



## 1. Strategic Overview: Why AI in Risk Management

- The evolving risk landscape: Complexity, speed, and interdependencies
- Role of AI in proactive and predictive risk management
- How AI shifts the risk function from reactive to strategic
- Global regulatory trends and AI expectations (FCA, ECB, BIS, Fed)

## 2. AI Use Cases Across the Risk Spectrum

- Credit risk: Smart credit scoring, default prediction
- Market risk: High-frequency VaR models, scenario simulations
- Operational risk: Fraud detection, cyber threats, internal anomaly detection
- Liquidity risk: Predictive cash flow modeling, LCR optimization
- Compliance risk: AI in RegTech and AML monitoring

## 3. Designing an Enterprise AI Risk Strategy

- Setting a vision: Aligning AI use with business and risk appetite
- Risk strategy integration: AI in ERM, Risk Appetite Frameworks, RCSA
- Building AI-powered KRIs and risk dashboards
- Establishing AI-enabled early warning systems

## 4. AI Model Risk Management for Leadership

- Understanding SR 11-7 and model governance expectations
- Key components of AI model lifecycle oversight
- Interpreting validation reports and model audit findings
- Red flags: Overfitting, bias, data drift, black-box issues

## 5. Governance, Ethics & Accountability

- AI Ethics: Fairness, transparency, accountability, explainability
- XAI for decision assurance: SHAP/LIME for board understanding
- Governance frameworks: Roles, responsibilities, documentation

## 6. Human-AI Collaboration & Risk Culture

- Embedding AI into the 3 Lines of Defense model
- Enhancing decision-making without eroding human judgment
- AI literacy for risk leaders and board members

<ul style="list-style-type: none"> <li>• Oversight structures: Model Risk Committee, AI Governance Boards</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting a responsible AI culture across the enterprise</li> </ul>
<p><b>7. KPIs, Reporting &amp; Risk Communication</b></p> <ul style="list-style-type: none"> <li>• Strategic metrics for AI risk initiatives: Risk-adjusted returns, incident reduction, model adoption</li> <li>• Reporting dashboards and storytelling with AI insights</li> <li>• Communicating AI-derived risk signals to stakeholders and regulators</li> <li>• AI-driven scenario narratives for Board risk discussions</li> </ul>	<p><b>8. Case Studies &amp; Global Best Practices</b></p> <ul style="list-style-type: none"> <li>• AI risk strategy from leading financial institutions</li> <li>• What went wrong: Lessons from AI failures in risk</li> <li>• Auditable frameworks: Fed/ECB reviews of AI systems in banks</li> <li>• Roadmap: How CROs are transforming with AI</li> </ul>
<p><b>9. Action Plan: Building the AI Risk Operating Model</b></p> <ul style="list-style-type: none"> <li>• Skills, talent, and tools required at leadership level</li> <li>• Partnering with tech, data science, and legal</li> <li>• Budgeting and ROI assessment for AI investments</li> <li>• Next steps: Pilot AI in one risk area and scale responsibly</li> </ul>	<p><b>Delivery Format</b></p> <ul style="list-style-type: none"> <li>• Duration: 2 days (or 4 half-day sessions)</li> <li>• Format: Instructor-led, case-based workshops, live discussions, and practice exercises</li> <li>• Certification: MS Risktec Certificate of Completion</li> </ul>

**Contact MS Risktec:** To book the training for your team or organization: