

OpenPages Acquisition Frequently Asked Questions

Purpose

The purpose of this document is to address particular questions and provide additional insight about IBM's agreement to acquire OpenPages. To view the full press release, go to: [IBM Press room - United States](#)

Q. What are you announcing today?

On October 21, 2010, IBM announced that the acquisition of OpenPages, Inc. has closed, with regulatory approvals completed, and OpenPages is now an IBM Company. OpenPages is an established market leader in Enterprise Governance, Risk, and Compliance Management software for global companies, as recognized recently in [Gartner's Magic Quadrant for Enterprise Governance, Risk and Compliance platforms](#).

Q. Who is OpenPages? What do they do?

Founded in 1996, OpenPages's solutions enable the world's largest companies to identify and manage key business risks across the enterprise. OpenPages has been an IBM Business Analytics Business partner since 2006, providing Governance, Risk and Compliance Management solutions, combined with IBM hardware, business analytics and middleware software and consulting and system integration services.

With an established installed base of approximately 200 clients, the OpenPages platform provides the foundation for a company's enterprise governance, risk and compliance management efforts through its ability to unite an organization's risk and compliance initiatives into a single management system, including:

- **OpenPages Financial Controls Management (FCM)** - Automated assessment and testing processes to standardize and manage SOX compliance testing and controls enterprise-wide
- **OpenPages Operational Risk Management (ORM)** - Out-of-the-box and fully integrated key risk indicators (KRI), loss event and RCSA reporting, to provide an enterprise-wide view of risk across the business and manage Basel II AMA compliance
- **OpenPages Information Technology Governance (ITG)** - Enables organizations to manage IT risk and compliance by centrally monitoring and assessing the overall effectiveness of IT investments, and adopt best practices in IT governance with process-centric and policy-driven controls
- **OpenPages General Compliance Management (GCM)** - Integrated solution for reducing the complexity of complying with numerous industrial, ethics, privacy and government regulatory mandates
- **OpenPages Audit** - Integrated audit management with a configurable view into organizational GRC

Q. Why did IBM acquire OpenPages?

On the heels of the global financial crisis there is an intense focus on managing risk across the independent silos of the enterprise. Most corporations continue to have a fragmented approach, with separate risk management efforts throughout finance, operations, and IT.

Financial officers across all industries are no longer focused solely on financial risk, but are becoming more involved in mitigating corporate risk in all its many forms – whether strategic,

operational, geopolitical, legal or environmental. All forms of risk ultimately have a financial consequence, which is why it is essential for CFOs to be engaged in risk management.

Integrated Risk Management Platforms automate much of the work associated with risk management, including:

- Risk identification through automated assessment processes
- Integration of risk data from various internal and external sources
- Analysis and reporting, to provide visibility into the state of risk in the enterprise including evidence of compliance or remediation status, trending and point-in-time analysis, and ad hoc querying

As an advanced IBM Business Partner since 2006, OpenPages and IBM have successfully partnered in multiple ways to address our joint clients' integrated risk management needs.

Today, IBM and OpenPages deliver Finance and Integrated Risk Management (FIRM) solutions for integrated Operational and IT Risk Management in Banking and Financial Markets.

OpenPages also OEMs IBM Cognos Business Intelligence in their offerings and offers IBM Hosting for customers seeking an easy and reliable way to deploy a secure, dedicated instance of OpenPages software.

Additionally, IBM and OpenPages have partnered to deliver the core data management system for the Operational Riskdata eXchange Association (ORX), a consortium of over 55 major banks in 18 countries, based in Switzerland. The ORX was formed with the objective of sharing quality operational risk data on a secure and anonymized basis, allowing each member bank to scale the data to more closely model their own risk and drive greater efficiency in the allocation of economic and regulatory capital. IBM Research is the sole agent responsible for the advanced analysis and modeling of the ORX loss event data collected from the member financial institutions.

With the acquisition of OpenPages, IBM enhances our Integrated Risk Management solutions, extending our ability to help businesses establish and maintain a comprehensive, consistent view of risk factors across the enterprise, including operational risk, financial controls management, IT risk, compliance and internal audit.

With this comprehensive approach, IBM will help clients enable risk-based business decisions and outcomes by helping to:

- Reduce operational and IT risk exposure
- Lower the cost of risk and controls assessment, management, audit and compliance activities
- Drive a better allocation of resources (in a risk-informed way)

- Q. How will OpenPages fit within the IBM software portfolio?**
The OpenPages products will become part of the Business Analytics portfolio within IBM Software.
- Q. How will OpenPages clients benefit?**
OpenPages clients will immediately benefit from the combined technologies and skills of both companies, giving them an open standards-based infrastructure for integrated risk management, with the expertise and global resources to help optimize their business transformations. They will also benefit from the increased investment, global reach, industry expertise and support available from IBM.
- Q. How will the acquisition affect OpenPages Business Partners?**
IBM is very interested in continuing relationships with the skilled Business Partners that have made the OpenPages technology successful. As IBM works hard to deliver portfolio enhancements based on OpenPages technology, OpenPages Business Partners are encouraged to get started now. To find out more about establishing a deeper relationship with IBM, visit ibm.com/partnerworld.
- Q. How will the OpenPages team fit organizationally within IBM?**
OpenPages is now part of the Business Analytics business, lead by Rob Ashe, General Manager, within IBM Software Solutions Group, led by Mike Rhodin, General Manager.

DISCLAIMER

Clients are responsible for ensuring their own compliance with various laws and regulations. It is the client's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulations that may affect the client's business and any actions the client may need to take to comply with such laws and regulations. IBM does not provide legal, accounting or auditing advice or represent or warrant that its services or products will ensure that the client is in compliance with any law or regulation.