

# Introduction to Risk Management and Control

Course in Palma, Mallorca

Day 1

09.00 **Welcome and Presentation**

09.15 **1. Risk Management and Control**

- Why risk management?
- Enterprise Risk Management
- Types of risks?
- Governance structure
- Risk appetite
- Creating good risk culture
- Policies and procedures
- Identification, measurement, management, monitoring and reporting of risks
- Heat maps and bow tie analysis
- Capital Requirements for credit institutions
- Solvency II for pension and insurance

13.00 **Lunch**

11.00 **2. Measuring and Managing Market Risk**

- Risks on single positions
  - Duration
  - Key rate duration
  - Volatility and correlations
  - Beta-value
  - Options
- Value at Risk (VaR) and Expected Shortfall (ES)
  - What do they mean and what do they measure
  - Advantages and disadvantages of the numbers
  - Stresstesting and Backtesting
  - Historisk simulation

17.00 **End day 1**

Day 2

09.00 **Recap**

09.30 **3. Credit Risk**

- Types of credit risk
- How do you measure credit risk
- Credit policy
- Counterparty risk
- Capital requirement

13.00 **Lunch**

14.00 **4. Liquidity Risk Management**

- Liquidity risk in Insurance and Pension
- Liquidity risk in banking
- Recommendations
- Liquidity ration
- GAP Analysis
- Stress Test and Contingency Funding Plan

15.00 **5. Operational risk**

- What is operational risk?
- Measuring and managing operational risk
- KRIs, Risk Control Self Assessment, Incident Collection.
- Linking to risk appetite

16.00 **6. ESG- and Climate Risk**

- How are ESG- and climate risk different from traditional risks?
- Cross-taxonomy
- Climate risk
  - Transition risks
  - Physical risks
- Scenarios (Network for Greening the Financial Sector)

17.00 **End of Course and Evaluation**

## Price

The price for the course is EUR 1500 ex VAT. The price includes course material, lunch and refreshments.

