

Operational Risk Management

Managing Operational Risk As A Separate Entity While Budgeting For Increased Process Demands

September 16-17, 2015
Hilton Times Square | New York, NY

Identify Emerging Risks Through Key Risk Indicators (KRIs) and Quantifying Operational Risk for a Proactive Response

Reducing Internal and External Loss Factors to Enhance Operational Risk Excellence.



Conference Chairperson:

J.D. Opdyke, Head of Operational Risk Modeling
GE Capital

Attending This Premier marcus evans Conference Will Enable You to:

- **Develop** a robust governance structure for operational risk that is clearly articulated within the business model
- **Reduce** internal and external loss factors to enhance operational risk management
- **Implement** an advanced measurement approach (AMA) to reveal more in depth risk exposures for capital savings
- **Break** down the modeling process to ensure accuracy and validation of data is achievable
- **Demonstrate** the value of operational risk to the business model to properly allocate resources
- **Calculate** risk appetite while factoring in operational risk exposures
- **Evaluate** dollar loss amounts from managing cyber breaches to quantify cyber risk
- **Understand** regulatory demands for operational risk to remain compliant

Who Should Attend:

marcus evans invites C-Level Executives, Heads, Managing Directors, Directors, EVPs, SVPs, VPs, Senior Executives, and Regulators from the Banking and Finance Industry with responsibilities or involvement in:

- Operational Risk
- Risk Management/Analysis
- Capital Planning/Analysis
- Enterprise Risk Management
- Compliance
- Data Security
- Governance
- Regulatory Reporting
- Business Continuity
- Audit
- Cyber
- Specific Risk Buckets

Featuring Case Studies From Leading Operational Risk Management Experts:

Kenneth Swenson
SVP & Lead of Operational Risk Modeling and Stress Testing
Regions Bank

David Ridgway
US Head of Risk, Asset Management
BNY Mellon

Steve Bhatti
US Chief Operational Risk Officer, EVP
Formerly with Santander

Jedediah Turner
Director, Head of Risk Framework, Commercial Business Risk Office
Capital One

Fan Gao
Head of Operational Risk Management Business Coverage for Global Private Bank
Citigroup

Azamat Abdymomunov, Ph.D.
Team Leader and Lead Financial Economist
Federal Reserve Bank

Michael Barton
Assistant Director, Head of Economic Capital & CCAR Modeling
AIG

Frank Han, Ph.D.
SVP, Operational Risk Capital Planning & Analysis
Wells Fargo

Sachin Sharma
Director, Methodology & Change Management, US Operational Risk Management
BMO Financial Group

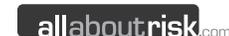
Lynne Karla
Lead Expert Governance & Operational Risk for Midsize Supervision
Office of the Comptroller of the Currency

J.D. Opdyke
Head of Operational Risk Modeling
GE Capital

Laurenco Miranda
Managing Director, Operational Risk Quantification, Economic Capital/CCAR
AIG

Scott Gyllensten
SVP, Chief Operational Risk Officer
People's United Bank

Media Partners:



7:45 Registration and Morning Coffee

8:30 Chairperson's Opening Remarks
J.D. Opdyke, Head of Operational Risk Modeling
GE Capital

IMPLEMENTING A MORE CONCRETE OPERATIONAL RISK MANAGEMENT FRAMEWORK

8:45 Case Study

Developing a Robust Governance Structure for Operational Risk that is Clearly Articulated within the Business Model

- Providing senior management with guidance to support the banks operational risk framework
- Reviewing the strength of the framework in place to address emerging operational risks and processes
- Approving and defining a clearly stated risk appetite that includes the type and level of risk the bank is willing to endure
- Effectively building risk management strategies for quality control

Scott Gyllensten, SVP, Chief Operational Risk Officer
People's United Bank

9:30 Case Study

Developing Senior Management Roles within Operational Risk

- Working with the executive team to develop and leverage risk appetite
- Orientation to strategic or substantive change
- Leveraging your experience and ability to provide solutions
- Robust exchange of views supported by the facts

David Ridgway, US Head of Risk, Asset Management
BNY Mellon

10:15 Networking Break

10:45 Case Study

Green Grass and High Tides - Operational Risk Lessons Learned

- Exploring the various industry views of operational risk
- Analyzing quick wins vs. common pitfalls within operational risk management to inform corporate strategy
- Developing a successful, advanced operational risk framework to effectively reduce operational risk long-term

Kenneth Swenson, SVP & Lead of Operational Risk Modeling and Stress Testing
Regions Bank

11:30 Case Study

Stress Testing for Operational Risk to Accurately Expose Risk

- Overcoming data challenges associated with risk modeling for operational risk stress tests
- Supplementing internal data with external data to improve model accuracy for compliance
- Combining risk analysis with expert judgement to enhance operational stress testing

Frank Han, Ph.D., SVP, Operational Risk Capital Planning & Analysis
Wells Fargo

12:15 Luncheon

1:15 Case Study

Implementing a Robust Operational Risk Program in the First Line

- Heightened expectation from regulators around Lines of Defense
- Building out sustainable 1st line risk management and control activities
- Ensuring risk identification, assessment, control monitoring, and risk remediation activities
- Providing the business a value add via an effective coverage model
- Helping drive a culture of Operational Risk Management from the top down, including implementation of training

Jedediah Turner, Director, Head of Risk Framework, Commercial Business Risk Office
Capital One

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2:00 Interactive Panel Discussion

Coordinating a Systematic Approach with the Three Lines of Defense Model to Clarify Processes and Roles within Operational Risk

- Ensuring the first line of defense is able to respond and react quickly to identify and evaluate risks
- Exposure to the three lines of defense when developing a governance structure at US Bank
- Establishing oversight and accountability within the framework
- Providing assurance and internal consulting to add value and improve company operations
- Maintaining oversight of the effectiveness of the risk management process through internal audit

