

Core Principles for effective banking supervision

1. Core Principle 14 deals with various matters related to corporate governance and requires, among other things-
 - 1.1 that laws, regulations or the supervisor establish the responsibilities of a bank's board of directors (board) and senior management with respect to corporate governance to ensure there is effective control over the bank's entire business;
 - 1.2 that the supervisor provides guidance to banks and banking groups on expectations for sound corporate governance;
 - 1.3 that the supervisor requires banks and banking groups to correct deficiencies in a timely manner; and
 - 1.4 that the supervisor has the power to require changes in the composition of the bank's board if it believes that any individuals are not fulfilling their duties in a satisfactory manner.