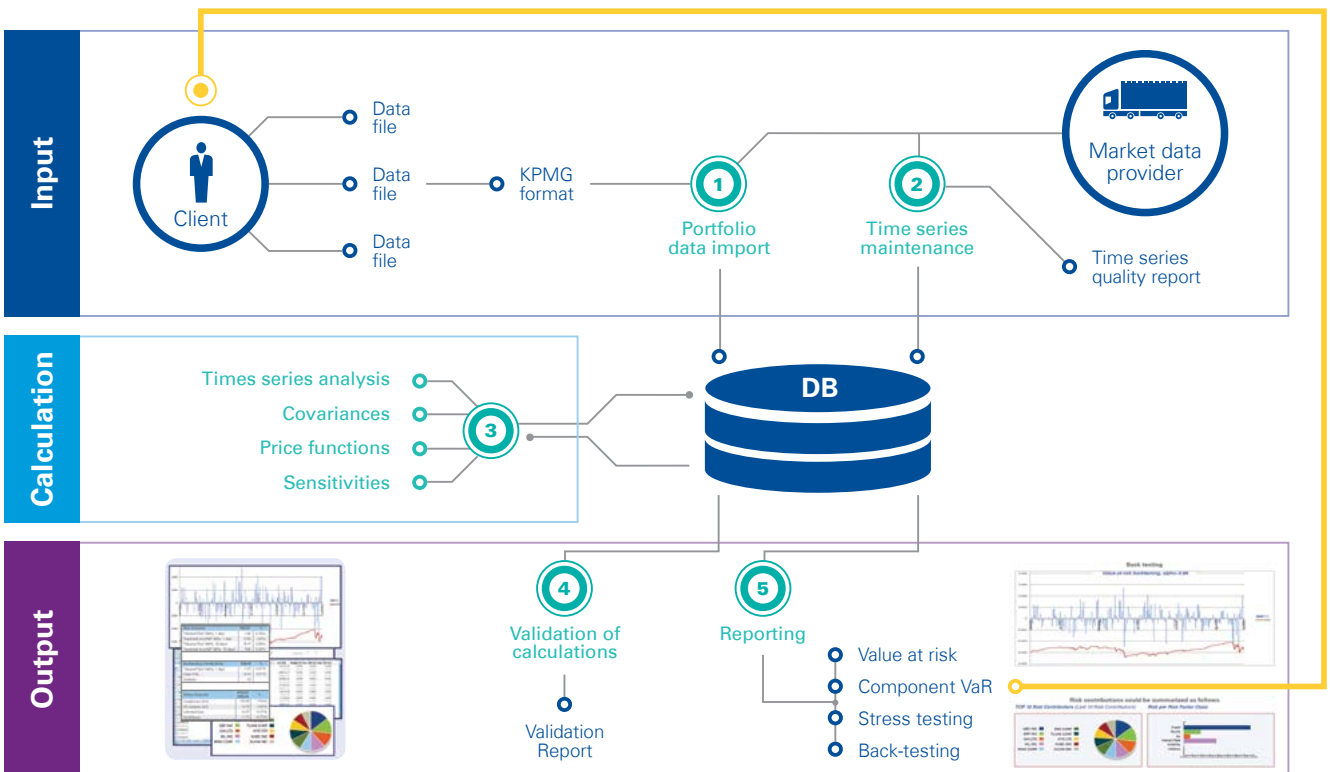
# Risk management and reporting

valueforfunds.com

## 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.



## 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



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# Performance measurement and attribution service

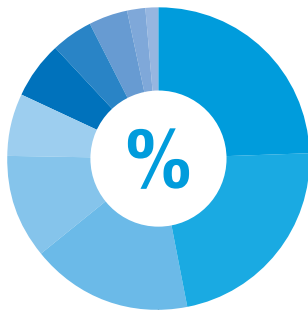
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**Provide up-to-date, consistent performance measurement and performance attribution to your investors.**

## Our service...

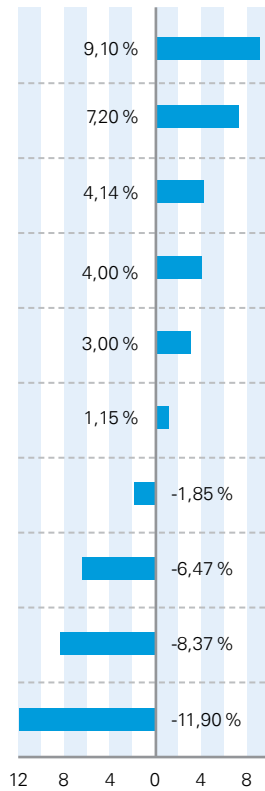
- ...enables correct measurement of the fund's or portfolio's performance.
- ...provides an accurate picture to your clients.
- ...highlights the sources of value addition.
- ...demonstrates the importance of skill and strategy in the portfolio management framework, and justifies the cost of active management.

