

Climate Risk Management in the Financial Sector

Course in Stockholm

09.00 Welcome and Introduction

09.15 1. Introduction to Climate Risk Management

- Risk taxonomy
- Physical risk vs transition risk
- ESG-risk and climate risk
- IPCC's reports
- Paris agreement
- Net Zero in 2050
- Corporate Sustainability Reporting Directive (CSRD)
- Task Force on Climate-related Financial Disclosure (TCFD)
- Science-based Target Initiative
- Greenhouse Gas Protocol
- Scope 1, 2 and 3
- Partnership for Carbon Accounting Financials

10.45 Coffee Break

11.00 2. Framework for Climate Risk Management

- Challenges for climate risk management
- The framework
 - Risk appetite, policies and procedures, strategy, culture and data challenges
- Authorities' expectations
- Efficient governance

12.00 Lunch

13.00 3. Transition Risk

- Definition of transition risk
 - Policy actions
 - Technology changes
 - Behavioral changes
- Mapping of customers/investments
- Transition data
 - IEA (Stated Policy Scenario or Sustainable Development Scenario)
 - Network for Greening the Financial System (the seven scenarios)
- Transmission, mechanism
- Workshop

14.00 Coffee Break

14.15 4. Physical Risk

- Definition of physical risk
 - Acute
 - Permanent
- Modelling of physical risk
- Example with KMV Moody's modelling of Probability of Default

15.00 5. Climate Risk in Portfolio Optimization

- How is climate risk part of the capital market assumptions?
 - Correlations
 - Return
 - Risk
- Creating climate resistant portfolios

16.00 End and evaluation of the course

Price

The price of the course is EUR 950 ex VAT. The price includes course material, lunch and refreshments.