

Metrics and KPI usage

Treasury Services

Wolfgang Vogt

BANKING SERVICES
Erste Group



Erste Group at a glance

Customer banking in the eastern part of the EU



- Founded in 1819 as the **first savings bank** in Austria and Central and Eastern Europe.
- Around **45,000 employees** serve ca. **16 million customers** through **2,044 branches in 7 countries**.

- One of the **leading financial providers** in the eastern part of the EU in terms of clients and total assets
- Among the **TOP 3 banks** in our core markets in Austria, Czechia, Slovakia, Romania, Hungary and Croatia
- Leader in **digital banking** in our home market Austria
- **George** is the leading pan-European banking platform with well over **8 million users in 6 countries**, onboarding around **5,000 users a day**

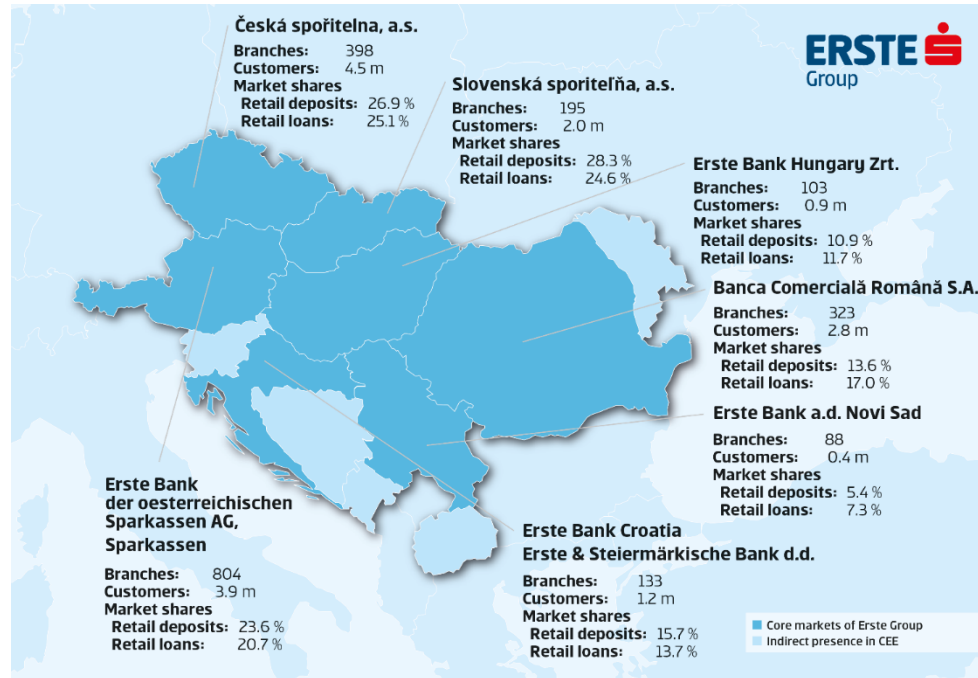
Key financials for 1-6 2022

Net profit	EUR 1,14 bn
Total assets	EUR 327 bn
Total equity	EUR 23.9 bn
CET 1 ratio <small>(CRR, final)</small>	14.2%
Loan/deposit ratio	84.9%
Operating result	EUR 1.86 bn

