

ARENDT UCITS Webinar SERIES 2024



Governance best practices for UCITS, with a focus on co-sec activities

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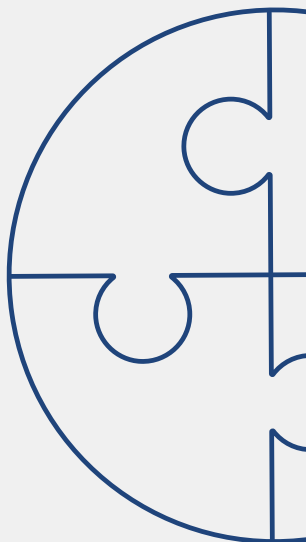


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The objectives of a good fund governance and main challenges

Governance Starts At The Board Level

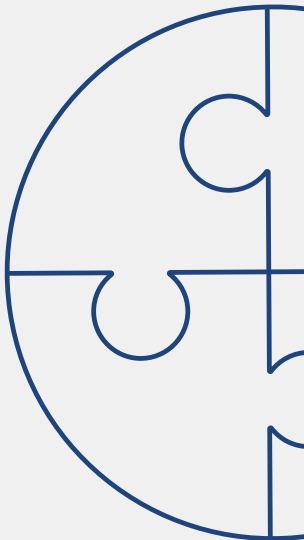


Explaining the role of the Board in good fund governance

- **Ensure transparent, effective operations in the best interest of the investors**



Governance Starts At The Board Level



A regulatory perspective – what about UCITS funds?

Non-Compliance
Penalties

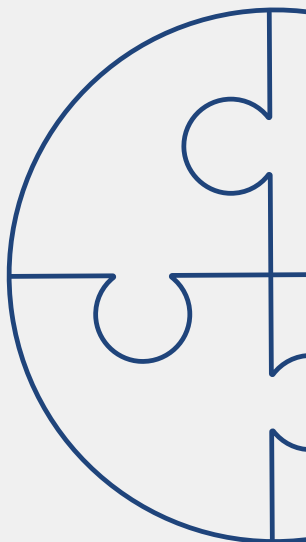
Board Accountability &
Liability

Restrictions

Risks

Reputation & Investor
Confidence

Governance Starts At The Board Level



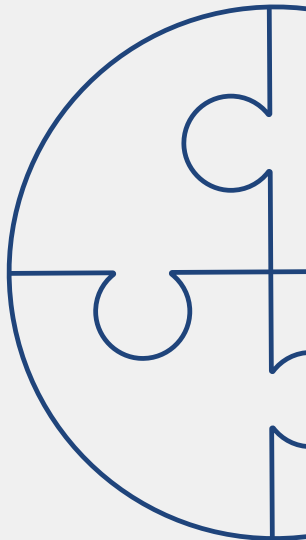
Challenges and weaknesses of board meetings





Best practices in terms of composition and roles played by the boards

Best Practices: Composition of the Board



Industry standard for Board composition

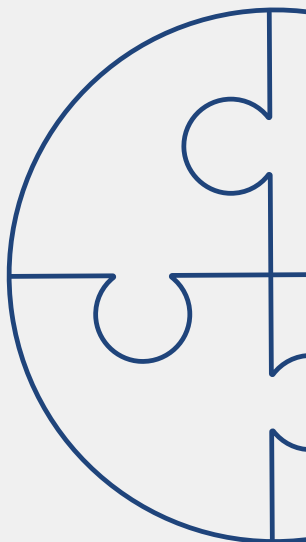
1. **Balanced expertise**
2. **Regular Self-Assessments & Skills gap analysis**
3. **Delegated functions oversight**



Necessary skills and expertise of the members of the board

1. **Ongoing education**
2. **Mock inspections and compliance checklists**
3. **Standardized agendas & benchmarking**

