



Asian Bankers Association

The 2021 ABA Year-In-Review



Once again, we are about to end another year characterized by extraordinary circumstances and challenges brought about by the COVID-19 pandemic that has continued unabated during the whole of 2021.

While the banking sector has successfully navigated the immediate pressures of the health crisis, most of the world continued to come to grips with the widespread impact of pandemic. Hence, the global banking industry remained confronted with the challenge of helping to keep the economy running during lockdowns – and to help it recover while the pandemic remains a threat.

Our Association strived to do its part in providing services and implementing activities for our members even as several of our planned gatherings and programs had to be re-scheduled or re-formatted and our day-to-day activities needed to be re-thought to deal with the challenges caused by the health crisis. Our main concern over the past year has been on how the ABA can continue to serve and remain relevant and of value to our members under the current difficult environment, and how to move forward into the future.

Developed and conceived with the valuable guidance and support of ABA officers and member banks and with the cooperation and generosity of many of our Knowledge Partners, the activities of the Association in 2021 are herewith summarized in this Year-in-Review report.



Summary Report on ABA Activities in 2021

Guided by the earlier decisions of the ABA Board of Directors and members of the ABA Planning Committee, the ABA has undertaken the following activities in 2021:

I. 37TH ABA CONFERENCE



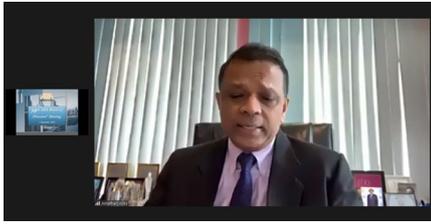
Some 1,000 representatives from banks, regulatory authorities, multilateral financial organizations, the academe, and bank service providers registered for the 37th ABA Conference held virtually on 24-27 August 2021. It was the first annual gathering of the ABA conducted in an online format due to the ongoing COVID-19 pandemic.

Carrying the theme “**Asian Banks: Achieving Sustainable Growth in the New Normal**”, the four-day online event was designed to provide another valuable platform for ABA members to meet and to exchange views with invited speakers on: (a) current trends and developments in the regional and global markets that are expected to have a significant impact on the banking and financial sector of the region, and (b) how industry players can address the challenges - and take full advantage of the opportunities - presented by these developments.

Industry experts and bank regulators were invited to share their views on a number of important topics, including: “*Responding to Challenges and Disruptions in a Changing Global Ecosystem*,” “*The Role of Technology in Sustainable Growth*,” “*Current Banking Trends and Their Implications on Regulatory Policies*,” and “*Navigating the New World Order*”.

58th ABA BOARD OF DIRECTORS’ MEETING

The 58th ABA Board of Directors’ Meeting was held virtually on September 1, 2021, from 2:30 PM to 03:30



PM, Taipei Time. It was the first time that a Board meeting was held on an online format, due mainly to the ongoing COVID-19 pandemic which restricted international travel.

Chaired by ABA Chairman Mr. Jonathan Alles, Managing Director and CEO of Hatton National from Sri Lanka, the meeting was attended by representatives of members of the ABA Board of Directors.

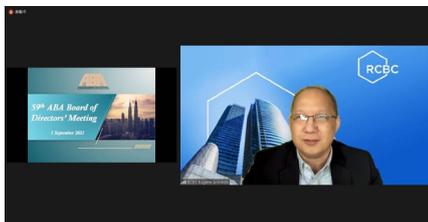


Among others, a total of 20 member banks were elected to the ABA Board of Directors who would serve for the next two years 2021-2023 – of which 19 are Asian-based members and one is non-Asian-based member bank.

The newly-elected Board also named Mr. Eugene Acevedo, President and CEO of Rizal Commercial Banking Corporation from the Philippines as ABA Chairman for 2021-2023, and Mr. Oliver Hoffmann, Managing Director & Head of Asia, Erste Group Bank AG based in Hong Kong, as ABA Vice Chairman for the same term.



59th ABA BOARD OF DIRECTORS' MEETING



The 59th ABA Board of Directors' Meeting was held virtually on September 1, 2021, 3:30 PM – 4:30 PM, Taipei Time. It was presided by the newly-elected ABA Chairman Mr. Eugene S. Acevedo, President and CEO of Rizal Commercial Banking Corporation (RCBC).