Erste Group at a glance

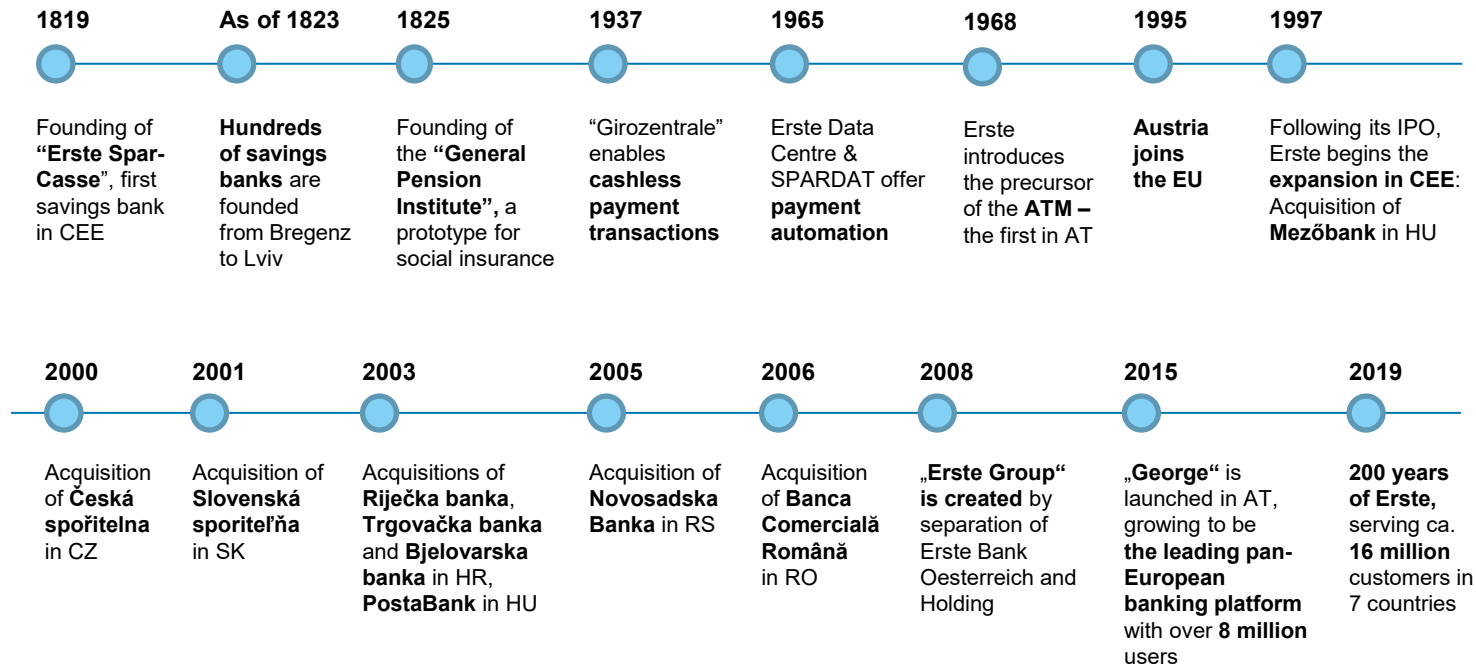
Providing banking services for the real economy

- Core activities of Erste Group – besides the traditional strength in **servicing private individuals and SMEs** – include advisory services and support for corporate clients in financing, investment and access to international capital markets, public sector funding and interbank market operations.
- Erste Group plays an advancing role in region's **capital markets** and is strongly focused on **digital innovation**.



More than 200 years of Erste

Securing prosperity for all since 1819



Strategy

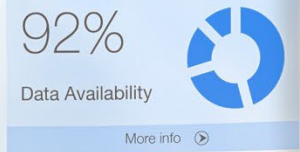
Real customer needs are the reason for our business

Strategic Objectives

Customer banking in Central and Eastern Europe				
Eastern part of EU		Focus on CEE, limited exposure to other Europe		
Retail banking	Corporate banking	Capital markets	Public sector	Interbank business
<p>Focus on local currency mortgage and consumer loans funded by local deposits</p> <p>FX loans only in EUR for clients with EUR income (or equivalent) and where funded by local FX deposits (HR & RS)</p> <p>Savings products, asset management and pension products</p> <p>Expansion of digital banking offering</p>	<p>Large, local corporate and SME banking</p> <p>Advisory services, with focus on providing access to capital markets and corporate finance</p> <p>Real estate business that goes beyond financing</p>	<p>Focus on customer business, incl. customer-based trading activities</p> <p>In addition to core markets, presences in Poland, Germany, New York and Hong Kong with institutional client focus and selected product mix</p> <p>Building debt and equity capital markets in CEE</p>	<p>Financing sovereigns and municipalities with focus on infrastructure development in core markets</p> <p>Any sovereign holdings are only held for market-making, liquidity or balance sheet management reasons</p>	<p>Focus on banks that operate in the core markets</p> <p>Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business</p>