Average weight

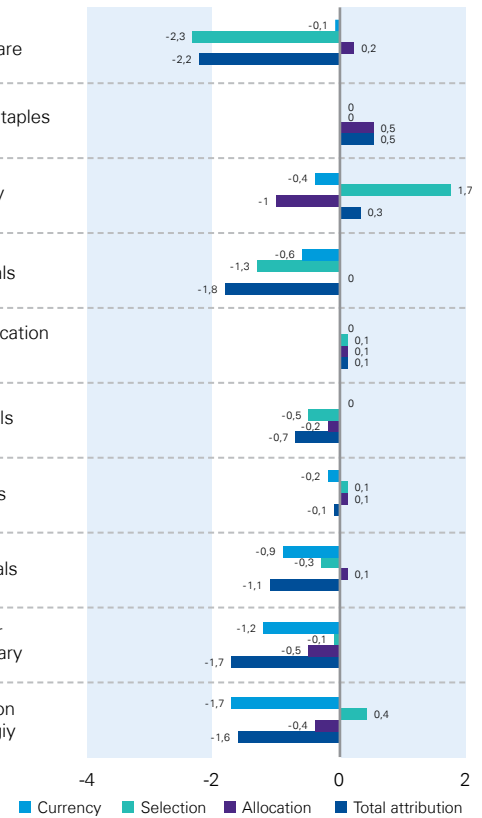


- 24,68 Financials
- 22,31 Health care
- 17,18 Consumer staples
- 11,29 Energy
- 6,67 Telecommunication services
- 5,99 Materials
- 4,54 Consumer discretionary
- 4,18 Industrials
- 1,75 Information technology
- 1,35 Utilities

Average weight difference



Attribution



## 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)



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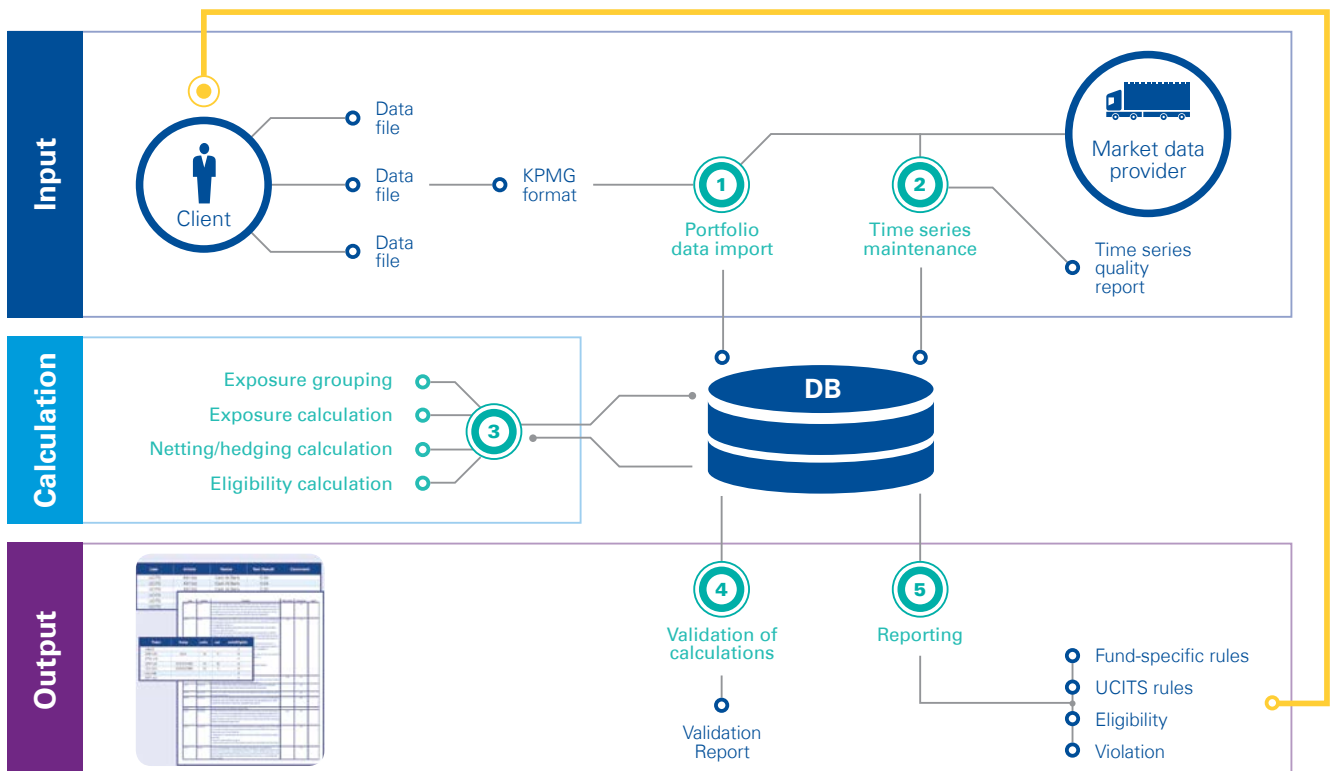
# Investment compliance