Among others, the Meeting approved the proposed Budget for 2022, the proposed ABA Work Program for 2021-2023, and the creation of the 2022 ABA Planning Committee to discuss preparations for the 38th ABA General Meeting and Conference in 2022.

II. POLICY ADVOCACY

First Virtual Meeting for 2021 of the ABA Policy Advocacy Committee



The ABA Policy Advocacy Committee held its first meeting for 2021 on March 26, 2021, from 4:00 pm to 5:30 pm, Taipei time. It was still in an online format as the ongoing Covid-19 situation remained precarious, making face-to-face discussion still not advisable. The main agenda of the meeting was to consider position papers on policy issues that were earlier decided by the Committee at its second meeting for 2020 held virtually on November 13, 2020.

The position papers were presented by representatives of ABA member banks and ABA Knowledge partners. Both ABA members and non-members were invited to participate in the online meeting, as the papers to be presented were deemed to be of current interest to bankers in general. The presenters included the following:

- Mr. K. Indravasan, Head of SME Banking at Hatton National Bank (HNB), presented a paper sharing the experience of HNB in its efforts to help strengthen supply chain linkages of its customers, particularly the MSMEs and the SMEs, and to support their digitalization transformation.
- Mr. Oliver Hoffmann, Managing Director, Head of Asia, Erste Group Bank AG, was requested to present a summary of a paper on the LIBOR scenario, touching mainly on how banks can adapt to the new environment.
- Dr. Adrian Fenton, Vice President, Asia Sustainable Finance, World Wide Fund for Nature (WWF) Singapore, presented a paper on the need for cooperation in promoting decarbonized portfolio among ABA member banks in line with national efforts to address the issue of climate change.
- Mr. Friedman Wang, Executive Vice President, Division Head, Financial Technology Development Center, Data Intelligence R&D Division, CTBC Bank Co., Ltd. presented a paper sharing his perspectives on how ABA member banks can collaborate with each other in their common journey towards a digitalized environment.

- Mr. Shirish Pathak, Managing Director, Fintelekt Advisory Services, presented a paper providing recommendations for AML compliance professionals within member banks to assume leadership role within the bank, becoming more and more valuable as true advisors internally.

Second Virtual Meeting for 2021 of the ABA Policy Advocacy Committee

The ABA Policy Advocacy Committee held its second meeting for 2021 in an online format on August 30, 2021 as it remained impossible to hold a face-to-face discussion due to the ongoing COVID-19 pandemic. Members of the ABA Board of Directors and ABA members, associates and friends were invited to participate in the online meeting.



The main agenda of the meeting was to consider position papers on policy issues that were earlier decided by the Committee at its first meeting for the year, also held virtually, on March 26, 2021, as the focus of the policy advocacy work of ABA for the year 2021.

The following position papers were presented by representatives of ABA member banks and ABA Knowledge partners who were earlier invited and agreed to prepare the papers:

- Mr. Oliver Hoffmann, Managing Director, Head of Asia, Erste Group Bank AG, summarized his paper presenting updates on the LIBOR scenario, touching mainly on how banks can adapt to the new environment.
- Mr. Suresh Emmanuel, Chief Information Security Officer, Hatton National Bank, presented a paper addressing the issue of cyber security and what banks are doing to strengthen their capability in this area through, for instance, utilizing tools such as cyber insurance, among others.
- Mr. Shirish Pathak, Managing Director, Fintelekt Advisory Services, presented a paper focusing on three themes that have taken on greater prominence during the pandemic: Anti-corruption, Economic Sanctions, and Financial Inclusion; and discussed the key trends and the compliance tools available for banks to address these issues.
- Ms. Armi Lamberte, Head of the Portfolio Quality Division, Risk Management Group of Rizal Commercial Banking Corporation (RCBC), and Mr. Juan Gabriel “Gabby” R. Tomas IV, Chief Risk Officer and Head of Risk Management Group of RCBC, presented a paper sharing RCBC’s efforts to meet the challenges the Bank has experienced in implementing the sustainability framework set by regulators for banks to follow to achieve sustainability goals, and suggested ways of addressing these challenges.
- Mr. Mostafa Beheshti Rouy, Member of the Board, Bank Pasargad from Iran presented a paper on “The Role of Banks in Business Survival After COVID-19 Pandemic” which shared the Bank’s policies and actions to mitigate the impact of the pandemic.
- Mr. John Berry, CEO of EFMA, presented a paper that looks at distribution, specifically on challenges and opportunities of the branch under the current banking environment.

