



RISK MANAGEMENT: CREDIT RISK ORGANISATION SHEET

Context & Objectives	<p>Credit risk is the oldest form of financial risk. Although credit risk has existed since antiquity, we still have not perfected the way in which we manage it, as witnessed by the high-profile losses that are often reported in the press. This course provides participants with a good understanding of credit risk and the methods for managing it effectively.</p> <p>The main objective of this course is</p> <ul style="list-style-type: none"> ▪ Understand the fundamental concepts of credit risk ▪ Learn about how credit risk can materialise and the methods for measuring and managing it effectively ▪ Evaluate and understand internal and external credit ratings ▪ Describe different credit risk models according to the recommendations of the Basel Committee
Methodology	<p>The methodology is based on a combination of theory and practical exercises.</p>
Target group	<p>This training course has been designed for a broad audience, i.e. for anyone wishing to acquire fundamental knowledge in Risk Management. This course is NOT a webinar but an interactive programme. Participants are encouraged to be engaged in the sessions and to this end to have their webcam on and a well-functioning microphone.</p>
Language	<p>A good command of English is required.</p>
Participants	<p>Maximum 15</p>
Expert	<p>Mr Eduardo Grell has occupied executive positions dealing with different aspects of risk management in financial institutions for over 30 years. He set the risk management function several times right from scratch during most of his career in Luxembourg, the UK and Brazil, having kept up with the evolution of the concepts and techniques, as well as the changes in the regulatory environment. He is an engineer and economist, with post-graduation in finance and management.</p>
Duration & Dates	<p>4 sessions of 4 hours on the following days: From 5 to 8 April 2022 from 9am to 1pm</p>
Platform & Technical requirements	<p>WebEx To join the course participants are requested to have:</p> <ul style="list-style-type: none"> • a stable internet connexion • a device (preferably a PC) with well-functioning microphone and webcam).

By delivery date, any training documentation shall be subject to regular reviews and updates amending the table of contents as described herein.¹



RISK MANAGEMENT: CREDIT RISK

CONTENT

- Credit Risk
- Introduction and definitions
- Lending activities
 - Retail loans
 - Wholesale loans
 - Credit analysis
 - Internal credit rating systems
 - External credit ratings
- Debt instruments
 - Main features of debt instruments
- Key concepts of credit risk measurement
 - Key variables
 - Default and transition matrices
 - Expected Loss (EL) and Unexpected Loss (UL)
 - Credit portfolio models
- Regulatory Requirements for Banks
 - The Standardised approach
 - The internal Ratings Based (IRB) approach
 - Counterparty credit risk, credit valuation adjustment risk and banks' exposures to central counterparties
- Future trends

This training is provided with the financial support of the Luxembourg government



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ⁱOne of the core values of the House of Training is pragmatism, the training it provides is therefore: practical, current, modular and targeted. Bank and finance professionals from all disciplines are facing one international challenge in particular, which is to work together to improve the quality of services while reducing costs, within a framework that is increasingly subject to strict regulations and the use of technology. In order to face the challenge of delivering fully-adapted training programmes, the House of Training uses a quality management method that it calls "Quality Circles" that bring together professionals and practitioners from the financial sector with shared goals, philosophy and passion for learning. Our quality circles have an intimate knowledge of the real needs in the industry and collaborate actively with the House of Training to integrate this understanding into our programmes.