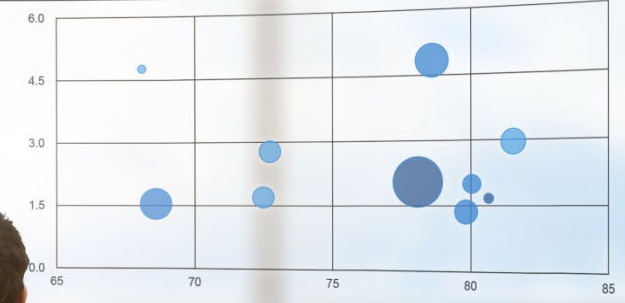
ANALYTICS DASHBOARD

Last Updated:
3 min ago



Evolution	Metric	Actual vs Target	Actual	Target
	Revenue		\$3.4M	82.0%
	Profit		\$1.2M	108.7%
	● Avg. Order Size		\$850.3	71.0%
	On Time Delivery		96.0%	96.0%
	New Customers		15432	145.0%
	Cust. Satisfaction		98.3%	105%
	Market Share		46.9%	82%

Products positioning



Sales per countries



Top 10 products

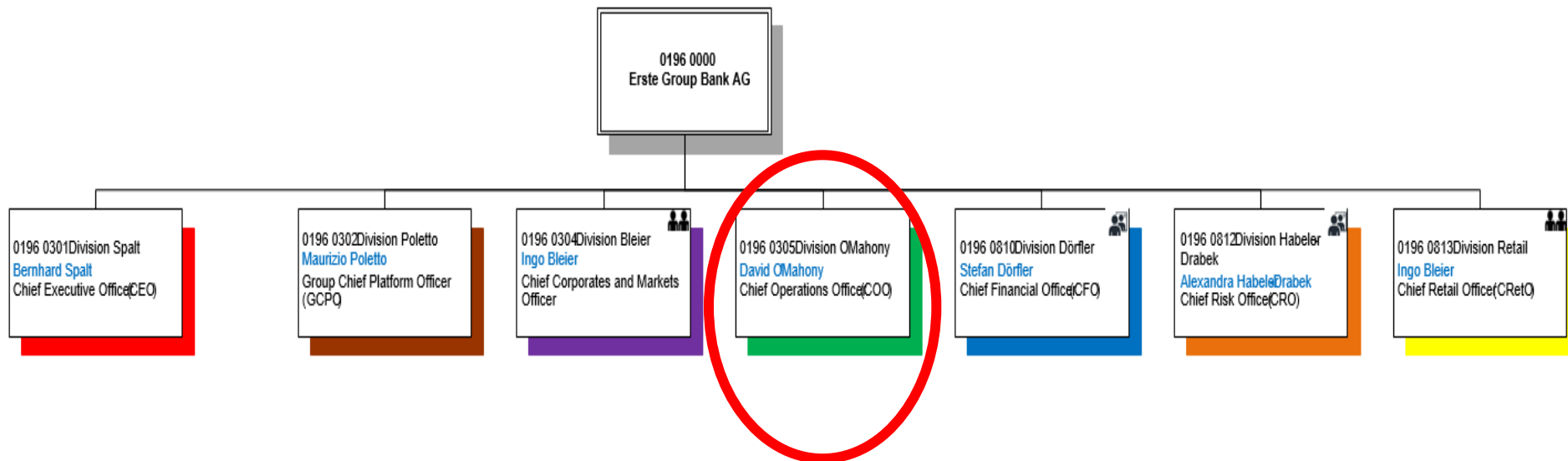


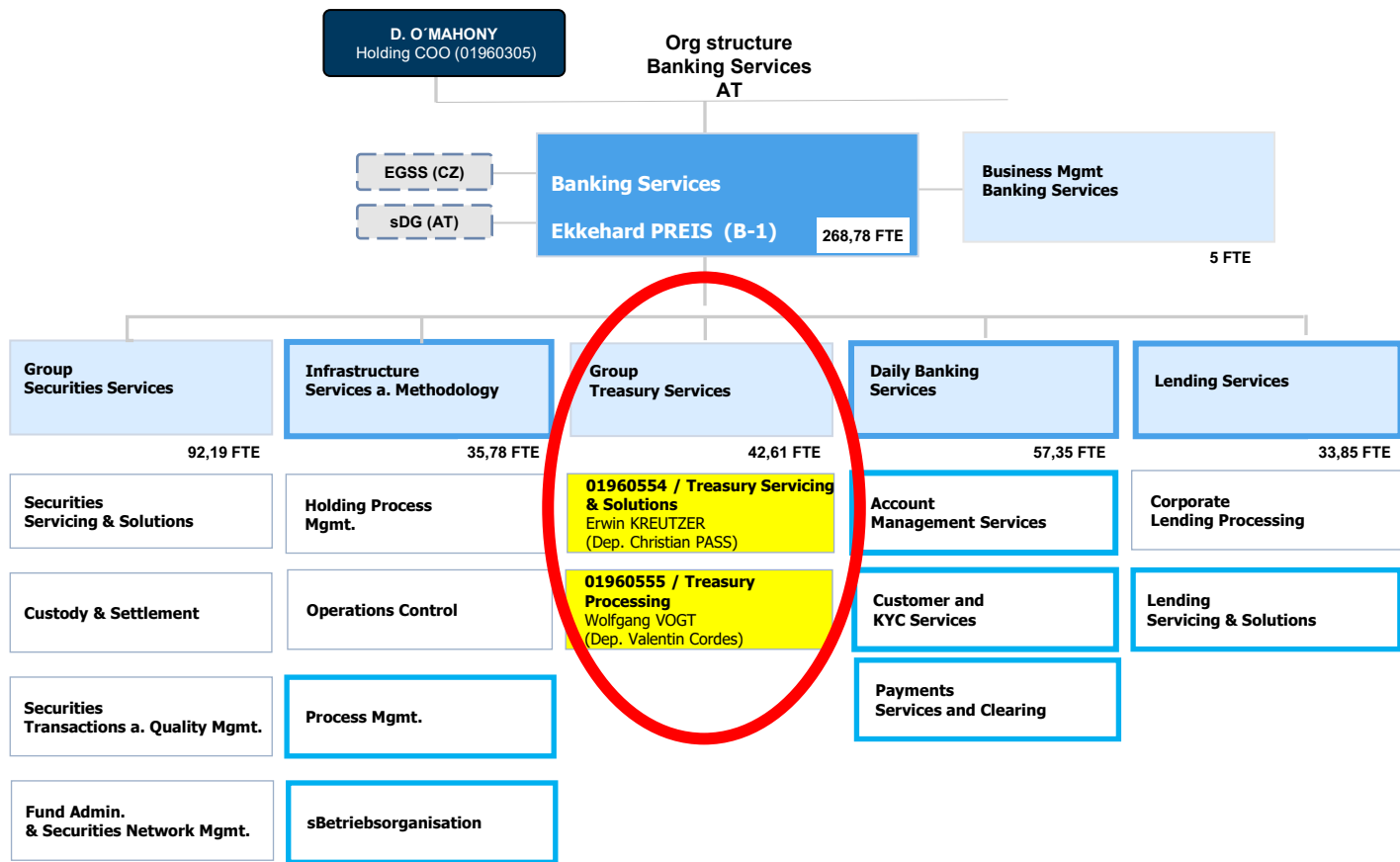
KPI USAGE Banking Operations Erste Group

