

MetricStream

GRC

SUMMIT 2017

November 6 - 7, 2017

L O N D O N

# Integrated GRC

MarketAxess / Trax

# Presenter Details



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# Agenda



1. Organization Overview
2. GRC Footprint across MarketAxess
3. GRC Program Challenges
4. GRC Framework and Governance at MarketAxess
5. GRC Rollout & Roadmap
6. Business Value and Benefits
7. Key Learnings and Best Practices
8. Audience Questions and Discussion

# Organization Overview



## Overview:

MarketAxess is the leader in electronic trading of global credit products operating in the regions of North America, Europe and Asia, through its award-winning, patented electronic platform enabling fixed income market participants to source competitive and executable bids or offers in the broadest range of credit derivatives.

MarketAxess brings over a decade of unparalleled trading, market data and technology innovation, shaping the future of the credit markets. In 2016, MarketAxess had \$1.31 trillion in trading volumes and consisted representing over 1,200 global institutional investors and broker dealers.

In Europe, MarketAxess also consists of a subsidiary company Trax, which is a leading provider of capital market data, trade matching and regulatory reporting services to the global securities market. In 2016 Trax processed 1.2 billion transactions on behalf of its user community.

## Vision:

Our vision is to shape the future of the credit markets, with the aim of becoming the global electronic credit marketplace of choice.

## Mission:

Give investors a single trading platform with easy access to multi-dealer competitive pricing in a wide range of credit products.

# GRC Footprint across MarketAxess

## ISM

- Route for review, updates, and approval
- Link to Risks, controls, Audit, past issues, regulations etc.
- Link action plans to Issues
- Robust reporting

## VRM

- Supplier Information, On-boarding
- Supplier Risks
- Supplier Performance

## Audit & Internal Controls

- Internal Audit
- Operational Audits
- Financial & SOX Audits
- IT Compliance Audits

## Operational Risk Management

- Enterprise Risk
- Operations Risk
- Risk-Control Assessments
- Heat maps, KRI/Metrics

## IT-GRC (Not Implemented yet)

- Incident management
- IT Audit Management
- Threat & Vulnerability Management
- IT Risk Management

# GRC Program Challenges



## People

- Getting Executive Sponsors in place for each solution.
- Building Strong Stakeholder Relationships (Audit, Legal, Finance, IT Security).
- Governance Model for the GRC program.
- Dedicate resource for managing the platform and administration for all the business areas.

