

FlexFinance provides data marts that contain information required for credit risk management. This information has been called for by the **BCBS (= Basel Committee on Banking Supervision)** in order to define capital requirements.

The procedure to calculate credit risk according to BCBS guidelines overlaps with that for the calculation of risk provisions according to IFRS in many cases.

The data marts contain all the information required to differentiate between financial products and counterparties as well as all the individual components needed for reporting purposes or credit risk management.

- Calculated results
 - RWA (Risk-weighted assets)
 - PD (Probability of Default)
 - LgD (Loss Given Default)
 - CF (Conversion Factor) products with drawing risks
 - FX haircut
 - Maturity mismatch
 - Hc (coll) or Hc (claim) haircut for collateral or claim
 - Correlation

FlexFinance allows parallel calculations to be made in accordance with various regulatory approaches (standard, IRB, CAD), the use of which for reporting purposes has to be approved by the national authorities in each case.

Below is an example of a credit risk report in FlexFinance based on these data marts:

Total		CREDIT RISK RETENTION (CRM) TECHNIQUES WITH SUBSTITUTION EFFECTS ON THE EXPOSURE										Credit risk mitigation techniques affecting the amount of the exposure: limited credit protection. Financial collateral comprehensive method				Fully adjusted exposure value (E*)	
		Original exposure pre conversion factors	(1) Value adjustments and premiums associated with the original exposure	Exposure net of value adjustments and premiums	Unfunded credit protection: adjusted values (2E)					Funded credit protection: Substitution of the exposure due to CRM					Net exposure after CRM substitution effects pre conversion factors		
		000	000	000	(1) Guarantees	(1) Credit derivatives	(2) Financial collateral: original method	(2) Other funded credit protection	(3) Total Outflows	Total Inflows (1)	000	(1) Financial collateral: adjusted value (C _{adj})	(2) of which: liquidity and maturity adjustments	000	000		
TOTAL EXPOSURES	of which: Defaulted exposures	010	2,453,417,817.50	2,453,417,817.50	000	000	000	000	000	000	1,411,313,161.33	000	000	1,411,313,161.33	000	1,411,313,161.33	000
	of which: IMF	015	239,514.34	239,514.34	000	000	000	000	000	000	239,514.34	000	000	239,514.34	000	239,514.34	000
	of which: exposures subject to IMF supporting letter	020	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Secured by mortgages on immovable property	040	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures under the permanent partial use or the standardized approach	050	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
BREAKDOWN OF TOTAL EXPOSURES BY EXPOSURE TYPE	of which: Exposures subject to credit risk	070	2,453,417,817.50	2,453,417,817.50	000	000	000	000	000	000	1,411,313,161.33	000	000	1,411,313,161.33	000	1,411,313,161.33	000
	of which: Exposures subject to credit risk	080	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	090	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	100	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	110	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
BREAKDOWN % OF TOTAL EXPOSURES BY RISK WEIGHTS	of which: Exposures subject to credit risk	120	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	130	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	140	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	150	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000
	of which: Exposures subject to credit risk	160	000,000.00	000,000.00	000	000	000	000	000	000	000,000.00	000	000	000,000.00	000	000,000.00	000

The following standard functions are also available for reports defined in FlexFinance:

- extensive [drilldown possibilities](#)
- possibility to [compare the report for different posting days](#)
- [proof of rule for reporting contents](#)
- manual editing combined with consistency check