



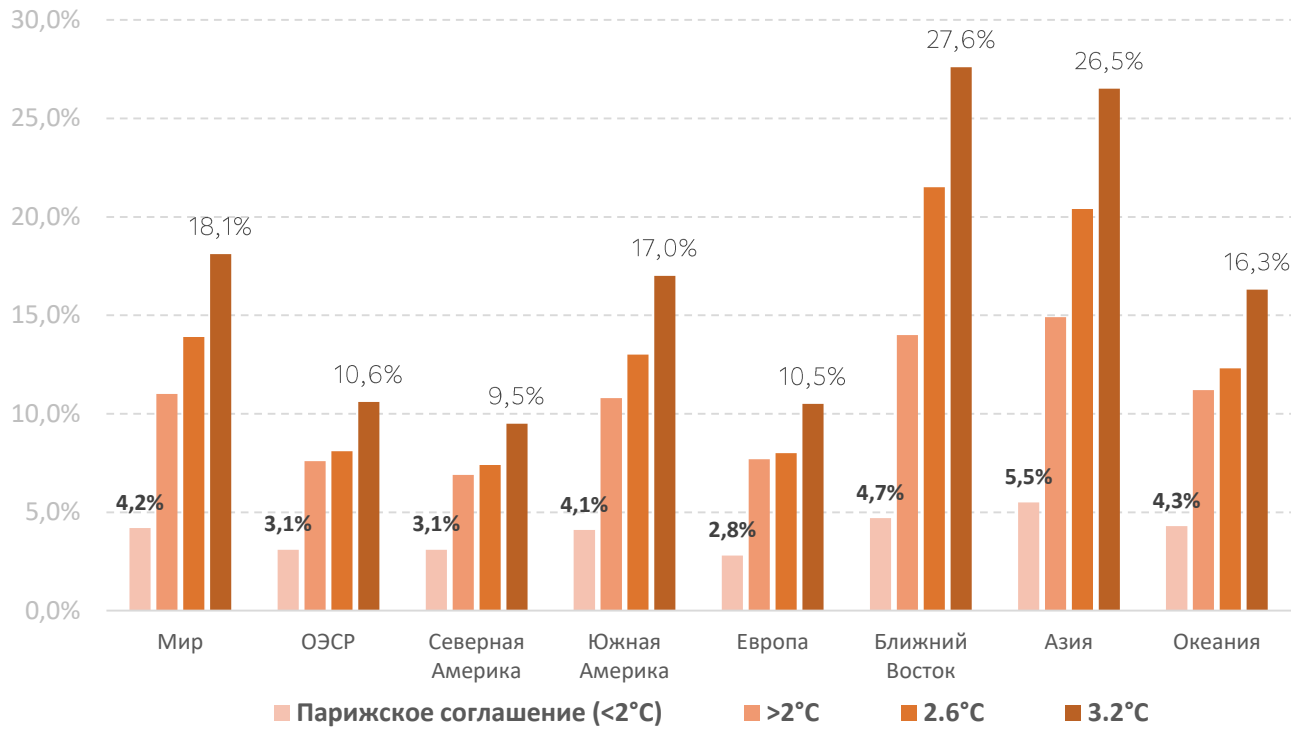
Priorities for Climate Risk mitigation today and at the nearest future