III. TRAINING PROGRAMS

The ABA, in cooperation with its various Knowledge Partners, continued to conduct webinars in 2021 on topics of current interest to members. These included the following:

Webinar on Prioritising AML/CFT Training



The ABA and its Knowledge Partner Fintelekt Advisory Services held a joint webinar on “Prioritising AML/CFT Training” on February 3, 2021.

Speakers included Chowdhury MAQ Sarwar, Independent Consultant and Former Chairman of the Association of AML Compliance Officers of Banks in Bangladesh; Kevin Gomez, Head, AML/KYC & Money Laundering Reporting officer at IDFC First Bank; and Shirish Pathak, Managing Director of Fintelekt.



Moderated by Arpita Bedekar, Director of Strategy & Planning at Fintelekt, the one-hour session explored the following issues: effective and

relevant AML/CFT training across the organization; meeting regulatory expectations and demonstrating a compliance culture; evolution of the AMLCFT compliance profession and future roadmap; talent management and expanding the resource pool.

Webinar on IBNS, A New Way to protect Cash From ATM Physical Attacks



The ABA and Oberthur Cash Protection (OCP) jointly conducted a webinar on March 3, 2021 on “IBNS, a new way to protect cash from ATM physical attacks.”

Over 500 participants from all over Asia registered for the online event, which introduced the Intelligent Banknote Neutralization System (IBNS) as an effective way to protect ATMs from physical attacks. The webinar was moderated by Patrice Rullier, OCP Managing Director, and featured Paul Nicholls, OCP Business Development Director; Eric Hauw, OCP Sales & Marketing Director; and Ee Ling OOI, OCP Business Development Manager APAC, as speakers.

The three speakers elaborated on the features of IBNS, Central Bank regulations affecting the use of IBNS, the certification of IBNS solutions, and ATM attacks that are happening across Asia.

Webinar on Conducting Enterprise-Wide AML/CFT Risk Assessments

The ABA and Fintelekt Advisory Services on March 3, 2021 conducted a webinar on “Conducting Enterprise-Wide AML/CFT Risk Assessments”.

The webinar was moderated by Fintelekt Managing Director Shirish Pathak, and featured as speakers Madhu Sinha, Independent AML Compliance Professional and Former Head of AML of Citi Bank India; and Stephen Cutler, Chief Enterprise Risk and Compliance Officer of Omnipay.



The speakers discussed the importance of comprehensive and ongoing Enterprise-Wide AML/CFT Risk Assessment (EWRA), ensuring comprehensive inclusion of risks, regulatory expectations, international standards and managing costs and resources for EWRAs.

Webinar on Sustainable Finance Development Post-Pandemic



The ABA and the Association of Credit Rating Agencies in Asia (ACRAA) jointly held a webinar on March 24 on “Opportunities for green cooperation in the banking sector and financial markets for a greener and better new normal post-pandemic.”

The webinar featured three speakers, including: Mr. Sakda Pongcharoenyong, President, TRIS Rating Co. Ltd.; Ms. Stella Chang, Head of International Business, Golden Credit Rating International Co., Ltd.; and Ms. Atsuko Kajiwara, Head of Sustainable Finance Evaluation Dept., Japan Credit Rating Agency Ltd.

The speakers gave presentations on the efforts by the Thai government, regulators, and financial market participants to accelerate sustainable finance in Thailand; on issues such as China’s commitment to climate change and how China is making efforts to encourage green bond issuers; and finally on the importance of relacing a carbon-neutral society , as global sustainable finance markets are focusing on how to move heavy carbon emission industries to adopt cleaner solutions.

Webinar on Future-Proofing Your Financial Crime Compliance Screening

ABA and Fintelekt Advisory Services conducted a webinar on “Future-proofing your Financial Crime Compliance Screening” on April 7, 2021.

Moderated by Fintelekt Managing Director Mr. Shirish Pathak, the webinar featured speakers Srinivas Vaman Gllapudi, Joint President and Business Head, Trade Finance and Commercial Operations, Kotak Mahindra Bank; Brent Estrella, Group CCO, Rizal Commercial Banking Corporation; and Douglas Wolfson, Director, Market Planning, FCC and Payments, LexisNexis Risk Solutions.



The speakers discussed the challenges around the current regulation and compliance frameworks designed to combat crime and their impact on customer onboarding while increasing false alerts and operational costs, therefore having a negative impact on the customer experience.