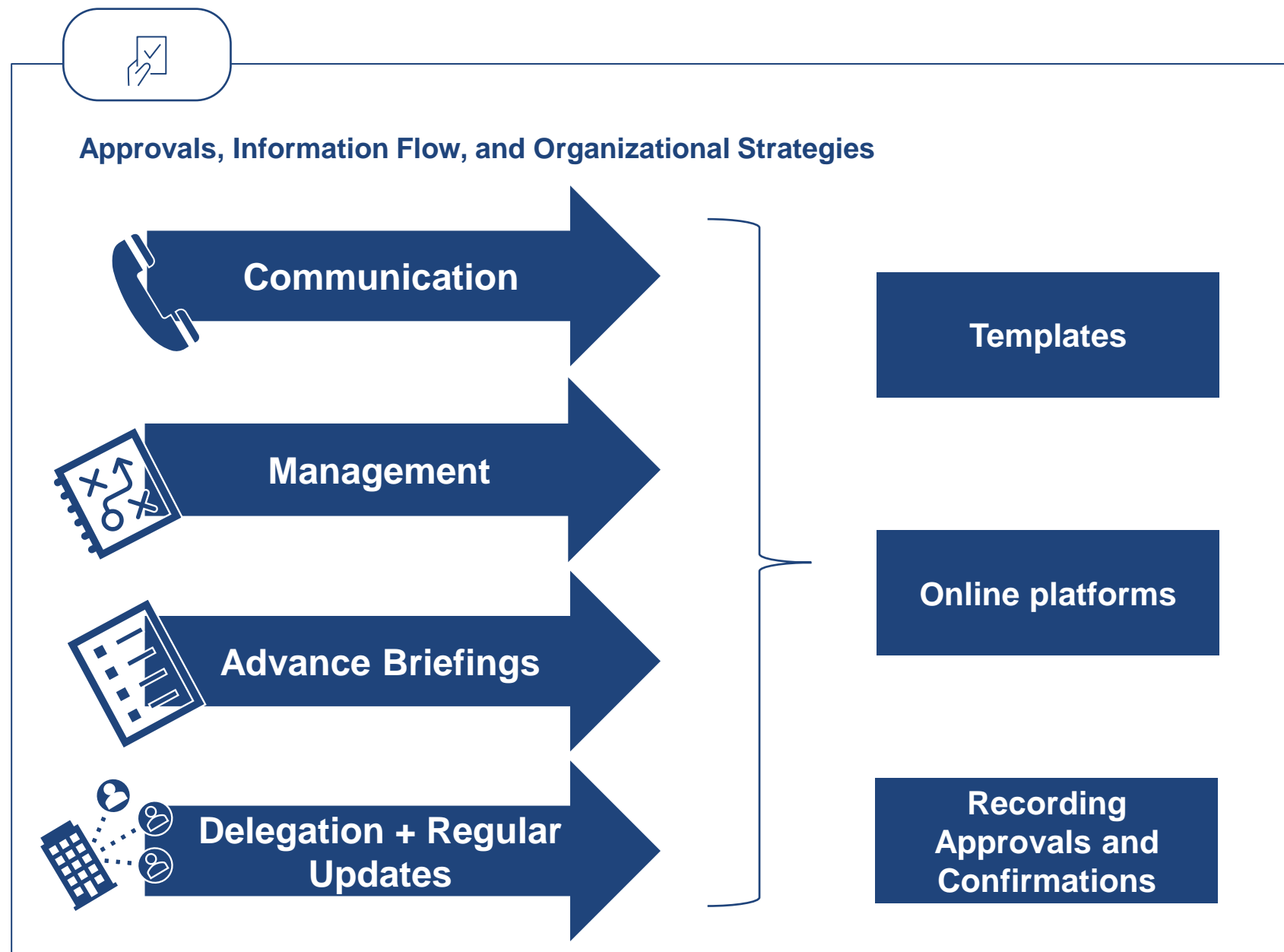
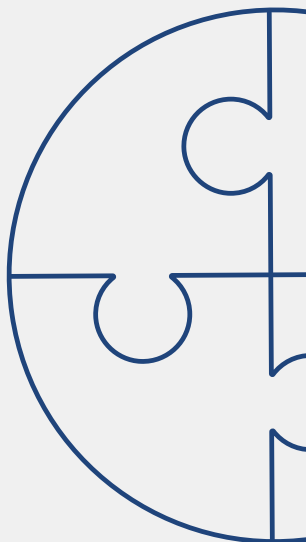
Balancing Governance and Efficiency: Fund Boards and UCITS ManCo