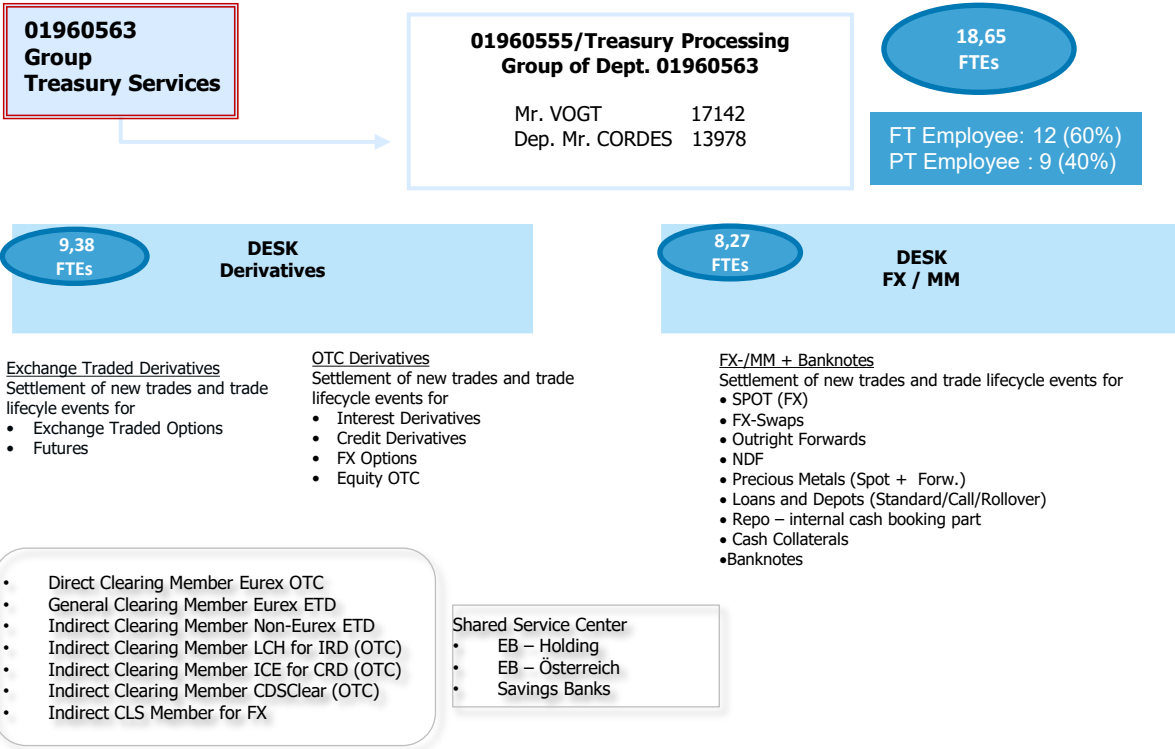
Know what you do. Improve now.

Organisational Chart

BANKING SERVICES



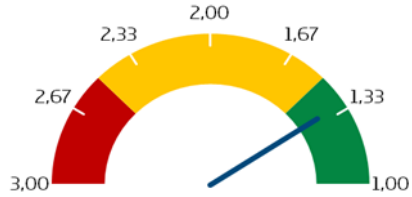
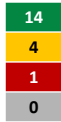




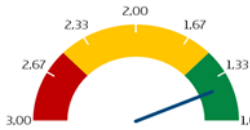
Performance & Trend

Overview

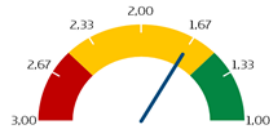
KPI-status: green
 KPI-status: yellow
 KPI-status: red
 KPIs not defined



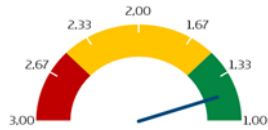
Quality & CX



Efficiency



Digitalization



KPI-status:



KPIs not assigned 0

Unit - Overview

554 - Treasury Servicing & Solutions	1,29
555 - Treasury Processing	1,50

KPIs

RED KPI's to be explained by Management

IT Systems

CALYPSO



TWH



ABM



PAYSIC (680)