Webinar on Environmental Risk Management



ABA and Ernst and Young (EY) jointly held a webinar on “Environment Risk Management” on April 13, 2021. With more than 400 registered participants from 25 countries and territories, the one-hour webinar proved to be of tremendous interest for bankers all over Asia and beyond, given the complexities of implementing ESG metrics into banking operations.

The two speakers from EY – Wolfram Hedrich, Partner, Risk Transformation Leader and Sustainability Lead, ASEAN; and Pierre Santolini, Director, Financial Services Risk Management, Singapore – discussed the current business scenario and regulatory policies, and the probable path that Environmental Risk Management policies will be facing in the near future, among many other important ESG issues presented.



Webinar on 12th Mobile Money & Financial Inclusion Virtual Summit 2021



The ABA was invited by Magenta Global, an independent business media company, to be a Supporting Organization of the “12th Mobile Money & Financial Inclusion Virtual Summit 2021” held on April 28-29, 2021.

Focusing on improving financial literacy and industry collaboration, the two-day virtual event brought the stakeholders together to discuss the evolving financial landscape in key emerging markets including Vietnam, Cambodia, Laos, the Philippines, Indonesia; and the opportunities and barriers to deliver improved financial literacy, and industry collaboration towards financial inclusion.

Webinar on Cultural Landscape of AML Compliance

The ABA and Fintelekt Advisory Services co-hosted a webinar on “Cultural Landscape of AML Compliance” on May 5, 2021.

The webinar was moderated by Fintelekt Managing Director Shirish Pathak, and featured speakers from The Mizzen Group, namely, CEO Patrick Kelly, CTO Paul McCarthy, and CTO and Senior Associate Katy Dineen. The speakers addressed the cultural landscape of compliance and how cultivating that culture can serve to improve a team’s mindset, and skills, and appropriately manage risk while increase business opportunity.



Webinar on Digital Fatigue



The ABA and Temenos, an Associate ABA Member, on June 9, 2021 co-hosted the webinar on “Is your bank experiencing digital fatigue? Powering through the noise to become the best digital bank.”

With almost 400 registered participants, the one-hour webinar featured Dilshan Rodrigo, Chief Operating Officer of Hatton National Bank and Immediate Past Chairman of the ABA Policy Advocacy Committee, along with Imran Vilcassim and Nicholas Edwards from Temenos, who shared with international audience valuable insights on how banks can navigate legacy challenges, as well as recommended digital transformation tips.

Webinar on Assessing the Impact of the FATF on Financial Inclusion

The ABA and its Knowledge Partner Fintelekt Advisory Services held a webinar on “Assessing the Impact of the FATF on Financial Inclusion” on June 22, 2021. Moderated by Fintelekt Managing Director Shirish Pathak, the webinar discussed the impacts of the Financial Action Task Force (FATF) framework on financial inclusion and five recommendations on how FATF could better promote and protect financial inclusion in the future.



The featured speakers included F. Christopher Calabia, Senior Advisor of Supervisory and Regulatory Policy at the Bill and Melinda Gates Foundation; and Isabella Chase, Research Fellow at the Centre for Financial Crime & Security Studies, RUSI.

Webinar on Recent Developments in the Japanese and Taiwanese Capital Markets



On August 13, 2021, the ABA and the Association of Credit Rating Agencies in Asia (ACRAA) jointly presented a webinar on “Recent Developments in the Japanese and Taiwanese Capital Markets” that convened almost 300 registered participants from all over Asia.

Moderated by Ms. Grace Lee, President and CEO of Taiwan Ratings Corporation, the webinar provided an opportunity for participants to learn and gain insights on recent developments in the Japanese and Taiwanese capital markets from two experts: Mr. Atsushi Masuda, Counselor for International Affairs and Chief Sustainable Finance Analyst at Japan Credit Rating Agency; and Mr. Andy Chang, Senior Director and Head of Financial Services Ratings at Taiwan Ratings Corporation.

Webinar on Financial Crime Compliance Surveillance

The ABA and Fintelekt Advisory Services jointly held a webinar on September 1, 2021 on “A Comprehensive Approach to Financial Crime Compliance Surveillance.”



Moderated by Fintelekt Managing Director Mr. Shirish Pathak, the webinar featured as speakers Mr. Zubin Chichgar, Head of Monitoring and Analytics, Standard Chartered Bank; John Dalton, Vice President and Global Head of Financial Services Product and Services, KX; Madhu Sinha, Independent AML Compliance Professional, Former Head of AML, Citibank; and CJ Mhatre, Business Head, South Asia and ASEAN, KX.

