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**A CAREER SPOTLIGHT
WITH MORGAN VESSIER**



RISK & ESG

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WELCOME

Executive Network Group had the pleasure of speaking with Morgan Vessier, Chief Risk Officer at BNP Paribas Leasing Solutions - an inspirational risk leader with an impressive career spanning over two decades.

In this thought leadership piece we learn more about Morgan and his passion for risk, especially within ESG initiatives.

Morgan, please talk us through your career journey.

I've been working in the retail and corporate banking sector for more than 20 years. I've held a number of roles in Risk across various geographies, at a global, regional and local level. I've provided a strong engagement and leadership in the financial services sector to develop people, embed new technologies and practices and foster change across multiple organizations. I'm currently holding the role of Chief Risk Officer for BNP Paribas Leasing Solutions, which is a leading entity in asset finance in the UK.

With a career in risk spanning over 20 years, what has been your career highlight/ biggest achievement to date?

I'm particularly proud of the work that has been done in my current role both by developing the risk team and leading the change widely across the business to improve where needed credit policies and processes. All the work done to streamline core processes in credit, operations and collection contributed to mitigate risk with a positive impact on bad debt whilst maintaining an adequate level of profitability of the business. This has paved the way to an ambitious growth plan for the coming and has been a key enabler.

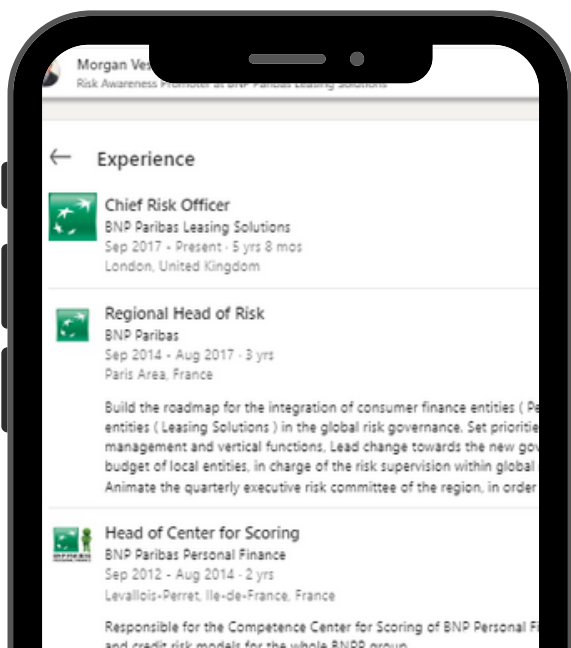


What are some of the biggest challenges you face as a Chief Risk Officer within Financial Services, and how do you overcome them?

One of the major challenges is to raise awareness around new or emerging risk topics and to foster anticipation in a context where lots of uncertainties remain. This requires working on scenarios, upskilling the risk team and to work closely with the business to ensure the key topics are brought on the top of their agenda.

How has the focus on ESG (Environmental, Social, and Governance) impacted the way you approach risk management in your role?

ESG risk has become a key driver of financial and non-financial risk in banking. For any aspect of the risk management framework, we have to change our focus and evaluate our risks taking into account ESG. As an example, credit decisions require more and more to evaluate whether our customers can cope with supply chain disruptions and transition risk. Regarding transition risk, our approach needs to evolve to assess the capacity of our customers to stick to their mid-term and long-term plans in terms of energy consumption and carbon emissions.



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How do you prioritize ESG factors when assessing risks and opportunities, and how has this process evolved over time?

Within ESG, as credit lenders, I believe that climate risk is a key factor that needs to take into account and we need to evaluate transition risk and physical risk can translate into credit or operational risk.

In your opinion, what are some of the most pressing ESG risks facing the financial services industry, and how can Risk Leaders help to mitigate them?

As mentioned before, climate risk is the main rising risk that the financial industry needs to embed in their framework, as it might – or already has a major impact on financial risk. However, it is also key for a risk leader that we foster the initiatives that can have a positive impact on society. This means for example to facilitate the participation of employees to charity events of their choice and to sponsor CSR initiatives with a real impact. In terms of governance, I believe that our staff and the structure of management need to reflect the diversity of the society we live in and that a business needs to act upon the society by fostering the inclusion of diverse profiles into its organization. It is a duty of a risk leader to ensure that a proper governance is in place to reflect that.

Looking ahead, how do you see ESG considerations continuing to shape the future of risk management within Financial Services?

I foresee obviously a growing focus on ESG considerations in the coming years. The financial services industry is already coping with a stringent regulation on the ESG topics and the regulation is evolving at an extremely high pace and it will be a key challenge for risk leaders to ensure a good understanding of the new landscape, to be able to explain it to the business, and to ensure an effective implementation.



Thank you to Morgan Vessier for his input for our thought leadership series.

To view more content, such as our Financial Services Remuneration Report please view our media hub.