

Strategic Optimisation Toolkit
Helping you steer your business
in the era of CRR/CRD IV



CRR/CRD IV, a turning point for the banking industry

New banking regulatory requirements (CRR/CRD IV, EU mortgage directives, MIFID II, etc.) are considerably changing the rules of the game for the banking industry. Especially the new requirements for capital and liquidity will force banks to rethink their core and business strategy.

Some European banks already anticipated these changes and are currently adjusting to the new rules. Ultimately, these efforts should decrease the adverse effect of the forthcoming changes.



Under the new regulation, banks will have to manage several regulatory ratios in parallel, which - to a large extent - are highly interconnected. But above all, the bank needs to ensure profitability from a business perspective.

A systemic optimisation of:

- Cost of capital
- Cost of liquidity
- Profitability

is necessary to achieve both short-term profitability and long-term business sustainability.

Gaining the right insights into the interaction between capital, liquidity and profitability will be a key success factor in this new era.

Helping our clients optimise their business model: the Strategic Optimisation Toolkit



Deloitte
Methodology



Luxoft Horizon platform
Graphical interface

With limited and easily accessible input information the Strategic Optimisation Toolkit helps generate insights that facilitate strategic decision making. It allows you to:

- 1) Analyse on bank and product-level:
 - Capital and liquidity requirements
 - Leverage impact
 - Profit contribution
- 2) Identify key drivers and sensitivities of your business in regards to capital, liquidity and profitability
- 3) Simulate the impact of strategic options using individual and flexible scenario forecasting (balance sheet, P&L, capital, liquidity and key performance indicators)

Key benefits

1. Additional insight on key business drivers/constraints
2. Show interdependencies among capital, liquidity and key performance indicators
3. Monitor the impact of key regulatory requirements
4. Simulate the impact of external scenarios
5. Determine the effect of strategic options
6. Facilitate the strategic management of the balance sheet

The Strategic Optimisation Toolkit leverages the Horizon platform developed by Luxoft and provides customers with a rich graphical interface for an optimal user experience. It offers dynamic access to your pre-designed risk dashboards for enterprise-wide credit, market, liquidity and operational risk consolidation. In addition, it offers easy navigation across scenarios and risk indicators as well as adds additional simulation possibilities using direct input variables.

Horizon provides decision makers with precise representation and comparison of the outcomes of the Strategic Optimisation Toolkit.

It offers risk and performance data access through its app-based approach and a secure, high performance mobile interface. Horizon enables the SOT to bring risk transparency and decision making to a new level!

Horizon industry recognition:

- Winner of 2012 UK IT Industry Award for Business IT Innovation for Technology Excellence
- FS Tech awards 2013 which recognises excellence and innovation in information technology

The Strategic Optimisation Toolkit allows you - probably for the first time - to see your bank from a combined profitability, capital and liquidity perspective.

Contacts

Key contacts for the the Strategic Optimisation Toolkit

Luxembourg

Marco Lichtfous

Partner
Advisory & Consulting
+352 451 45 4876
mlichtfous@deloitte.lu

Belgium

Roeland Baeten

Senior Manager
Advisory & Consulting
+ 32 2 800 24 92
rbaeten@deloitte.com

The Netherlands

Diederick Koolmees

Senior Manager
Audit
+318 828 823 00
dkoolmees@deloitte.nl

Luxoft

Pierre Castagne

Managing Director - Financial Services
+352 661 212 113
pcastagne@luxoft.com

DTTL Member firms contacts

Austria

Dominik Damm

Partner
Deloitte Financial Advisory GmbH
+43 1 537 00 5400
ddamm@deloitte.at

Belgium

Bart Dewael

Partner
Deloitte Audit & ERS
+ 32 2 800 21 42
badewael@deloitte.com

Central Europe

Adam Kołaczyk

Partner
Deloitte, ERS FSI Leader
+48 (22) 511 04 16
akolaczyk@deloittece.com

Denmark

Per Rolf Larssen

Partner
Deloitte Audit FSI
+45 51 51 47 56
prlarssen@deloitte.dk

Sweden

Patrick Honeth

Partner
Deloitte Audit
+46 75 246 3048
phoneth@deloitte.se

Finland

Petri Heinonen

Partner
Deloitte FSI
+358 40 560 7908
petri.heinonen@deloitte.fi

France

Marc Van Caeneghem

Partner, EMEA Basel leader
Deloitte Conseil
+33 1 55 61 65 88
mvancaeneghem@deloitte.fr

Norway

Henrik Woxholt

Partner
Deloitte FSI
+47 23 27 93 42
hwoxholt@deloitte.no

Greece

Alexandra Kostara

Partner
Deloitte Audit FSI
+30 210 67 81 149
akostara@deloitte.gr

Ireland

John McCarroll

Partner
Deloitte & Touche
+353 1 417 2533
jmccarroll@deloitte.ie

Spain

Fernando Foncea

Partner
Deloitte S.L.
+34 93 230 4826
fefoncea@deloitte.es

Portugal

Miguel Filipe Morais

Partner
Deloitte FSI
+35 12 1042 2511
mmorais@deloitte.pt

Italy

Paolo Gianturco

Partner
Deloitte Consulting S.r.l.
+39 02 83323131
pgianturco@deloitte.it

Luxembourg

Martin Flaunet

Partner
Deloitte
+35 2 451 452 334
mflaunet@deloitte.lu

The Netherlands

Eelco Schnezler

Director
Deloitte, Financial Risk Management
+31 61 234 5158
eschnezler@deloitte.nl

Switzerland

Tom Spellman

Partner
Deloitte AG Switzerland
+41 58 279 7334
thspellman@deloitte.ch

Germany

Jörg Engels

Partner
DELOITTE & TOUCHE GmbH
Wirtschaftsprüfungsgesellschaft
+49 211 8772 2376
jengels@deloitte.de

United Kingdom

Vishal VEDI

Partner
EMEA FSI Risk & Capital Management leader
Deloitte LLP
+44 20 7303 6737
vvedi@deloitte.co.uk

Deloitte Luxembourg

560, rue de Neudorf
L-2220 Luxembourg
Grand-Duché de Luxembourg

Tél. : +352 451 451
Fax : +352 451 452 401
www.deloitte.lu

Michael Cluse

Director, Financial Risk Services
Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft
+49 211 8772 2464
mcluse@deloitte.de

Zeshan Choudhry

Partner
Deloitte LLP
+44 20 7303 8572
zchoudhry@deloitte.co.uk

Deloitte is a multidisciplinary service organisation which is subject to certain regulatory and professional restrictions on the types of services we can provide to our clients, particularly where an audit relationship exists, as independence issues and other conflicts of interest may arise. Any services we commit to deliver to you will comply fully with applicable restrictions.

Due to the constant changes and amendments to Luxembourg legislation, Deloitte cannot assume any liability for the content of this leaflet. It shall only serve as general information and shall not replace the need to consult your Deloitte adviser.

About Deloitte Touche Tohmatsu Limited: Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/lu/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.