



DURATION

2 Days
Nov. 27-28, 2022



DELIVERY CHANNEL

In-Person
Classroom



PROGRAM LEVEL

Intermediate to
Advanced

PREREQUISITES

None

ADVANCED PREPARATION

None

CPE CREDITS

16

PROGRAM FEES

USD \$1500 PER
TRAINEE

Overview

Discussions around various risks related to Environmental, Social and Governance (ESG) have become increasingly important and have been amplified by COVID-19. Companies are dealing with changing behaviors and habits that are altering business practices. Even more urgently, banks are managing the unfolding crisis of changing asset values and associated credit risks from both a lending and asset management perspective.

This course provides delegates with an understanding of sustainable financing and investing with special attention given to ESG considerations. Discussions will focus on their applicability to credit analysis and credit portfolio management. Background context will be provided on critical concepts, including ESG Key Performance Indicators (KPIs) and quality, Sustainable Development Goals (SDG) impact, Carbon Dioxide (CO₂) scope, climate risk forecasting, engagement and proxy voting, United Nations Principles for Responsible Investment (UN PRI) reporting, and upcoming regulation.

The course demonstrates the relevance and materiality of these topics. Case studies will discuss what banks and asset managers are doing to survive, thrive and protect their clients. The course provides the breadth and depth of knowledge in this growing space.

Learning Objectives

BY THE END OF THIS COURSE, YOU WILL BE ABLE TO:

- » Protect the value of a bank's asset portfolio, including that of its loan book.
- » Make sound investment and lending decisions from a more sustainable perspective.
- » Manage the risks associated with ESG-related issues, especially credit risk.
- » Apply solid sustainability research, including ESG quality, SDG impact and CO₂ analysis, to underwriting and asset management businesses.
- » Interpret and overcome the quality issues related to ESG/SDG/CO₂ data sets.
- » Implement a sustainable research, investment and selection process (from ESG/SDG analysis to engagement and proxy voting and reporting) in underwriting and asset management businesses.
- » Write a PRI report (as every PRI signatory is required to perform).
- » Design transparent sustainability reporting for your bank, fund, loan book, asset management company.

Who Should Attend?

- » Portfolio/asset/fund managers
- » Credit analysts
- » Ratings advisors
- » Equity analysts
- » Credit risk professionals
- » Asset owners
- » Investment and commercial bankers
- » Financial regulators
- » Banking supervisors

Course Detail

MODULES

1

Introduction

- 1 ESG Case Studies
 - » Provide examples of companies who have been negatively impacted by ESG risks
 - » Case Study: Vale
 - » Case Study: Ali Enterprises
 - » Case Study: Volkswagen

2

Environmental Risk

- 2 Introduction to Environmental Risk
 - » Describe environmental risk
 - » Case Study: Groups work on a self-selected relevant case
 - » Identify the main types of environmental risk issues
- 3 Importance of Managing Environmental Risk
 - » Explain the strategic importance of environmental risk to lenders
 - » Explain the impact of environmental risks (Direct, indirect liability and reputational impact)
- 4 Minimizing Environmental Risk
 - » Understand how to assess environmental risk in a lending transaction (Data, environmental due diligence, covenants, conditions, etc.)
 - » Describe how lenders can mitigate environmental risks in their lending portfolio
- 5 Measuring and Managing Climate Change Risks
 - » Understand TCFD recommendations
 - » Describe different tools to measure climate risks

3

Social Risk

- 6 Introduction to Social Risk
 - » Describe social risk
 - » Case Study: Groups work on a self-selected relevant case
 - » Explain how social risk has evolved over time
 - » Identify the main types of social risk issues
- 7 Importance of Managing Social Risk
 - » Explain the strategic importance of social risk
 - » Explain the impact that social risks can have on a business and lender
- 8 Minimizing Social Risk
 - » Understand how to assess social risk in a lending transaction (Data, social due diligence, covenants, conditions, etc.)
 - » Describe how lenders can mitigate environmental risks in their lending portfolio

MODULES

4

Governance Risk

- 9 Introduction to Governance Risk
 - » Describe governance risk
 - » Case Study: Groups work on a self-selected relevant case
 - » Explain how governance risk has evolved over time
 - » Identify the main types of governance risk issues
- 10 Importance of Managing Governance Risk
 - » Explain the strategic importance of governance risk
 - » Explain the impact that governance risks can have on a business
 - » Explain the impact that governance risks can have on a lender
- 11 Minimizing Governance Risk
 - » Understand how to assess governance risk in a lending transaction
 - » Describe how lenders can mitigate governance risks

5

ESG and Credit Risk

- 12 ESG impacts Credit Ratings
 - » Understand why Credit Rating Agencies acquire and integrate ESG Rating and Research Providers
 - » Actual discussions with regulators in central banks and policy bodies (EU). More required capital for poor ESG qualities
 - » Case Study: Latest requirements by the Bundesbank (GE)

6

Quantitative credit rating models including ESG factors

- 13 Understand discriminant analysis
- 14 Case Study: Applying quantitative credit rating models
- 15 Understand the importance of data quality