Points to discussion

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PJSC Sberbank

Climate Change is considered as Important Risk for national development



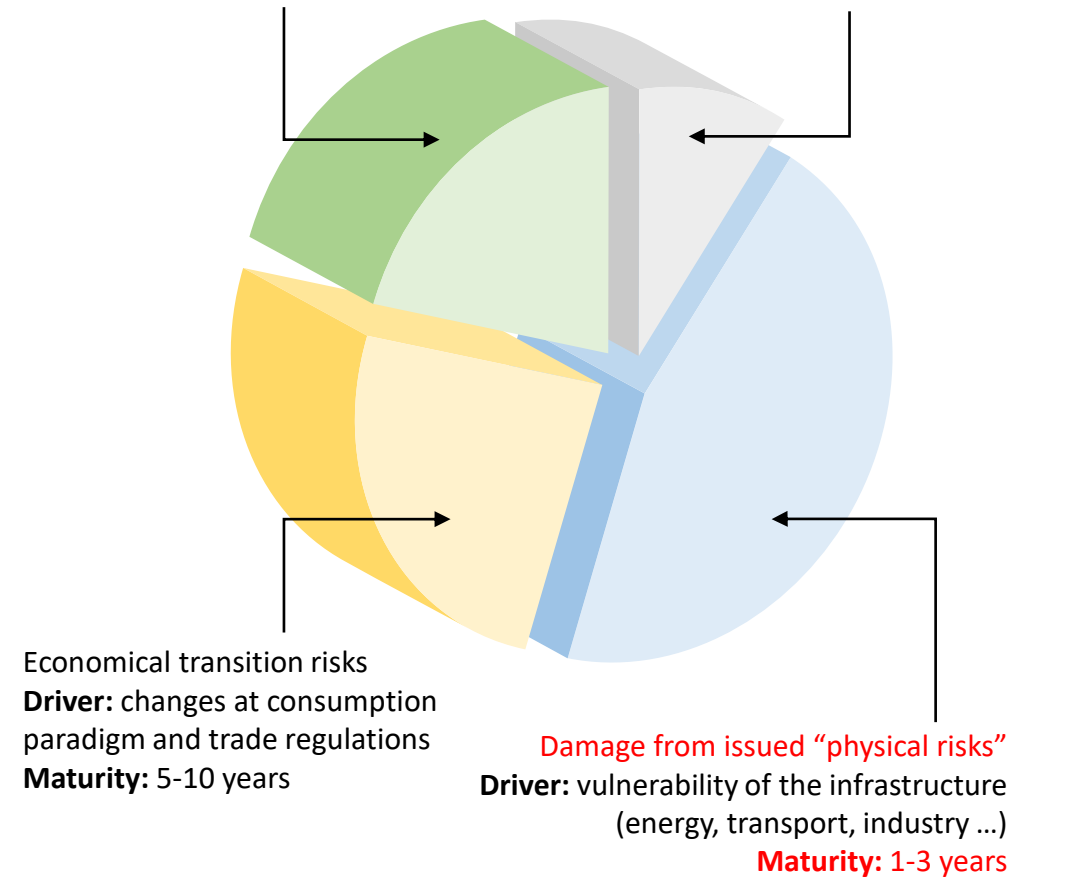
Expected losses of global GDP to 2050 (various scenarios)

Источник: доклад о влиянии климатических изменений на экономику, Swiss RE institute, 2021

Long Term risks as facilitator of risk-issuing

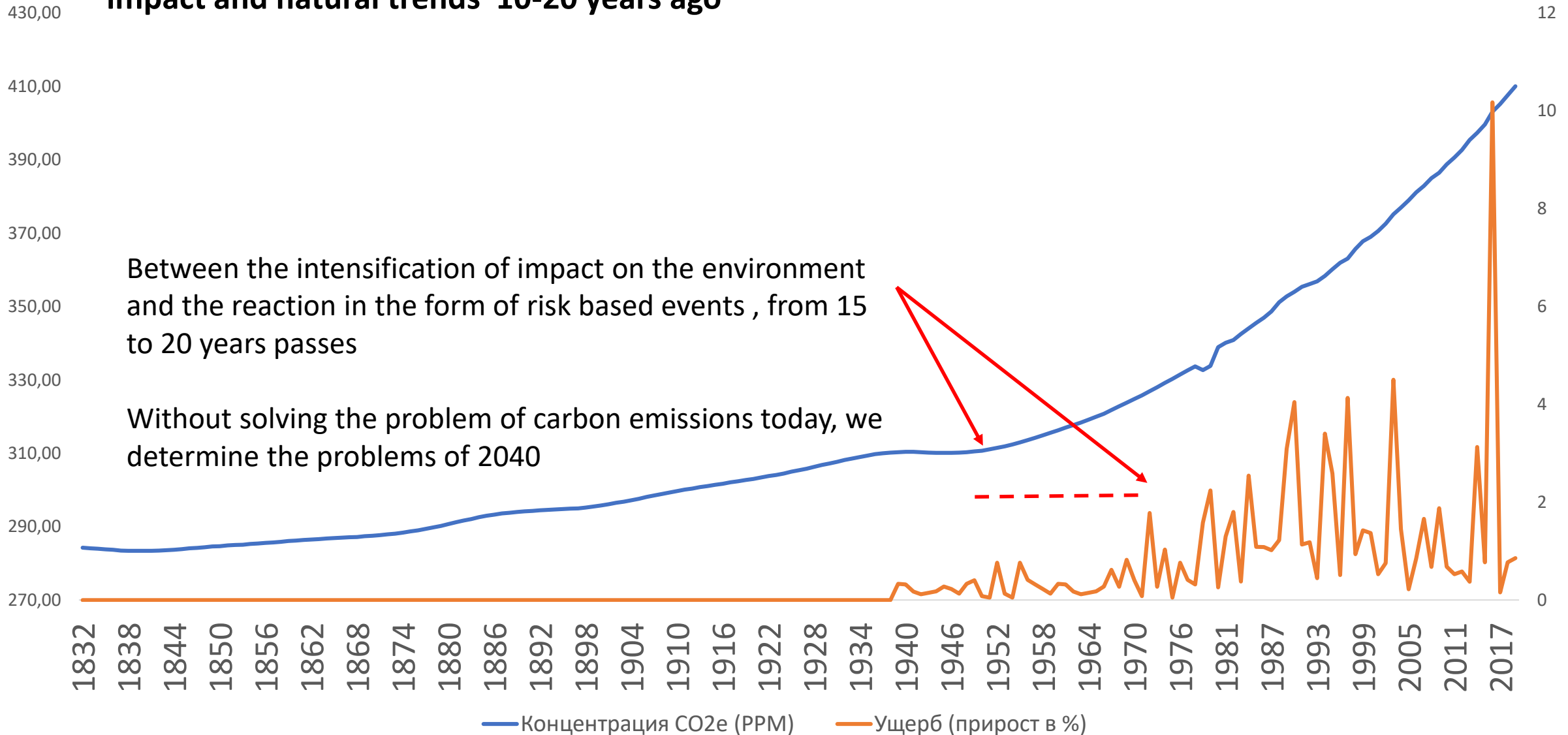
Driver: CO2 emission
Maturity: 15-20 years

