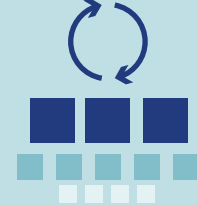




Do you know how much is hidden beneath your IT Iceberg?



What is the IT Iceberg?



IT patch work

Legacy IT systems and contentious system upgrades



Old programming

Accumulation of numerous programming rules written over decades



Automatic IT systems

Processing transactions and issuing statements without human interaction and monitoring



'Corporate memory' loss

IT developers have left your company and nobody knows how to change the coding or make it compatible with new systems

Why we believe this is a major issue



A recent KPMG analysis indicates that issues due to **legacy IT systems** are an emerging pattern in the financial services industry



Institutions are aware of this problem but are caught in **'analysis paralysis'** and don't know how to solve it

BREAKING NEWS

"CUTTING THE RISK: BANKING ON TECHNOLOGY TO STOP THE ROGUES"

(BBC)

"BIG BANKS' LEGACY IT SYSTEMS COULD KILL THEM"

(Computer Weekly)

"OUTDATED TECHNOLOGY COULD LEAD TO ANOTHER CRISIS IN BANKING"

(FT)

Senior Managers Regime

Regulatory changes will be introduced in 2016



CEO must be consulted on the firm's recovery plan, resolution pack and is overseeing the internal process regarding their governance



Greater personal accountability

According to the PRA and ECB, going forwards institutions must hold capital against these sorts of risks

So, what impacts can it have on you?



Success



Technology dictates your future business success

Competition



No flexibility, not leveraging competitive advantage of data intelligence

Reputation



Reputational damage

Penalties



Risks of future FCA fines and scrutiny

Customers



Loss of customer confidence in lead to greater industry impact such as mass pay-offs

Why not leave the past behind?

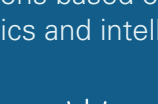


Your improved IT system



Get ready for future business model practices

Enable your business to make decisions based on data analytics and intelligence



Close the chapter of 'issues' and potential future fines

Stop mitigating risk, invest instead in future growth and economics of excellence



Can you answer all of these questions without hesitation?



Chief Compliance Officer

Are you sure that all products, systems and processes are in line with the relevant regulations?

Head of Business

Do you have an exhaustive list of all your end clients?

Chief Information Officer

Do you perform end-to-end testing to prove alignment with the regulations?

Chief Risk Officer

Are you managing the risks of black box systems and processes?

We can help: The KPMG Iceberg Survival Strategy



1

Identify the scale of your IT Iceberg

2

Analyse its impact

3

Solve IT issues



Transform your business for a future fit

Make your legacy issues history