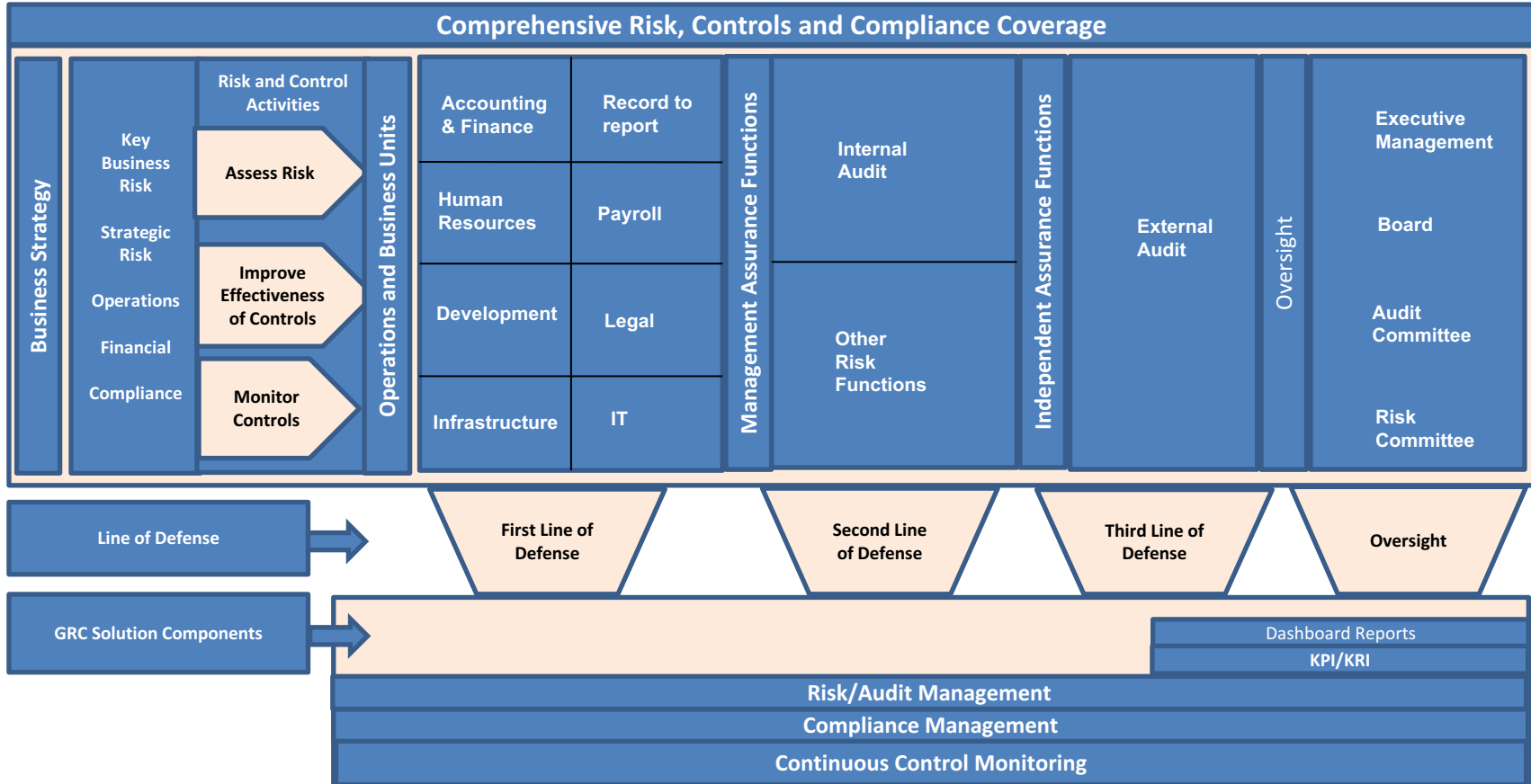
## Process

- Agreement on risk definition to allow streamlining of GRC reporting in the future.
- Replacing multiple systems in use of business functions.
- Committed subject matter experts to align and integrate the system with business process.