Degradation of the Nature Capital
Driver: degradation of the natural environment
Maturity: 20-40 years





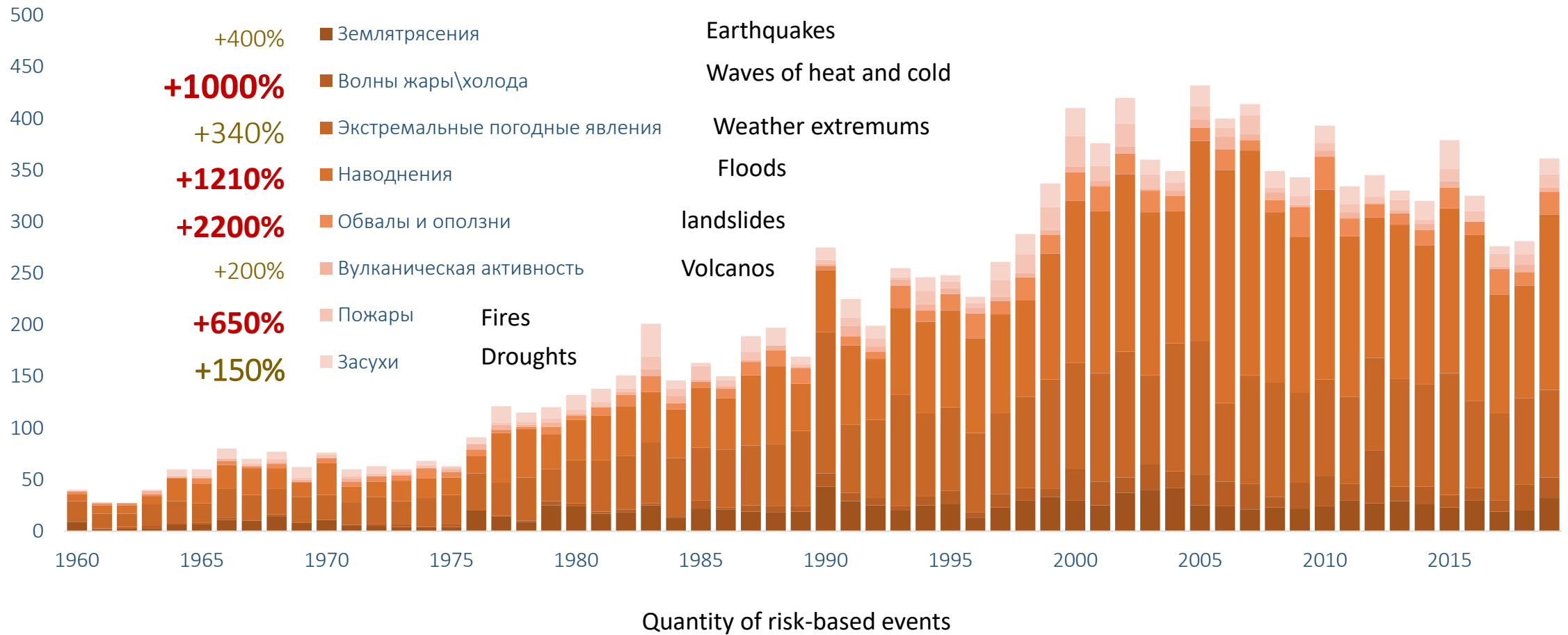
We should act now, keeping in mind that today's risks have been realized by human impact and natural trends 10-20 years ago



