EBA/EBF Workshop on Sustainable Finance
Thursday, 4 April 2019 - Brussels

DRAFT PROGRAMME

08:45 – 09:00 **Registration and Coffee**

09:00 – 09:10 **1. Welcome / Introduction**
- Piers Haben, Director of Banking Markets, Innovation and Consumers, EBA
- Sebastien de Brouwer, EBF Chief Policy Officer

09:10 – 09:30 **2. Commission Action plan: Where do we stand?**
Overview on the Commission's Action Plan and Technical Expert Group work/deliverables
- Martin Spolc, Head of Unit Fintech and Sustainable Finance, European Commission

3. Incorporating sustainability into EU banks' frameworks and risk management: banks and supervisors' practices related to ESG risks
3.a) Banks' perspective: What is the understanding of ESG factors in the banking sector and how are banks addressing sustainability issues? How do banks define, identify, assess and manage ESG risks? What are the main challenges? What could be considered best practices?

09:30 – 9:45 **Presentation of the Survey of International Association of Credit Portfolio Managers**
Oliver Wyman: *Addressing and Advancing the Climate Risk Awareness*
- Som-lok Leung, IACPM's Executive Director
- Oliver Wyman (tbc)

9:45 - 10:45 **Panel discussion**
- Giuseppe Zammarchi, Head of Sustainability, UniCredit
- Ana Rubio, Head of Financial Regulation, BBVA
- Lucile de La Jonquière, Director, Regulatory Strategy, CIB, Société Générale
- Magnus Montan, Head of Business Banking, Nordea
- Patrick Bader, Head of CIB CSR Analysis & Advisory, BNP Paribas

Moderator: Adrienne Coleton, Policy Expert, ESG Market Practices, EBA

10:45 – 11:15 **3.b) Banks' perspective:** Supervisors' perspective: How do NCAs understand ESG factors/risks? What have NCAs been doing so far? Which tools could be used in the supervisory framework to ensure that EU banks take ESG factors into account?

Presentation of observed and best practices by the Network for Greening the Financial System
- Morgan Després, Head of NGFS Secretariat

11:15 - 11:45 **Coffee Break**

11:45 - 12:45 **4. Disclosures**

Topics for discussion:

- TEG report on climate change related disclosures and Commission's updated Guidelines for non-financial disclosure
- Current practices on integration of ESG information in banks' public disclosures
- Way forward:
  - Scope of the disclosures
  - How to ensure uniformity and strike the right balance between quantitative and qualitative information
  - Challenges for banks (e.g. regarding the disclosure of GHG scope 3 emissions)
  - How to facilitate the disclosure of relevant information by banks.
  - Link with Pillar 3 disclosures and other disclosure requirements

Panel discussion

- Kaitlin Crouch-Hess, Sustainability Manager – Climate Lead / Global Sustainability, ING
- Francisco J. Alvaro, Director of Environmental Risk, BBVA
- Olga Arratibel, Adviser Supervisory Oversight and NCA Relations Division, European Central Bank
- Marie Baumgarts, Head of Sustainability at SEB, Member of the disclosure subgroup of the European Commission's Technical Expert Group
- Mary-Cécile Duchon, ACPR (French Prudential Supervision and Regulation Authority), Banque de France

Moderator: *Gianluca Manca*, Head of Sustainability, Eurizon, Intesa Sanpaolo and chair of the EBF WG on Disclosures

12:45 - 13:45 **Lunch Break**

5. Incorporating sustainability into EU banks and supervisors' risk management frameworks

How to assess and monitor banks' exposures to climate - related risks

Topics for discussion:

- Current and future/potential methodologies and scenario design techniques that are or could be applied to assess and model climate risk with focus on the quantitative aspects that concern the incorporation of environmental factors into banks, central bankers' and supervisors' risk assessment tools.
- Main challenges of running a scenario analysis or a climate change stress test.
- Environmental risk assessment and scenario design: potential methodologies and examples of ongoing experiments
  - Transition risk and physical risk: state of play, how to build relevant and achievable scenarios?
  - Individual bank assessment versus analysis of exposures of the financial/banking system
  - Challenges and first solutions/suggestions: definitions, data, assets classification, time horizon, IT system (…)
- Methodologies used for assessment of lending portfolios to target objectives

13:45 – 14:05 **Presentation by DNB on scenario design for transitional risk**

- Dr David-Jan Jansen, De Nederlandsche Bank

14:05 – 15:05 **Panel discussion**

- Mario Quagliariello, EBA Director of Economic Analysis and Statistics
- Anne Margrethe Platou, Advisor, Corporate Responsibility, DNB
- Simon Connell, Head, Sustainability Strategy, Standard Chartered
- Christine Lafon, Head of CSR-Risk Anticipation, BNP Paribas
- Olivier Picard, Deputy Head of Enterprise Risk Management & risk analytics, Société Générale

Moderator: Piers Haben, Director of Banking Markets, Innovation and Consumers

15:05 – 15:20 **Coffee break**

15:20 - 16:20 **6. Promoting the scaling-up of green finance: market opportunities and initiatives to support green finance**

Industry to provide examples of various green/sustainable financial instruments, products and services offered as a response to green/sustainable funding needs (Green Loan origination/ Green bond issuances / Green covered bonds / Green securitisation) and possible new innovative products that are being developed or envisaged

Panel discussion

- Dr Gerald Podobnik, Head of Financial Institutions Group EMEA and Global Head of Capital Solutions & Sustainable Financing, Deutsche Bank
- Benoît Felix, Global Head of Structured Finance, Santander Corporate and Investment Banking
- Delphine Bartre, BPCE, France & Chair of the EBF WG on Green Bonds

- Robert Mandziara, Director, Head of Sustainable Finance Germany & Austria DCM | HSBC Germany
- Katya Nolvall, Green, Social and Sustainability Bonds, Swedbank Debt Capital Markets

Moderator: Martin Gauss, Principal Consultant, Climate Change and Sustainable Finance, Kommunalkredit Public Consulting GmbH, Austria

Industry to present its view regarding the impediments to the well development of the EU green financial market (risk/return profile of green assets / bonds versus conventional instruments / other impediments?) as well as incentives that have a potential to scale up sustainable investments and finance

- Fabio Mandorino, ABBL -The Luxembourg Bankers' Association, Chair of the EBF Subgroup on Incentives
- Gianluca Manca, Head of Sustainability, Eurizon, Intesa Sanpaolo, Chair of the Disclosures and Metrics Subgroup of the EBF

16:20- 16:45

7. Summary and way forward: EBA and EBF views

Closing of the workshop by summarising the discussions held and reflecting upon the way forward. Exploring areas for further work and collaboration between different stakeholders, taking into consideration the EC Action Plan and other legislative/regulatory initiatives in the field of sustainable finance.

EBA and EBF views on:

- Lessons drawn from the discussions
- Areas for public policy outputs
- Areas for banks to work on
- Priorities and work/resources to leverage on

- Slavka Eley, Head of Banking Markets, Innovation and Products, EBA
- Antoni Ballabriga, chair of the EBF Sustainable Finance WG

16:45- 17:15

8. Q&As with workshop's attendees