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## The Role of Non-Executive Directors in Ensuring Appropriate Governance for Banks

Non-Executive Directors play an important role in ensuring there is appropriate governance for banks in Malta. With governance being a critical part of the regulatory assessment of a bank by the MFSA, the Authority, organised a webinar for Non-Executive Directors and professional advisors on the regulatory expectations of Bank boards. The event was attended by over 150 attendees including Non-Executive Directors of credit institutions and managers of consulting firms.

The online event was addressed by David Eacott – Head, Banking Supervision, MFSA with the participation of Nicholas Dexter - Senior Advisor, Prudential Authority UK and Anne Fröhling - Head of Division, DG SPL - Institutional & Sectoral Oversight, European Central Bank who also took part in a fireside chat with Laragh Cassar – Non-Executive Director, APS Bank and Christian Farrugia – Non-Executive Director, Merkanti Bank.

Commenting on the event, David Eacott said, “Banks play an important role in society and our economy. Running them well so they treat their customers fairly and avoid financial failure is the responsibility of the boards. Through this webinar, the MFSA is providing an opportunity for directors to understand how we evaluate their performance in delivering these outcomes.”

The webinar addressed various subjects including the role of the Non-Executive Director in business planning and stress testing, the role of the Non-Executive Director in the oversight of a three lines of defence model, the MFSA’s minimum engagement level for banks and interviews with Non-Executive Directors, and AML challenges facing banks and expected standards.

The webinar also featured several presentations by members of the MFSA’s Banking supervision team: Ilias Georgakopoulos, Nikolaos Grapsas, Ruth Grioli, Anton Mahkats, Caroline Porter, as well as by Kurt Spiteri Lucas and Eric Micallef from the Financial Crime Compliance team.

The webinar is part of the MFSA’s ongoing stakeholder outreach programme, which has shifted online to offset the challenges presented by the COVID-19 pandemic.

## About MFSA

The Malta Financial Services Authority (MFSA) is the single regulator of financial services in Malta, covering banks, insurance companies, investment services, trusts and pensions. In 2018, the MFSA became the first European regulator to develop a framework to regulate virtual financial assets. The MFSA's mission, as enshrined in its Vision 2021, is to enhance its position as an independent, proactive and trustworthy supervisory authority with the main purpose of safeguarding the integrity of markets and maintaining stability within the financial sector, for the benefit and protection of consumers. Over 2,200 entities are licensed by the MFSA to operate in the financial services sector, which directly account for 6% of the economy total.



@MFSA organises webinar on the role of Non-Executive Directors