Board interactions with UCITS ManCo and insights on delegation

- 1. Clear roles**
- 2. Structured, strategic board agendas**
- 3. Robust documentation of decisions**
- 4. Regular communication with stakeholders**

Board Involvement Between Periodic Meetings

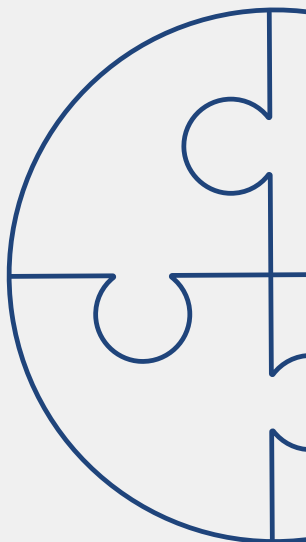




Achieving board efficiencies at organizational and operational levels



Best Practices for Setting the Agenda of Board meetings



The Board's Agenda

- Prioritize Key Areas
- Time Management



Topic prioritisation

- Allocate Time for Emerging Issues
- Strategic Planning



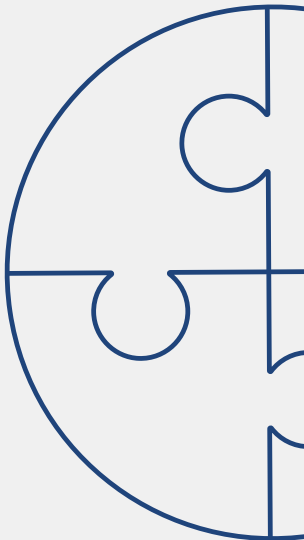
Recurrent matters

- Balance Administrative and Strategic
- Integrate Compliance Efficiently
- Efficient Reporting

Must have topics

- Strategic and Performance Discussions
- Regulatory and Compliance Updates
- Emerging Issues

The role of technology in a Board meeting



The role of technology



Centralizing documents, agendas, and updates on board portal etc.

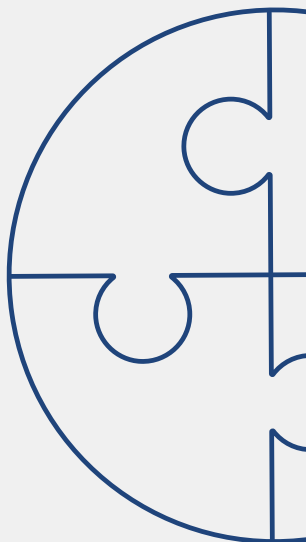


Dashboards and real-time data analytics



Digital tools facilitate minute-taking, task tracking, and follow-up actions, etc.

The content of minutes and the details required



Focus on the importance of minutes



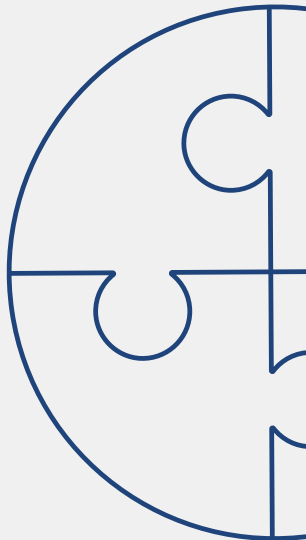
- **Notes on: core decisions, actions taken etc.**
- **Include all views**
- **Balance between conciseness and comprehensiveness.**



A case study: the outsourcing of cosec activities by BNP Paribas (for UCITS funds)



Drivers of the decision



- The decision of outsourcing
- The main steps of implementation of the outsourcing
- Feedback on the experience



Upcoming UCITS webinars

Upcoming UCITS Webinars

**Are you ready for
UCITS tokenisation?**

2 December 2024

online

**UCITS
State of Play**

January 2025 (date tbc)

hybrid seminar



Q&A

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