Webinar on LEVELUP with Infinity Wealth: Wealth Advisory in the New Normal



The ABA and Temenos, an Associate Member of the ABA, jointly held a successful webinar on ”LEVELUP with Infinity Wealth: Wealth Advisory in the New Normal” on September 23 with nearly 200 participants.

The webinar sought to shine a light on the dynamic shifts of the wealth landscape and how wealth managers may need to position themselves in the new normal. It featured thought leaders including John Yang, Senior Vice President, Division Head, Private Wealth Management Division, CTBC Bank; Mirsad Cekic, Partner, Synpulse Management Consulting; and Eric Mellor, Wealth Management Specialist, APAC, Temenos.

Webinar on “The Impact of ISO 2022 on AML Screening Effectiveness

The ABA and Fintelekt Advisory Services jointly conducted a webinar on “The Impact of ISO 2022 on AML Screening Effectiveness” on October 29, 2021. The webinar focused on ISO 2022 timelines and implementation, compliance priorities, technology challenges, and the impact on AML compliance screening.



The featured speakers included Sharad Nair, SVP and Principal Officer AML, Axis Bank; Arun Shankar Chandrasekaran, In-charge, Risk Management, Emerging Digital Products and Principal Officer, AML Compliance, National Payment Corporation of India; and Rohan Bania, Senior Business Solutions Consultant, Accuity. The webinar was moderated by Arpita Bedekar, Director, Strategy & Planning, Fintelekt.



IV. PARTICIPATION IN EVENTS/ACTIVITIES CONDUCTED BY OTHER ORGANIZATIONS

UN Inclusive Finance Meeting



Mr. Eugene Acevedo, President and CEO of Rizal Commercial Banking Corporation (RCBC) and Board Member of the Asian Bankers Association, was invited to participate as the ABA representative in the UN Inclusive Finance meeting held on March 26.



The meeting was a virtual, high-level meeting to discuss the business case for financial health. The event was part of the activity of the Working Group on Financial Health set up by H.M. Queen Maxim of the Netherlands, in her capacity as the UN Secretary-General's Special Advocate for Inclusive Finance for Development, to demonstrate the need to work toward financial health in the context of promoting financial inclusion.

ACRAA 20th Anniversary Conference

ABA Chairman Nr, Eugene S. Acevedo, President and CEO of Rizal Commercial Banking Corporation, was invited to be a Keynote Speaker at the 20th Anniversary Conference of the Association of Credit Rating Agencies in Asia (ACRAA) held on December 10, 2021. ACRAA was established in 2001 as an initiative of the Asian Bankers Association to help promote the regional bond market.



WWF Singapore Survey on Sustainable Finance



The ABA was requested by the World Wide Fund for Nature (WWF) Singapore, which is one of ABA's Knowledge Partners, to participate in a research project that sought to understand the views of banks regarding the effectiveness and impact of sustainable finance measures enacted in the Asia-Pacific region.

The WWF is an international non-government organization that works in the field of wilderness preservation and the reduction of human impact on the environment.

V. PREPARATIONS FOR THE 38TH ABA GENERAL MEETING AND CONFERENCE



The ABA Secretariat started coordinating with the designated team at the Rizal Commercial Banking Corporations and the Hatton National Bank on preparations for the 38th ABA General Meeting and Conference, which is tentatively scheduled to take place in November 2022 in Negombo, Sri Lanka.

The Secretariat also conducted a survey among members soliciting their suggestions on issues that are of current concern to members and the banking sector of the region as a whole and should therefore be discussed by members during the 2022 Conference. The suggestions received from members will be considered during the ABA Planning Committee Meeting to be held on March 3, 2022 as possible theme and topics for the Conference.



VI. PUBLICATIONS

The ABA Secretariat continued to issue its monthly ABA Newsletter and the semestral ABA Journal of Banking and Finance, as well as the 2020 ABA Year-End Report summarizing the major activities of ABA in 2020.



The ABA also published the Chairman's Reflections 2018-2021 which summarizes the activities undertaken by Immediate Past ABA Chairman and currently ABA Advisory Council Chairman Mr. Jonathan Alles, Managing Director and CEO of Hatton National Bank,



during his three-year term as ABA Chairman from 2018 to 2021.