

- Ram Pratti: Where do you see your work as projects and how do you think linking the BCBS and CCAR initiatives with the projects? Do you see those things happening and how do you see the value?
- Simon Hankinson: The projects to implement?
- Ram Pratti: Yeah.
- Simon Hankinson: CCAR and BCBS. They're programs with several projects in them. It's hard to underestimate the complexity. For the banks that have been around CCAR for some years now, the larger banks, it's more down to a process, but there's still a lot of business as usual, BAU design, and efficiency opportunities. Data governance being one of those significant areas of opportunity to actually create a sustainable process while not having to rely on Excel, PowerPoints, and emails. Outside of that, the projects are ongoing, and I think when you combine with that that the regulators expectations keep increasing. I think they would say- what they do say is they don't yet consider the industry as a whole is at the standard they expect. So the bars going to continue to increase. It's a forced curve to seek out, there's not an absolute pass line. Most of the institutions that fail are failing for qualitative reasons rather than quantitative reasons, so it's not that a debate about whether they have adequate capitals rather the processes are sufficient or the number they calculate is sufficient or their ability to create it timely is sufficient. That's the ongoing piece.
- I think that's where for a new filer it's a significant amount of process that has to be implemented. With a bar that's now higher than it was for the original first filers, there's a lot of lessons they can learn from people that have already been filing. If you are an ongoing filer it's how do you manage the cost and the effort to keep improving your processes but also hopefully start to be able to divert some resources back to the corpuses of running and managing a bank.
- Sam Weibel: Mm-hmm (affirmative), and I think another key point like you just mentioned Simon that another key thing that Collibra enables is as that bar is being raised every quarter and every year by regulators as far as what data is required for those reports or what added checks or what's being applied to them, that's where Collibra comes into play to make sure that you are managing that new data set or altering your processes or capabilities within the organization to generate that data and prove how you generated that for those reports as well.
- Simon Hankinson: There are so many dimensions to CCAR, this is why it's so complex for an institution to implement. It's just data all across the back, it touches all the processes. The change management processes are critical. One of the leading practices I recommend to clients is having a training program because often when an organization, the reason lineage is so complex and difficult is people usually know where the data comes from that they receive that they use and they know where to pass it off to, but they don't know any of the hops outside of that. I think you need to be realistic about what the technology can achieve for you. You can't opt to make a lot of that process of collating the end-to-end lineage of the data. You can automate some of the technical meta-data lineage, but the challenge for that is prioritization. You end up with a lot of information that's not actually relevant or useful.

The question earlier was about the balance between business and IT. This is why we see business becoming more and more involved, having to be engaged, even wanting to be engaged, because they understand the nuance and the context of data within that end-to-end the data supply chain. They're the ones that can advise on this is the data I create and talk to the reporter, the CCAR reporter, their risk reporter, and agree on the context of that data and how it's going to be used in a report. The same data element can be used in different ways and different reports in the same way that what might look like the same line in a report has different data that goes into it based on the context of how it's interpreted. The DGO 1.0 versus 2.0, often IT was making that interpretation and trying to understand that context, and that's one of the challenges that's overcome by having more business support.

- Ram Pratti: As Simon mentions it's very complex in implementations. Do you see the clients understanding the complexity that are involved to execute this program?
- Koen Van Duyse: I think usually when we talk to them they understand that it's complex. They maybe are not always realistic about how- sometimes they're still looking for that magical button. There's a lot of education you have to do as well of course.
- Sam Weibel: Yeah, I think they think it's really complex and they think that they could resolve it within a month when it really isn't a month process or result. These problems are two months or whatever it might be.
- Koen Van Duyse: And like Simon says, a lot is in the end-user computing. I think we once talked about it, that you set that directly, that you start looking at that more as well. You have so many cases where a bank had to do a major adjustment because there was a formula wrong in Excel. They have this whole architecture which was like a hundred million dollars with that at the end, it goes into Excel and that person hands it off to the reporting team. That's a very important aspect I think.
- That's something, you don't have that. You need to manually find out who does it in Excel, which is also part of your lineage or your control.
- Ram Pratti: A response would be how you think organizations have matured and putting the operating model to run these programs.
- Simon Hankinson: It's certainly mixed because they're different approaches. Around CCAR, a number of institutions, even from BCBS239 start with a centralized approach trying to develop the standards. Convert the principles and the questionnaire into capabilities. When you read the principles, they read great but they don't actually tell you what you need to do. Thus, by design they don't want to give you a checklist. Someone in the organization needs to go through and convert those into "here are the capabilities we expect to see," so you can do your assessment but also so you can do your roadmap of what will we look like when we are compliant. The beauty of them doing principles is there's no one answer, so you can design a different state, short-term, longer-term about how you're going to be compliant even while you're doing the implementation of those different projects. It's not unusual to find on the architecture side some multi-year plan of transformation, but that doesn't mean

that you can't implement some interim steps, interim controls in the existing environment to demonstrate compliance now while you build out the longer-term pieces of your project.

Ram Pratti: How are the business users when it comes to our POCs? Do they see the value that they're going to get using Collibra?

Koen Van Duyse: Oh most- I would say almost right away.

Sam Weibel: I think so too.

Koen Van Duyse: And if you go to- I've only seen a couple of cases up close of course where HR had just gone into the business and "This is now part of your task list as well" because you're depending on the approach of your chief steward for example, those people or a VP of risk for example, or for market risk or security risk. If they don't have a one-stop-shop too, then they just push back to even HR, which implements a program. Because you know it's a lot of responsibility, right? Your responsibility for the roadmap for the approach and so on, so if you don't have anything to measure it to see where you are and to- you need that tool, you need the one-stop tool. They get it.

Sam Weibel: With CCAR I think that from the project perspective, you never see it as solely an IT project where you might see in other lines of business or in other verticals as well. Everything that I've seen around CCAR, the business is highly involved and even in some cases IT is almost less involved, just validating that the architecture that the business wants to bring in is going to fit within the overall landscape of the company.