

Executive training course

Bank Boards: How to Navigate New Continuous Challenges 20 - 21 September 2024

Room: Emeroteca

Address:

Badia Fiesolana,
Via dei Roccettini 9,
I-50014 San Domenico di Fiesole (FI) - Italy

Course advisors:

- James H. Freis, Jr. | Market Integrity Solutions LLC
- Emiliano Tornese | EC DG FISMA, FBF-EUI

Introduction

- **Objective:** The Bank Board Academy (BBA) aims to enhance the functioning of bank boards by fostering interaction with supervisors, regulators, and among bank board members as well as executives involved in boards' life. It equips participants and Non-Executive Directors (NEDs) with essential tools to better play their role in the design and execution of their bank's overall strategy, with the ultimate objective of promoting consistency and homogeneity of banks' governance across Europe.
- **Participants:** The BBA targets non-executive board members (present or prospective) and executives or other practitioners that actively interact with bank boards, such as board secretaries and secretariat officers, members of committees, regulatory and government affairs managers, and advisory consultants.
- **Format and Instructors:** The course, which represents the fourth edition of the training for bank boards within the BBA program, will entail eight sessions and will gather an international faculty of regulators, supervisors, and academics together with bank and finance professionals. In line with the objective of fostering interaction among participants, the course is structured around several panel sessions, to which BBA attendants are invited to contribute actively.

Approach: Qualitative

Delivery mode: Residential

Friday 20th September, 2024

- 09:30 - 10:30 **Session 1: Board structuring methodology**
- Know your Board (not everyone is fit for all Boards)
 - Board composition and succession needs (Key Board roles, Committee structure, individual competences)
 - Board effectiveness: assessments as input to Board composition
- Facilitator: Giovanna Galli (Spencer Stuart)*
- 10:30 - 11:30 **Session 2: European market overview**
- International comparison of Boards of top European banks (structure directors' characteristics, committee structure)
 - Key market trends
 - Focus on Directors' background: relevance of key competences in the Boards of main European banks
- Facilitator: Giovanna Galli (Spencer Stuart)*
- 11:30 - 12:00 *Coffee break*
- 12:00 - 13:00 **Session 3: Business Cases**
- Real life cases of Board renewals with highlights of implications of: different shareholding structures, governance renewal mechanisms (yearly, three-yearly, staggered) and change of governance system (two tier vs. one-tier)
- Facilitator: Giovanna Galli (Spencer Stuart)*
- 13:00 - 14:30 *Lunch*
- 14:30 - 16:00 **Session 4: Board functioning: The view of the supervisor**
- Governance as ongoing supervision focus
 - Practices of collective suitability
- Facilitator: Florian Narring (ECB)*
- 16:00 - 16:30 *Coffee break*
- 16:30 - 18:30 **Session 5: Evolving board members' responsibilities: When can we reasonably rely on external experts?**
- Expectations continue to evolve as to the areas of subject matter expertise of individual directors and the board as a whole in facing an increasing range of topics. Board members may therefore wish to consult with external experts in order to effectively inform themselves, or as necessary to form an independent opinion in overseeing and challenging management. This session will explore best practices in reasonable reliance on external experts, drawing upon corporate governance standards and banking regulations.
- Facilitator: James H. Freis, Jr. (Market Integrity Solutions LLC)*
- 18:30 - 19:00 **Keynote speech: Approaching geopolitical risks**
- Theodore Bunzel (Lazard)*
- 19:00 - 20:30 *Dinner*

Saturday 21st September, 2024

08.30 - 10.00 **Session 6: Consolidation of the banking sector: best practices**

Facilitator: Corso Bavagnoli (Lazard)

10:00 - 11:30 **Session 7: Climate Risk: Supervisory expectations and challenges for euro area banks**

Take stock of progress made on meeting supervisory expectations on climate risk management in recent years and discuss further challenges from the perspective of supervisors and board members.

Facilitators: Federico Pierobon (ECB) and Luca Giaccherini (ECB)

11:30 - 12:00 *Coffee break*

12:00 - 13:30 **Session 8: The life of boards in practice: sharing experiences in dealing with uncertainty**

The session, which will be led by two JST coordinators will entail a discussion on past experiences of banks and boards in dealing with geopolitical risk, climate, governance issues, etc. (TBC)

Facilitators: Birgit Punison (ECB) and Luca Giaccherini (ECB)

13:30 *Closing light lunch*