

Press Release

Birmingham, August 13th 2020

RiskBusiness launches new product using AI - interview with CEO Mike Finlay

BIRMINGHAM, UNITED KINGDOM, August 13th, 2020 – Global governance, risk, audit and compliance solution provider RiskBusiness has recently added a brand-new product to its repertoire of enterprise risk management tools and with it, a brand-new look for the business. Here, CEO Mike Finlay discusses what brought about the launch of the company in 2003 and how it has since evolved to meet the changing needs of the financial services sector

The story of RiskBusiness began in 2001, when off the back of a number of major operational risk events in the banking sector in the '90s, the Basel Committee on Banking Supervision launched its consultation into the regulatory treatment of operational risk. Soon after, Moody's published a paper confirming it would be incorporating operational risk data into credit ratings - a major change for anyone working in risk management at that time. "At every conference, every meeting, that's what people were talking about over coffee," recalls Finlay. Operational risk became a distinct risk category virtually overnight, but there were no comparable metrics as there are for credit ratings such as debt-equity ratios or interest cover ratios. Finlay and some industry colleagues saw an opportunity to create a solution to this problem. "We set up RiskBusiness to try and build an industry utility to define comparable metrics, then to get firms to contribute data and for us to benchmark that data," he explains. RiskBusiness' leadership was - and still is - made up of several ex-financial industry professionals who understood the challenges this regulatory change would present, including a number of heads of operational risk, all either from a banking or insurance background.

A more intelligent view

Just as RiskBusiness as a firm was borne out of changes in the financial services industry almost two decades ago, so too is its latest product offering: ['Graci'](#) which stands for Governance, Risk, Audit, Compliance and Intelligence. This new, integrated approach to GRC - or rather, GRAC - includes the addition of unsupervised machine learning, cognitive AI, an intelligent digital assistant and configurable data harvesting apps. The result is a comprehensive, 360° view of potential threats to the business.

Making use of this type of intelligent technology was the next logical step for the firm, as Finlay explains: "It felt appropriate to incorporate AI and machine learning into our solutions as it is already commonplace in so many other areas of financial services. We also wanted to offer something new in terms of GRC. Most solutions were very reactive by nature and until now, the market typically excluded the needs of the internal audit function, while providing very limited governance functionality. We designed Graci to provide a view that integrates all of the requirements of the so-called Second and Third Lines of Defence, along with corporate governance needs. Audit can see what Risk is doing and Compliance can see what Audit is doing and so on - the whole process is joined up, intuitive - and proactive rather than reactive."

A fresh new look

Alongside the launch of Graci comes a complete overhaul for the firm's corporate branding and company website. But does this mean RiskBusiness is moving in a completely new direction? "The rebrand is to communicate how the company is growing and evolving to meet the changing needs of the sector we serve," says Finlay. "We are continuing to provide the services we are known for, but we are expanding



our offering to help firms continue to stay ahead of threats to their business, with risk data that allows them to really read between the lines. Recent events have only helped to cement the need for robust risk management solutions and quality risk data. Our rebrand provides us with an opportunity to introduce ourselves to those who may not have been aware of our services - and reintroduce our new offerings to existing clients.”

For more information about RiskBusiness and Graci, visit www.riskbusiness.com

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Notes to Editors

More information on RiskBusiness can be found at www.riskbusiness.com.

About RiskBusiness

RiskBusiness is an international governance, risk, audit and compliance (GRAC) solution provider, delivering risk content, risk intelligence, risk tools and risk advisory services to its clients. It is an association of like-minded industry professionals, who have the aim of furthering the risk management discipline to enable better risk-reward decision making.

Risk management is an evolving discipline, which has developed in close partnership with the industry. RiskBusiness has, both as individuals and collectively, a depth of established relationships with leading players and regulators in the operational risk field. We are also active participants in industry working groups and contribute thought leadership through publications and education.

RiskBusiness was founded in 2003 and today has principal locations in Birmingham, London, Buenos Aries, Amsterdam, Hong Kong, New York, Singapore, Toronto and Zurich.