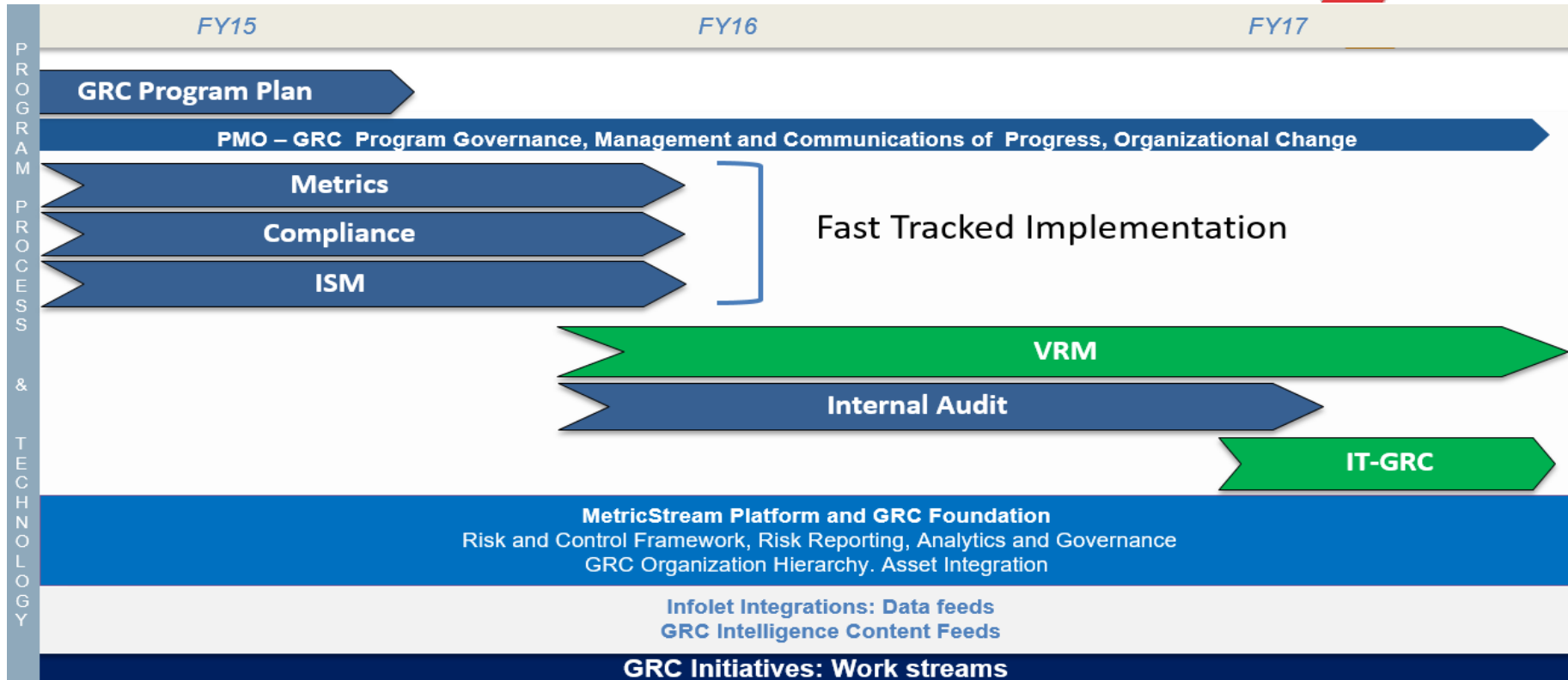
## Technology

- Building a sustainable team for a multi-year initiative to implement the GRC tool.
- Getting access to experts at the right time in the process.
- Security controls in place to safeguard confidential data.
- Customization of charts/dashboards and graphs for greater impact.

# GRC Framework and Governance at MarketAxess



# GRC Program Roadmap and Rollout





# Business Value and Benefits



- ❑ **MAKE BETTER DECISIONS, LOWER RISKS:** Manage its most urgent business risks across the silos of finance, legal, compliance, operations and IT/Security
  - ❖ **Key Benefit:** Reduce Risk by gaining visibility and context
  
- ❑ **IMPROVE PERFORMANCE AND GAIN EFFICIENCIES:** Collaborate, through a federated governance model, with other major programs in place or being implementing – bringing all the key stakeholders together through a common risk and control framework
  - ❖ **Key Benefit:** Gain efficiencies and lower costs by streamlining processes and leveraging a consistent risk and control framework, collaboration and overall methodology
  
- ❑ **OPTIMIZE REPORTING and GOVERNANCE:** Report the right information to the right people, at the right time
  - ❖ **Key Benefit:** Clear understanding of the information and analytics required for the Board, Regulators, Leadership, External and Internal stakeholders



# Key Learnings and Best Practices



- To build out a successful GRC program, the right **people, processes**, and technology need to be aligned together.
- Get the business involved quickly to identify where they need to take **responsibility** and **accountability** within the GRC program
- **Training** of the end user is important to better understand the objective of the program
- To gain the business value of the program sooner, Implement in **phased approach**
- Enhance **reporting capabilities** for management
- Streamline the **workflow** process to simplify the solution
- Define new roles to allow **better reporting** and continue to adjust new reporting needs
- Changes should be made to adopt **changing risk** within the company

The background is a solid blue color. In the corners, there are abstract, overlapping geometric shapes in red, white, and light blue, creating a sense of depth and movement. The shapes are rectangular and parallelogram-like, some appearing to be layered on top of others.

# Q&A

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Continue the conversation online

**#GRCSummit**

Thank You!