Источник: "our world in data" <https://ourworldindata.org/natural-disasters>

Потсдамский институт изменений климата <http://www.pik-potsdam.de/~mmalte/rcps/20c3m.htm>

Our actual task – to develop effective mechanisms and allocate resources for adaptation energy and other infrastructure to predicted risk-based threats

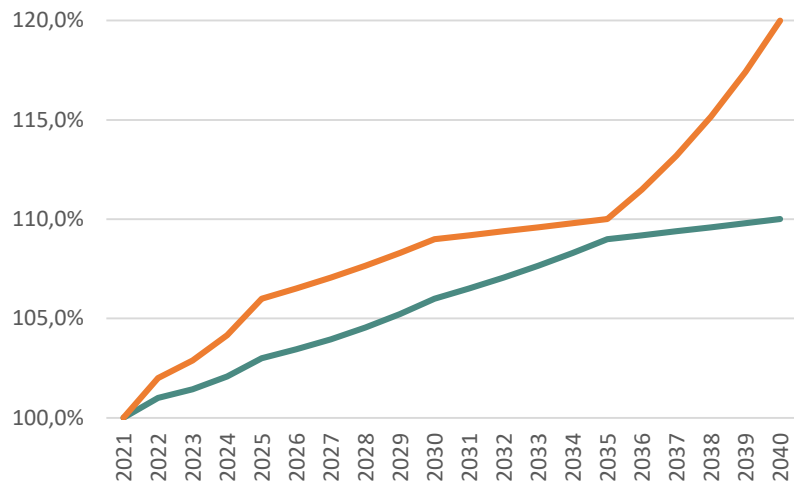


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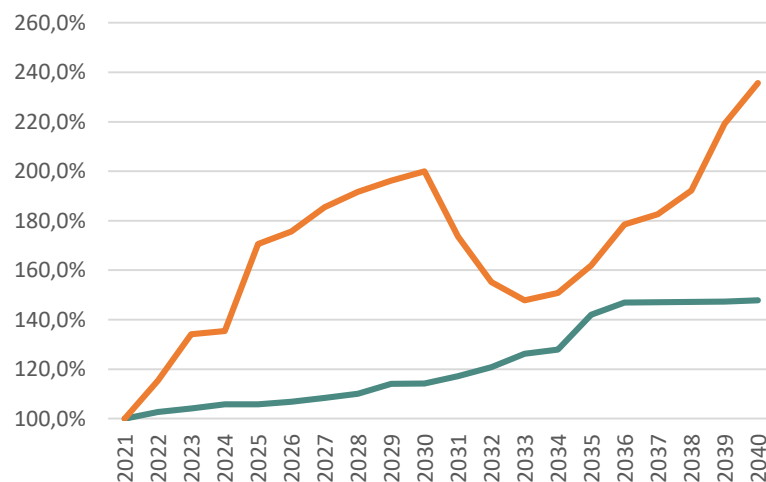
Forecasts of important risk-based events (IPCC, NGFS)