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## Our tailor-made service for your day-to-day investment compliance.

### Our service...

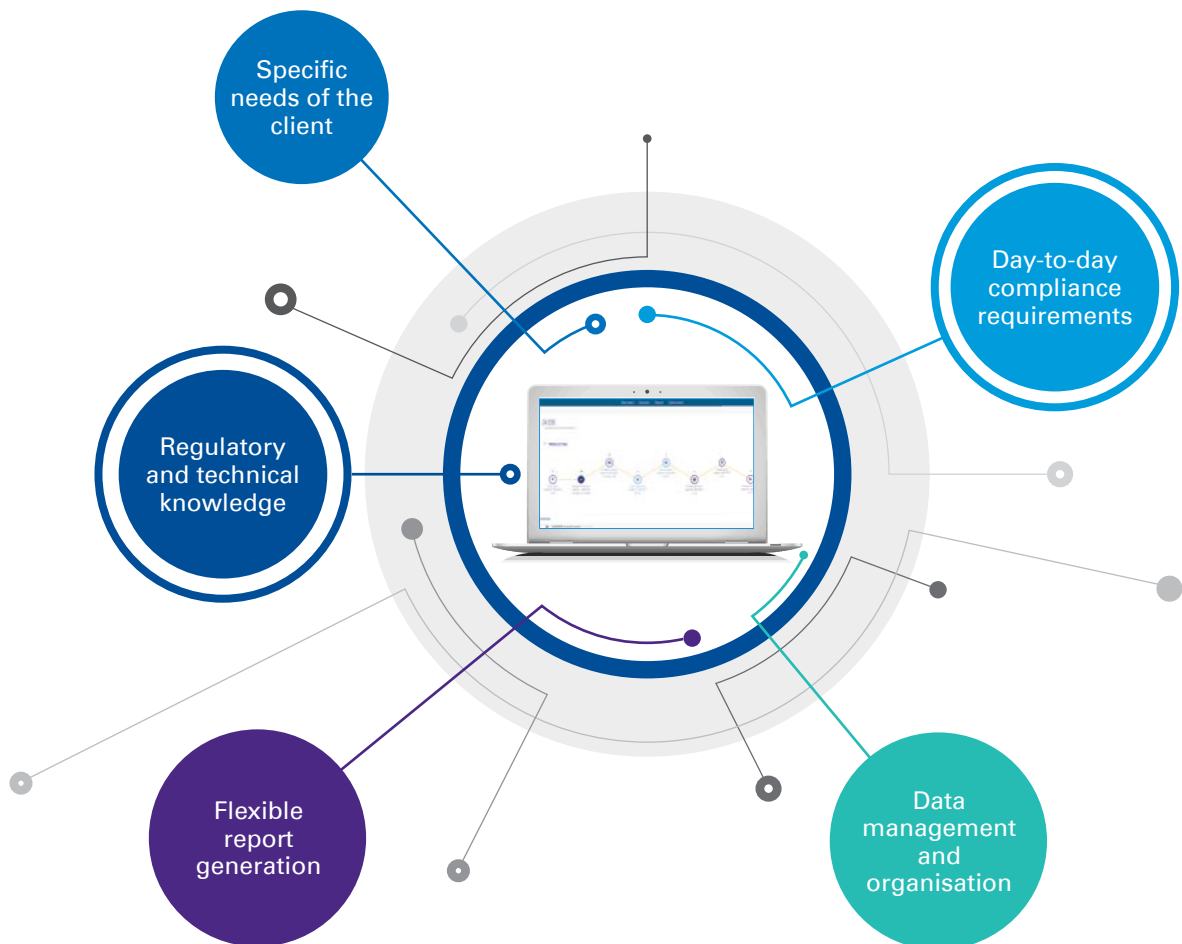
- ...is based on a cutting-edge risk and compliance engine.
- ...is tailor-made to suit your needs.
- ...can comprise a “fully-managed outsourcing service.”
- ...covers a wide range of investment compliance aspects.
- ...leverages on KPMG’s expertise and workforce.
- ...reduces your workload while increasing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



