

## Miha Kristl, M.Sc., FRM

### SUMMARY

Over **14 years of experience** from various banks (central bank, CEE subsidiaries of international retail banking groups, head-office functions).

**Specialties:** Credit Management, Risk Management, Corporate Strategy, Strategic Planning & Capital Allocation, Finance, Capital, Regulation, Project Management, Change Management.

### EXPERIENCE

#### - **Bank of Slovenia, Executive Director, Banking Supervision, (Oct 2014 – present)**

Management of the entire sector, which consists of two departments Banking supervision and Systemic Supervision and prudential Regulation. Reports to the BoS governor.

Main responsibilities:

- managing the continuous supervision of the Slovene banking sector
- development, maintenance and implementation of the supervisory reporting framework, methodologies and regulatory activities
- implementation of compliance policy in supervision
- licensing
- planning, implementation and monitoring of HR policy and tools for the entire sector
- managing activities associated with domestic and foreign regulatory authorities and institutions (European Commission, European Central Bank – Supervisory Board, European Banking Authority etc).

#### - **KBC Group (Belgium), Corporate Strategy Advisor (June 2013 - September 2014)**

Involved in developing and designing new (post state-aid) KBC Group Strategy: **"What's next for KBC?"**

More specifically, responsible for

- **identifying KBC Group "value creators"**: creating awareness regarding businesses, products, skills... that help explain why and how KBC makes money, including insights in their sustainability and any geographical (mis)fit.
- **strategic benchmarking process**: creating business knowledge by comparing and analysing business information about other companies.

#### - **KBC Group (Belgium), Head of Integrated Risk and Capital Management (June 2010 – May 2013)**

Integrated Risk & Capital encompassed the following 3 integration teams: (1) **risk governance**, (2) **economic capital** and (3) **risk advisory and decision support**. Reported to Senior General Manager in charge of Group Risk Management Dept.

**Risk Governance:** Supports CRO and Board of Directors in defining and reviewing **KBC Risk Strategy** - ambition level regarding risk management in KBC Group. Responsible for design, implementation and adequacy assessment of the **Risk Management Framework**.

**Economic capital:** Owner of the **economic capital model** and corresponding **risk-adjusted performance methodologies**.

**Risk advisory & decision support:** supports CRO in challenging business proposals (i.e. **strategic plans and capital allocation, those materially impacting KBC risk profile**). Responsible for comprehensive **monitoring of the KBC Group risk profile** (incl. material local entities) as well as timely **reporting on emerging risks**. **Owner of the KBC's ICAAP** and of **recovery plans**.

**Achievements:**

- **Built up Integrated Dept from scratch** (recruited missing staff, agreed on mission and strategic priorities, agreed on interfaces with treasury, strategy and finance function as well as with other risk departments, developed/upgraded risk toolbox – see further).
- Coordinated the design and implemented comprehensive **Risk Management Framework**, which enabled that
  - financial and non-financial risks in KBC Group are managed in a consistent way and in line with their materiality,
  - that KBC risk profile is transparent, proactively managed, and stays within agreed limits and delegations.
- Upgraded **economic capital** model and introduced **risk-adjusted performance measurement** in capital allocation and management remuneration.
- **Upgraded KBC Group strategic planning process and ICAAP**, aligning risk appetite discussion, capital allocation and limit setting, ensuring that capital allocation and risk limits were aligned with KBC Group strategy and stated risk appetite, and that cost of capital were properly charged to the risk-taking activities.

Improvements in the area of **risk framework** and **economic capital** helped KBC to deliver a **better quality ICAAP** to the regulator and a more convincing message to the rating agencies, benefiting KBC directly via reduced solvency and funding requirements (among others allowing KBC to repay state aid).

#### - **K&H Bank (Hungary), Head of Risk Management Directorate (Jan 2008 – May 2010)**

Reported to K&H CRO.

Responsible for implementation of **risk management framework** for K&H Group; focus was primarily on the control of risks in the dealing room (given the largest dealing room in Hungary, active in FX, IR and Fixed-income) as well as improving credit risk management (to meet Basel II IRB standards – development of Basel II compliant rating/scoring models, their implementation in credit processes and ICT systems). Responsible for **K&H ICAAP**, **risk advising** and **monitoring of K&H Group & K&H Bank risk profile**.

**Achievements:**

- Strengthening of **overall control environment in K&H** (closing majority of internal/external audit recommendations), especially in the dealing room (improved capturing of FX risk in a number of bank products, monitoring of counterparty risk, more risk-aware process of new product development). K&H was praised by HU regulator for having **state-of-the-art risk management in place**.
- Recruiting and developing a number of **excellent risk professionals**, a key success factor in a very competitive environment.
- **Successful application of K&H Group for IRB-Foundation approach** according to Basel II regulations.

- **Raiffeisen Bank (Slovenia), Raiffeisen Bank International, Head of Risk Management Dept. (July 2003 – Dec 2007)**

Responsible for **Credit Management** and **Risk Control**, total **23 FTEs**. Reported to COO.

Responsible for the **entire credit process** (credit analysis and rating assignment, transaction structuring, collateral evaluation, credit control and disbursement) as well as limit review, restructuring/workout. As Raiffeisen Slovenia catered primarily for midcaps, SMEs and private individuals, focus was on **differentiating the process** taking into account **client needs** and to ensure **efficient execution**, without compromising on **quality of risk assessment**.

**Achievements:**

- In the area of **retail credit management**, implemented **credit underwriting and collection process** according to Raiffeisen Group standards (as well as recruited missing staff). Also implemented statistical loan loss provisions/impairment methodologies
- As **B2 local project manager**, responsible for consistent **local implementation of centrally developed B2 concepts** (rating/scoring models, default recognition, data collection, RWA calculation). ICT-wise, successfully **implemented local risk datawarehouse** (interfacing relevant source system) which allowed central calculation of credit risk RWA according to Basel II.
- Designed and implemented **control processes for the bank's treasury and the dealing room** (mainly focusing on capturing and reconciling dealing room transactions, complying with oprisk requirements). Additionally, reviewed and automated market risk **RWA calculation and reporting**.

- **Bank of Slovenia, Bank Supervision Department, On-site Market Risk Examiner. (Oct 2000 – July 2003)**

**Achievements:**

- **Key person** in conducting on-site reviews of **trading activities** and **capital adequacy assessment** of major Slovene banks;
- Developed procedures (in cooperation with the Slovene Bank Association) to assess **market risk management** techniques in the dealing rooms of various Slovene banks; author of the "**Minimum Standards for Trading activities in banks**"
- Together with Regulatory Department of Bank of Slovenia prepared **Capital Adequacy Regulation for Market Risks** – Slovene application of 1996 Basel Accord on Capital Requirements for Market Risks.

**EDUCATION**

- **University of Ljubljana, School of Economics, Master of Science**, Jan. 2004
- **University of Ljubljana, School of Economics, Majors Banking & Finance**, Sept. 2000
- **Indiana University, Kelley School of Business, Bloomington, Indiana, USA**, International Exchange Program

**ADDITIONAL INFORMATION**

- **Financial Risk Manager** certified by Global Association of Risk Professionals
- **Lecturer at risk management trainings** and university classes, occasional speaker at financial conferences.