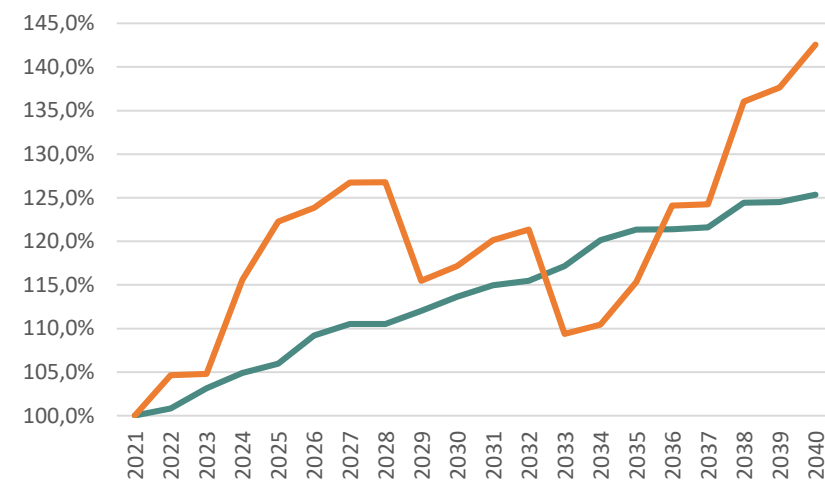
Hydro and Thermic risks



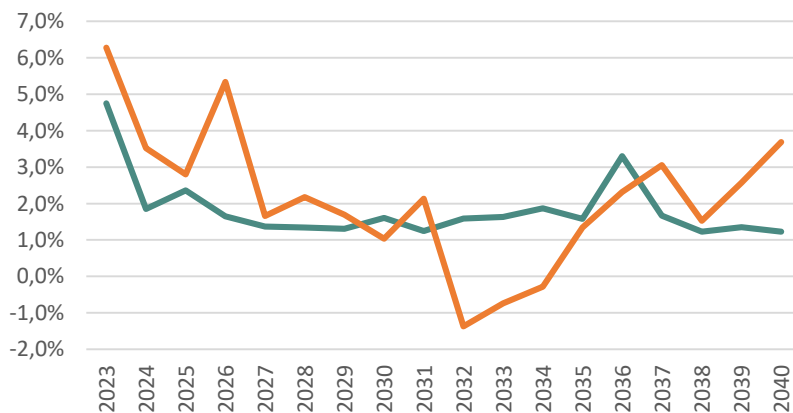
Weather extremums



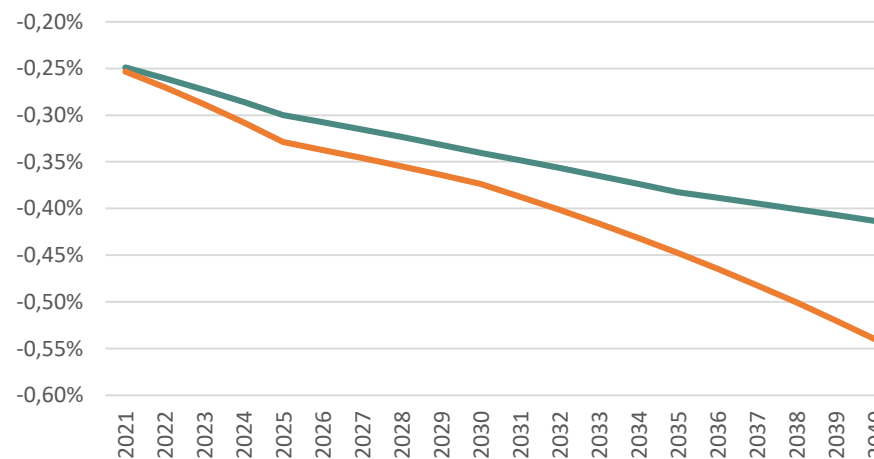
Permafrost degradation



Growth of Value of Damage (year to year, %)



Decreasing of Labor Productivity, %



Источники: сценарии изменений климата МГЭИК, Статистические данные доклада о состоянии окружающей среды, портал NGFS: <https://www.ngfs.net/ngfs-scenarios-portal/>

The Base Stress



What should be done? Financial institutions ...

1. Assessment of a client portfolio for a vulnerability to climatic risk
2. Integration of Climate risks and Transition risks to credit strategies
3. For State Regulator: Regulation of the appetite of the financial system to climatic risk through «risk-weighting»

Sberbank approach:

1. Modeling of physical climatic risks

Partially developed and under developing

2. Models of loss assessment from physical climatic risks

Under developing