Panelists:

Fan Gao, Head of Operational Risk Management Business Coverage for Global Private Bank
Citigroup

Michael Barton, Assistant Director, Head of Economic Capital & CCAR Modeling
AIG

Scott Gyllensten, SVP, Chief Operational Risk Officer
People's United Bank

2:45 Networking Break

3:15 Case Study

Assessing the Role of Scenario Analysis in Effective Risk Measurement and Management

- Developing a robust scenario analysis program
- Use of scenario analysis in stress testing and capital
- Ensuring effective governance and managing challenges

Sachin Sharma, Director, Methodology & Change Management, US Operational Risk Management
BMO Financial Group

4:00 Case Study

Operational Risks Associated with Newly Merged Organizations; Expectations for Sound Risk Governance

- Risk Culture is organization specific and helps shape and influence governance practices and risk decisions - combining diverse cultures presents challenges
- The Inherent Risk Profile of the combined organization changes due to strategic, external, management, processes, systems and structural factors
- As an organization grows more diverse and complex, the sophistication of its risk management must keep pace
- The sophistication of risk management systems should be proportionate to the risks present and the size and complexity of an institution

Lynne Karla, Lead Expert Governance & Operational Risk for Midsize Supervision
Office of the Comptroller of the Currency

4:45 Closing Remarks of the Chair and End of Day One

PRODUCER INFO:

I would like to thank everyone who has assisted with the research and organization of the event, particularly the speakers for their support and commitment.
Stephanie Rasmussen, Stephaniera@marcusevansch.com.

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8:30 Registration and Morning Coffee

8:50 Chairperson's Opening Remarks
J.D. Opdyke, Head of Operational Risk Modeling
GE Capital

MEETING REGULATORY AND CAPITAL REQUIREMENTS WHILE PROMOTING SUSTAINABILITY

9:00 Case Study
Factoring in CCAR/DFAST Regulatory Capital Requirements with Operational Risk Loss Data to Calculate Reasonable and Significant Forecasts

- Estimating operational risk loss for stress testing purposes
- Linking macroeconomic variables to operational loss events
- Demonstrating the appropriateness of loss forecasts

Michael Barton, Assistant Director, Head of Economic Capital & CCAR Modeling
AIG

IMPROVE OPERATIONAL RISK METRICS TO ACCURATELY EXPOSE AND REPORT RISK

9:45 Case Study
Scaling External Data for Operational Risk Quantification

- Evaluating productive approaches for scaling to properly quantify risk
- Demonstrating the value of a proposed method of scaling external data
- Improving the stability of risk estimates through scaling external data

Azamat Abdymomunov, Ph.D., Team Leader and Lead Financial Economist,
Federal Reserve Bank

10:30 Networking Break

11:00 Case Study
Utilizing a Risk and Control Self-Assessment Program (RCSA) to Help Analyze the Overall Effectiveness of the Operational Risk Profiles

- Implementing an RCSA program along side current risk profiles for a more forward looking approach
- Leveraging internal and external loss data and controls to key performance indicators to overcome lack of data inputs
- Using RCSA data to support budgeting for targeted problem areas

Steve Bhatti, US Chief Operational Risk Officer, EVP
Formerly with Santander

11:45 Case Study
Estimating Operational Risk Capital with Greater Accuracy, Precision, and Robustness

- Utilizing a dramatically more accurate capital estimator (reduced-bias capital estimator, "RCE") to virtually eliminate the systemic capital inflation associated with the loss distribution approach
- Notably improving model stability with RCE to achieve a desired level of capital necessary for operational risk losses
- Gleaning key insights from the RCE approach to improve capital planning at the enterprise level

J.D. Opdyke, Head of Operational Risk Modeling
GE Capital

12:30 Luncheon

REDUCING INTERNAL AND EXTERNAL LOSS FACTORS TO ENHANCE OPERATIONAL RISK MANAGEMENT

1:30 Case Study
Evaluating Dollar Loss Amounts from Managing Cyber Breaches to Quantify Cyber Risk

- Calculating the dollar loss amount accrued by disruptive technology
- Forecasting future losses caused by disruptive technology to calculate proper capital holdings
- Managing losses associated with breaches in cyber security to maintain client expectations
- Creating a proactive approach to limit breaches in security

Lourenco Miranda, Managing Director, Operational Risk Quantification, Economic Capital/CCAR
AIG

2:15 Networking Break

2:30 Audience Roundtable

Clarifying Regulatory Demands for Operational Risk to Remain Compliant

- Calculating operational risk capital for sustainable capital allocation and reserves
- Estimating risk losses brought on by operational risk management to more specifically calculate necessary capital
- Developing a range of capital assessment techniques to hold necessary capital

3:00 Closing Remarks of the Chair and End of the Conference

WHY YOU MUST ATTEND:

Operational risk has become a leading concern amongst regulators, and financial institutions are prioritizing resources to manage this area of risk in response. While it is a relatively new process to be examined as a separate entity of risk, there is also fierce competition to recruit talented senior executives who have proven experience managing operational risk to implement new strategies.

This premier **marcus evans Operational Risk Management** Conference will examine the exposures brought on by operational risk and how these must be accounted for in the business model. The increased cost of managing operational risk forces banks and financial institutions to allocate the resources necessary for managing the new workload as well as the cost to hold more capital to compensate for known operational risk. Leading practitioners will meet to share productive processes and techniques for: updating operational risk governance, reducing conduct risk to avoid losses, evolving risk appetite, demonstrating the value inherent in a strengthened operational risk management infrastructure, and implementing AMA to achieve capital savings.



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