Issues and Achievements

Issue / Achievement	Description	Mitigation	Affected KPI

Additional Requests

Request by	Description	Effected KPI	Quantitative Effect

Service Line: Treasury

September 2022 OU 554, OU 555

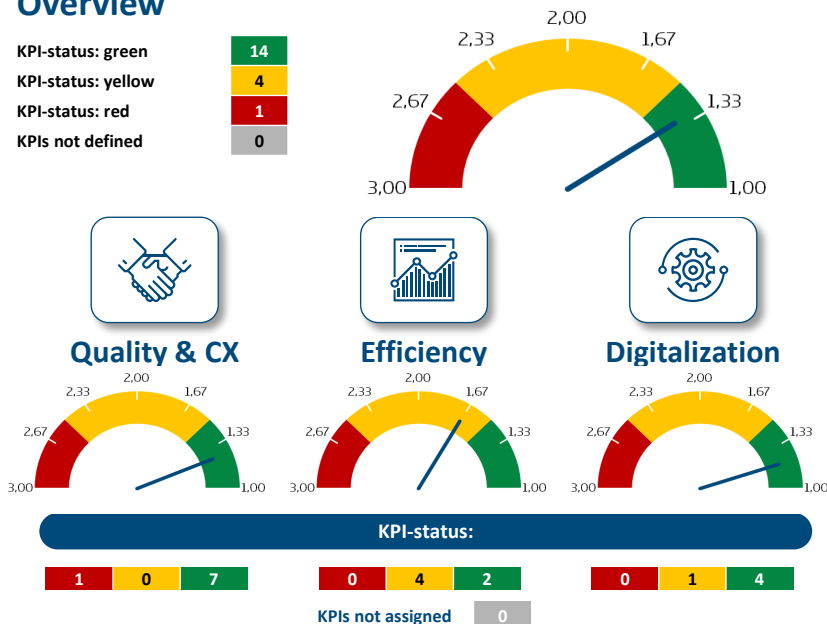
Metrics

- # FX transactions
- # MM transactions
- # OTC transactions
- # ETD transactions
- # of Managed Nostro accounts
- # B2B-Transfer
- # MIFIR processed transactions
- # MIFIR relevant transactions
- # MIFIR reported transactions
- # sub process models (1960563)
- # Control executions current month
- # open risk cases
- # equivalent value open risk cases
- # realised loss YTD
- # equivalent value realised loss YTD
- # closed risk cases YTD
- # equivalent value closed risk cases YTD
- # raised claims YTD
- # equivalent value raised claims YTD

Performance & Trend

Overview

KPI-status: green 14
 KPI-status: yellow 4
 KPI-status: red 1
 KPIs not defined 0



Unit - Overview

554 - Treasury Servicing & Solutions	1,29
555 - Treasury Processing	1,50

KPIs

- Capacity Utilization FX transact.
- STP rate for FX transact.
- Capacity Utilization MM transact.
- STP rate for MM transact.
- Capacity Utilization OTC transact.
- STP rate for OTC transact.
- Capacity Utilization ETD transact.
- STP rate for ETD transact.
- Completeness man. Nostro accounts
- STP rate for B2B-Transfers
- MIFIR Completeness
- MIFIR Completeness Austria
- MIFIR STP Rate
- EMIR Completeness - Austria
- SFTR Completeness - Austria
- Pc Status "Approved" (1960563)
- CI FTE Free up realised (1960563)
- Rigidity Status (1960563)
- Control Execution Status rate ↑

Missing Values

n.a.

Trend

- ↑ Number increased
- ↔ no change
- ↓ Number decreased

KPI

- ↑ bad development
- ↑ no change
- ↑ good development
- red not reached
- yellow between
- green reached
- gray Not defined