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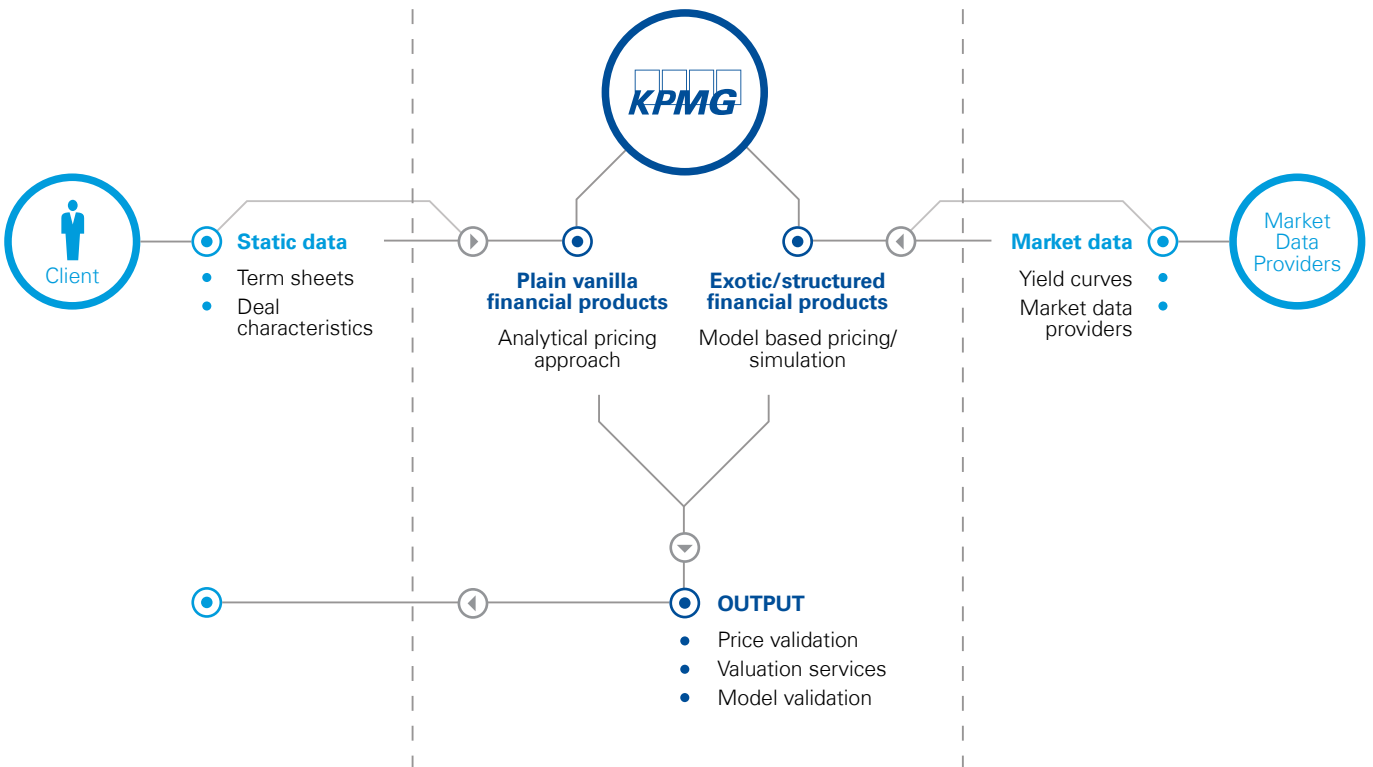
# OTC valuation

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



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