

**2 DAY  
MASTERCLASS -  
CONDUCT RISK  
MANAGEMENT**



**Redefining the way the  
world thinks about risk**

**KYR TRAINING,  
LEARNING &  
DEVELOPMENT  
SOLUTIONS**



## KNOW YOUR RISK (KYR) TRAINING & LEARNING SOLUTIONS - MOHAMMAD SALMAN KHAN - CEO & CORPORATE TRAINER

### PROFESSIONAL PROFILE SUMMARY

Experienced international banker and corporate trainer with 25 years of diversified experience in the field of banking & risk management

Involved in several international advisory, consulting and training assignments to deliver risk management transformation across the Middle East and Australian banking & financial services sector.

An exceptional communicator with a track record in enhancing organizational risk management maturity through best practice tools, methods, learnings supported by global case studies on risk management failures.

Work engagements involve but not limited to risk management assignments with leading Australian & Middle East banking institutions including the Commonwealth Bank, Westpac Bank, Al Rajhi Bank, Riyadh Bank and Banque Saudi Fransi and combined with several years of risk management consulting and training engagements at client sites across Singapore, Dubai, Saudi Arabia, Muscat & Australia

# CORPORATE PROFILE

Know Your Risk (KYR) Training & Learning Solutions is a boutique international specialist risk management training organization catering to the training requirements for corporate and institutional clients in the field of risk management. All training programs are tailored and designed by sourcing information and knowledge from global best practices in risk management. Programs being delivered by KYR Training & Learning solutions include two, three, four and five day programs that are delivered either as onsite or via remote learning. Programs on various risk management topics involving Operational Risk, Fraud Risk & Conduct Risk have been successfully delivered by KYR Training & Learning Solutions to international banking and financial services clients onsite in Dubai, Singapore, Australia and Muscat with further international trainings planned for delivery internationally across multiple locations.



# COURSE OVERVIEW & INTRODUCTION

Conduct risk has become a top priority for boards of financial institutions globally. But what is conduct risk? Essentially, it refers to how firms and their staff conduct themselves - including how customers are treated, how staff are remunerated and how conflicts of interest are addressed. Losses associated with or attributable to conduct risk around the world have far exceeded credit risk and market risk losses over the past few years.

With an increased focus on managing business conduct by regulators in many jurisdictions, financial firms are closely scrutinizing what conduct risk means in practice to them. As a result, firms need to understand how business conduct impacts on their business, their employees, their customers and the market in which they operate

## COURSE BENEFITS:

You will look at the key terminology and develop skills that will help you recognise good and poor conduct. You will explore key regulatory developments that affect your firm and your stakeholders and will gain an understanding of how to react.

You will also gain a valuable insight into how a regulatory conduct framework works in practice



## DAY 1 MORNING SESSION

### Session 1: INTRODUCTION TO CONDUCT RISK, COMPONENTS, DRIVERS & IMPLEMENTATION CONSIDERATIONS

- Introduction - Why is Conduct Risk in the Spotlight?
- Definition and Concept of Conduct Risk
- Conduct Risk Components
- Relationship between Conduct and Culture
- What drives Conduct risk? Eight Key Conduct Risk Drivers- A Detailed Look into the Drivers
- Main steps in Conduct Risk Institutionalisation
- Foundation Elements of a Strong Risk Culture

## AFTERNOON SESSION

### Session 2: CONDUCT RISK FRAMEWORK & POLICY, ITS COMPONENTS, CONDUCT RISK APPETITE, ROLE OF TECHNOLOGY & OPERATIONAL RISK

- Defining the Scope for an Enterprise Conduct Risk Framework
- Conduct Risk Framework Components & Implementation
- Role of Technology and how technology can help in better managing Conduct Risk
- Recent Costs of Remediation due to Conduct Risk Failures
- Conduct Risk Appetite - Is there an Optimal Level for Conduct Risk?
- How can Operational Risk play a role in Conduct Risk Enforcement and Management

## DAY 2 MORNING SESSION

### Session 3: REGULATORY LANDSCAPE AROUND CONDUCT RISK - TRENDS AND KEY DEVELOPMENTS

- a. Regulatory landscape around conduct risk
- b. Enforcement for misconduct by Top 15 Global Regulators (2012-2018)
- c. Top three sectors most frequently fined for misconduct
- d. Frequency of financial penalties for misconduct by Service Line
- e. Expectations from regulators going forward.

## AFTERNOON SESSION

### Session 4: CASE STUDIES ON CONDUCT RISK: Key Misconduct Events and its Relationship to Conduct Risk

- a. The Case of Wells Fargo
- b. Australian Royal Commission Investigations into Misconduct
- c. LIBOR manipulation
- d. PPI Misselling (UK)
- e. Conduct Risk Workshop - What are the lessons learnt from the case studies

### Session 5: MANAGEMENT OF CONDUCT RISK

- a. Controls and Effective Strategies for Mitigation and Management of Conduct Risk
- b. Internal Audit's role in Conduct Risk
- c. Tools for Firms/Organisations mitigating Cultural Drivers of Misconduct
- d. Best Practices for managing conduct risk
- e. Closing Remarks & Conclusion