Service Line: Treasury

OU 555


































Execute treasury transactions

		04/22 05/22 06/22 07/22 08/22 09/22						Comment Deviation 09/22					
555	# FX transactions	-	-	100	100	100	100	100	100	-	-	-	
555	Capacity Utilization FX transact.	P	E	79,00 %	81,00 %	100 %	85,00 %	94,00 %	85,00 %	plan	< 75 %	≥ 75 %	≥ 100 %
555	STP rate for FX transact. (Grp-KPI)	P	D	99,06 %	99,16 %	99,06 %	99,12 %	99,05 %	99,26 %		< 80 %	≥ 80 %	≥ 90 %
555	# MM transactions	-	-	100	100	100	100	100	100	-	-	-	
555	Capacity Utilization MM transact.	P	E	96,00 %	108,00 %	120,00 %	109,00 %	98,00 %	94,00 %	plan	< 75 %	≥ 75 %	≥ 100 %
555	STP rate for MM transact.	P	D	97,90 %	97,82 %	97,60 %	98,11 %	97,78 %	97,47 %		< 70 %	≥ 70 %	≥ 80 %
555	# OTC transactions	-	-	100	100	100	100	100	100	-	-	-	
555	Capacity Utilization OTC transact.	P	E	109,00 %	158,00 %	124,00 %	110,00 %	107,00 %	119,00 %	plan	< 75 %	≥ 75 %	≥ 100 %
555	STP rate for OTC transact.	P	D	71,21 %	90,65 %	93,75 %	94,76 %	94,86 %	94,28 %		< 70 %	≥ 70 %	≥ 80 %
555	# ETD transactions	-	-	100	100	100	100	100	100	-	-	-	
555	Capacity Utilization ETD transact.	P	E	70,00 %	76,00 %	114,00 %	86,00 %	86,00 %	99,00 %	plan	< 75 %	≥ 75 %	≥ 100 %
555	STP rate for ETD transact.	P	D	98,06 %	98,07 %	98,16 %	97,95 %	98,12 %	97,27 %		< 95 %	≥ 95	> 99 %

ILLUSTRATIVE

Service Line: Treasury

OU 554

				04/22	05/22	06/22	07/22	08/22	09/22	Comment Deviation 09/22			
Ensure disposition	554	# of Managed Nostro accounts	- E	10	10	10	10	10	10	-	-	-	
	554	Completeness man. Nostro accounts	P Q	100 %	100 %	100 %	100 %	100 %	100 %	< 100 %	-	100 %	
	554	# B2B-Transfer	- -	10	10	10	10	10	10	-	-	-	
	554	STP rate for B2B-Transfers	P Q	83,22 %	81,34 %	86,70 %	86,93 %	85,86 %	87,37 %	< 80 %	≥ 80	> 83 %	
Regulatory reporting	554	# MIFIR processed transactions	- -							-	-	-	
	554	# MIFIR relevant transactions	- -										
	554	# MIFIR reported transactions	- -										
	554	MIFIR Completeness	P Q										
	554	MIFIR Completeness Austria	P Q										
	554	MIFIR STP Rate	P D										
	554	EMIR Completeness - Austria	P Q										
	554	SFTR Completeness - Austria	P Q										

ILLUSTRATIVE

Service Line: Treasury

				04/22	05/22	06/22	07/22	08/22	09/22	Comment Deviation 09/22			
Manage processes, quality and change	563	# sub process models (1960563)	- -	10	10	10	10	10	10		-	-	-
	563	Pc Status "Approved" (1960563)	S Q	100 %	100 %	100 %	100 %	100 %	80,00 %		< 80 %	-	≥ 80 %
	563	CII FTE Free up (1960563) Potential / realised	S E	4,15/ 2,32	4,15/ 2,32	4,09/ 2,38	3,84/ 2,64	3,84/ 2,64	3,66/ 2,68		< 1,72 FTE	1,72 FTE – 3,43 FTE	≥ 3,43 FTE
	563	Rigidity Status (1960563)	S E	13,82 %	14,88 %	11,72 %	10,69 %	10,86 %	10,33 %		< 10 % > 20 %	-	≥ 10 % ≤ 20 %
Open internal audit findings	563	# Internal audit findings (EH)	- -	2	2	3	3	3	3		-	-	-
Major Loss Case	563	# remediation measures - total/open	- -	0	0	0	0	0	0		-	-	-
Bwise Controls	563	# control executions current month	- -	8	8	17	8	8	12		-	-	-
	563	control execution status rate	S Q	100 %	100 %	94,12 %	100 %	75,00 %	100 %		< 100 %	-	100 %
Risk Events	563	# open risk cases	- -	1	1	2	1	2	2		-	-	-
	563	# equivalent value open risk cases	- -	2.000 €	2.000 €	2.000 €	2.000 €	2.000 €	2.000 €		-	-	-
	563	# realised loss YTD	- -	10	10	10	10	10	10		-	-	-
	563	# equivalent value realised loss YTD	- -	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €		-	-	-
	563	# closed risk cases YTD	- -	1	1	2	2	3	3		-	-	-
	563	# equivalent value closed risk cases YTD	- -	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €		-	-	-
	563	# raised claims YTD	- -	4	6	8	11	11	11		-	-	-
	563	# equivalent value raised claims YTD	- -	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €	1.000 €		-	-	-