7

Emerging ESG Issues and Regulations

- 16 SDG Impact
 - » Describe the Sustainable Development Goals
 - » Describe SDG impact measurement methodologies
- 17 Modern Slavery Act
 - » Describe Modern Slavery and the Modern Slavery Act
 - » Explain the impact of modern slavery on lenders
- 18 Equator Principles and Reporting
 - » Describe the Equator Principles
 - » Understand the key principles covered by the framework
 - » Identify who the Equator Principles apply to and what the reporting requirements are
 - » Appreciate the impact of the Equator Principles on the lending activities of financial institutions

MODULES



Integrating ESG principles into your business

- 19 Sustainable Finance
 - » Describe sustainable finance
 - » Understand why investors, borrowers and lenders are interested in sustainable finance
 - » Describe how sustainable finance works and the key considerations for participants including ESG data
- 20 Responsible lending and investing
 - » Describe how lenders and investors are going beyond basic ESG principles to commit to ways of treating customers fairly and to manage investment risks
 - » Describe how lenders and investors manage their supply chain and stakeholder relationships to reduce indirect ESG risk
- 21 Embedding ESG strategy and policies
 - » Understand how financial institutions can embed ESG data analytics and strategies into their business
 - » Describe an effective ESG policy and how it can be embedded in a financial institution's risk management framework
 - » Case Study: Design your institutions' ESG policy
 - » Describe how improved board oversight can mitigate a lender's governance risk
- 22 Becoming and remaining a PRI Signatory

Accreditation

Moody's Analytics is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Students should check for up-to-date information directly from the NASBA website: www.nasbaregistry.org.

Institute of Banking Studies is accredited by Accrediting Council for Continuing Education and Training (ACCET)/ USA as a Partner for Quality website: <https://accet.org>

Why Moody's Analytics?

Current and Consultative

We work with you to understand the distinct needs of your organization to design, implement and track the performance of your learning programs from end-to-end, including skills assessment, program design, implementation, evaluation and enhancement.

Comprehensive Coverage

We offer a broad set of technical and soft skills programs that can be combined and adapted to the needs of your staff. Our areas of expertise include banking, finance, sales, fintech, negotiation and leadership development.

Unparalleled Expertise

In delivery, our people make the difference – combining deep experience with intellectual passion for content, and having earned superior academic credentials, they are committed to delivering outstanding quality.

TAILOR ANY COURSE FOR YOUR ORGANIZATION

Moody's Analytics offers customized training and eLearning solutions to help you maximize your training investment. Our hands-on approach benefits companies of all sizes and requirements – from those with just a few local employees to those with staff dispersed around the globe. Contact us to learn more and to work with one of our training consultants to design the right program for your organization.

Contact Us

AMERICAS

TrainingAmericas@moodys.com

EMEA

TrainingEMEA@moodys.com

ASIA

TrainingAsiaPac@moodys.com



Maya Hennerkes

Training Consultant

Maya Hennerkes is the Director for Green Financial Systems at the Climate Strategy and Delivery Department of the European Bank for Reconstruction and Development (EBRD), working with regulators and financial institutions on the integration of climate and ESG matters into their strategies and core business. Prior to this, she led EBRD's ESG work with financial institutions and private equity funds. Maya is a sustainable finance and ESG expert with almost 20 years of experience in climate finance and E&S risk management, with previous positions at the Inter-American Development Bank Group in Washington DC and Bloomberg L.P. in London.

She is a member of the Club of Rome's Think Tank 30 and serves on the Advisory Board of SustainableFinance.Live. Maya studied economics, political science and Latin America studies in Germany and Spain and holds an Executive Masters in Public Management from the Hertie School of Governance in Berlin.

Languages Spoken:

English
German
Spanish

Country Experience:

Germany
UK
Spain
Latin America
USA

Company Experience:

European Bank for Reconstruction and Development (EBRD)
Inter-American Development Bank (IDB)
Bloomberg L.P.

Work Experience:

European Bank for Reconstruction and Development (EBRD), London, UK: Director; Green Financial Systems; Climate Strategy and Delivery Department. 2022-present

European Bank for Reconstruction and Development (EBRD), London, UK: Associate Director; ESG Lead Financial Intermediaries; Environment & Sustainability Department. 2019-2022

IDB Invest (Inter-American Development Bank Group), Washington DC, USA: Lead Environmental & Social Officer; Environmental, Social and Governance Division; Risk Department. 2016-2018

Inter-American Development Bank, Washington DC, USA: Private Finance Operations Specialist; Vice Presidency for Private Sector Operations. 2010-15

Bloomberg L.P., London, UK: Business Strategy and Development Manager EMEA and Team Leader and Analyst, Analytics Department, 2006-09

Education:

HERTIE SCHOOL OF GOVERNANCE, Berlin, Germany
Executive Master of Public Management (MPA), 2011-14

UNIVERSITY OF COLOGNE, Cologne, Germany
MSc in Economics and Latin American Studies, 1998-2005

UNIVERSITY OF SEVILLE, Seville, Spain

Master in Translation, Interpretation and Dubbing Spanish/German (MA), 2003-04
