

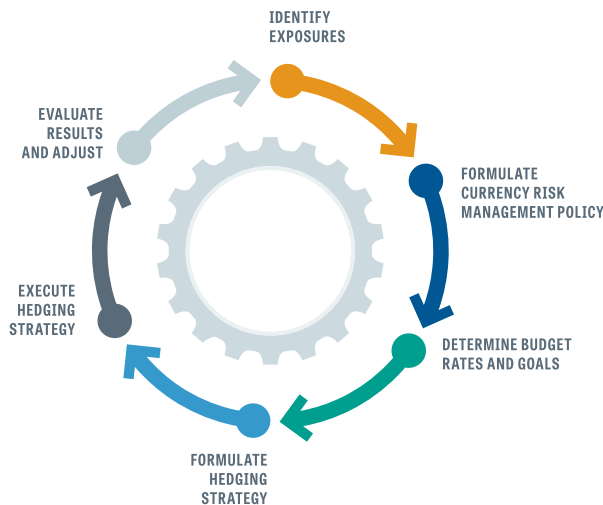
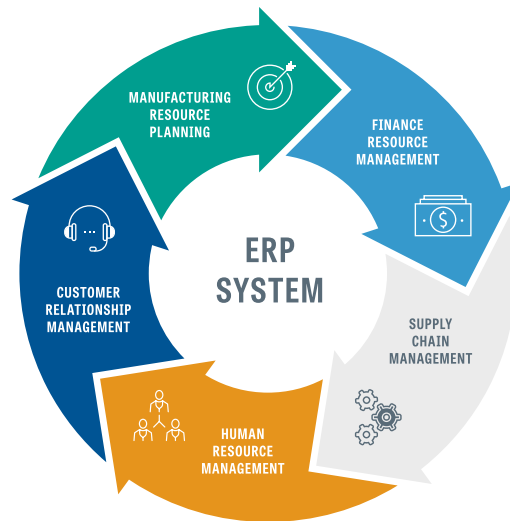
FX Risk Management Services

In today's global economy, foreign exchange volatility can materially impact earnings, cash flow, and enterprise value. Companies with cross-border business operations face increasing pressure to manage currency exposures proactively while maintaining operational flexibility and strategic agility.

Our Foreign Exchange Exposure Management practice helps organizations identify, quantify, and mitigate currency risk through disciplined analysis, while ensuring compliance with accounting standards.

Why a Treasury Management System (TMS)?

- > Assessment of eligible exposures
- > Identification of exposure sources
- > Enhance data accuracy
- > Standardize data gathering and decision-making process
- > Develop a repeatable and automated exposure management analysis process



Exposure Management Approach

- > Define clear risk management objectives
- > Identify eligible FX exposures and determine the ideal process to assess risk
- > Document formal hedging policy with a structured strategy
- > Consider internal cost reduction tools
 - > Natural hedging
 - > Portfolio hedging
 - > Internal hedging

Risk Management



Operational Process Optimization

- > End-to-end process review
- > Control and compliance assessment
- > Technology evaluation
- > Recommend process optimizations
- > Implement optimization recommendations
- > Design ongoing monitoring process



Case Study | FX Exposure Assessment

<p>PROJECT</p>	<p>FX Cash Flow Hedging Program Assessment</p> <p>The client was evaluating starting a cash flow hedging program and needed assistance with identifying and creating a repeatable process to source and report exposures as well as generate valuations, hedge effectiveness and hedge accounting.</p>
<p>SUMMARY</p>	<p>Actualize performed an analysis of the potential exposures and recommended the exposures eligible for cash flow hedging under the accounting guidance. Actualize then created an automated data collection form for divisions to submit which consolidated the data from the various teams in one format that could be automatically loaded into its financial system. Actualize also ensured the system was configured to produce the required valuation, hedge accounting, and financial accounting outputs. Detailed test scripts were created to validate the results and Actualize managed and documented the testing results.</p>
<p>RESULTS</p>	<p>The client went live with its new cash flow hedging program and was able to reduce its income volatility while ensuring compliance with the accounting standards.</p>

Case Study | Create FX Hedge Accounting Program

PROJECT	FX Cash Flow Hedging Program Creation The client sought to establish a cash flow hedging program and needed assistance with hedge accounting policy and overall risk management and accounting compliance.
SUMMARY	Actualize performed an assessment of the client's exposures and available hedging options and recommended a best practice strategy to minimize the P&L impact and trading costs while ensuring compliance with the accounting standards. Actualize delivered a US GAAP-compliant hedge accounting policy and the accompanying at-inception hedge documentation. Additionally, Actualize ensured the recommended process could be managed with the existing tools available to the client.
RESULTS	The client rolled out the cash flow hedging program and reduced its P&L impact due to fluctuations in foreign currency rates.