ILLUSTRATIVE

- **STP Analysis Database**

Differentiation

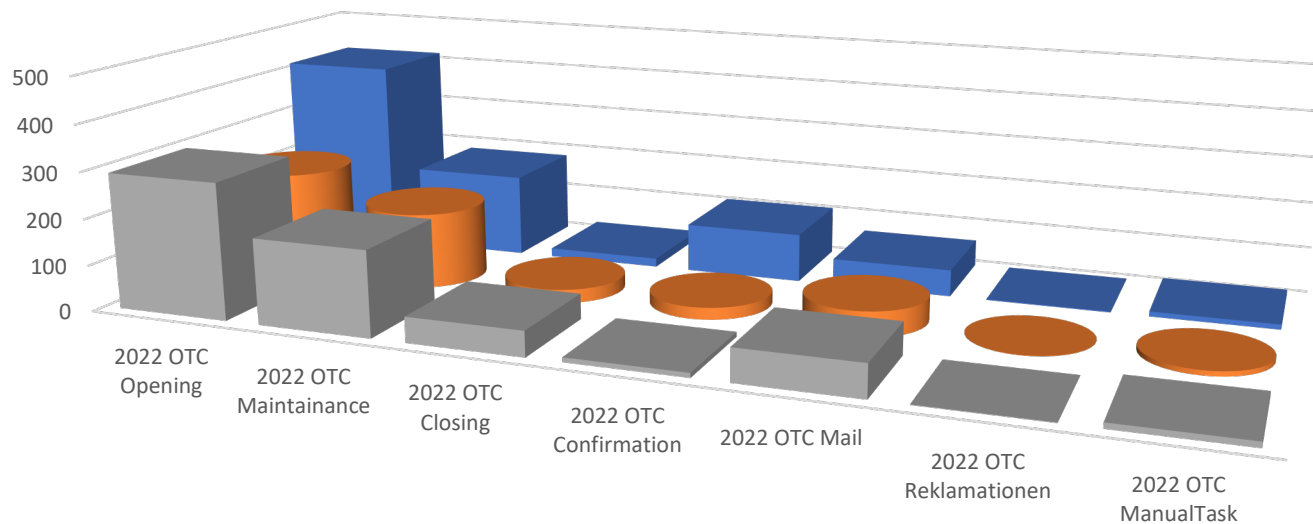
- 1) Asset classes: FX/MM/OTC/ETD
- 2) Categories
- 3) Event types (per product)

Metrics

- Number of total events
- Number of Non-STP events (drilled down to product, client, customer type, trade status)
- Time consumed for Non-STP events

	1) OTC	2) Opening	3) New Trade	
			3) Trade Cancel	
		2) Maintenance	3) Break Clause	
			3) Call Exercise	
			3) FXReset	
			3) PriceFixing	
			3) Put Exercise	
			3) RateReset	
			3) Task	
			3) Trade Amend	
			3) Trade Transfer	
		2) Closing	3) Termination	
		2) Confirmation		
		2) Mail		
		2) ManualTask		

time spent on OTC desk
Comparison Jan to March 2022



- FTE Allocation**

Differentiation

- 1) Asset classes: FX/MM/OTC/ETD
- 2) Processing activities
- 3) Non-processing activities

Metrics

- Time due to working time factor (wtf)
- Time in the office (Wtf – absences – non processing activities + overtime)
- Standard time per manual task
- Capacity utilization

	1) OTC	2) Processing	• Non-STP task	
		3) Non-processing	• Servicing	
			• Training	
			• Project	
			• Testing	
			• Management	

Questions



Thank you!