

EXECUTIVE TRAINING COURSE

PROGRAMME

Climate Risks Academy

17 - 19 March 2025

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Introduction

This Climate Risk Academy, co-organised by the Florence School of Banking and Finance and Oliver Wyman, combines the expertise and tools of the financial industry to assess and understand the risks posed by climate change to the financial sector. To comprehend the physical risk exposure of the financial system, it is essential to recognise the link between physical phenomena such as global warming, sea level rise, more frequent flooding, and droughts with the corresponding financial losses and risks. The same applies to transition risks and their still poorly understood repercussions.

The Academy is held in a context where climate change is deeply transforming the role of central banks and prudential authorities. In particular, it focuses on Stress Testing exercises for financial risks stemming from climate change and the crucial role of Climate Transition Plans within financial institutions. Rather than merely examining how the risk landscape has been altered by climate change, the Academy will review practical approaches for quantifying their impact and explore best practices for integrating climate risk into both prudential and risk management frameworks.

This Academy has been designed for staff members of financial institutions, prudential authorities, and development banks who wish to gain a deep understanding of the crucial risks that climate change poses to the financial system. In addition to providing topical content and practical tools, this Academy will also serve as a platform to stimulate exchange and debate among public officials, academics, and private practitioners.

In terms of format, this course will be delivered as a 3-day residential programme at the EUI premises in Florence (Italy). It will also include interactive, practical activities and exercises. Two weeks before the start of the course, participants will be provided with a reading list as well as selected videos to ensure they can become more familiar with key issues that will underpin the Academy.

Location | Sala Europa, Villa Schifanoia, EUI Premises in Florence, Italy

Organisers

- Eliana Canavesio (EUI)
- Andrea Federico (Oliver Wyman)
- Sophie Alena Hölscher (EUI)
- Ilya Khaykin (Oliver Wyman)
- Valerio Novembre (EUI)
- Alban Pyanet (Oliver Wyman)

Faculty

- Beverley Adams (Marsh)
- Richard Berner (NYU)
- Katarzyna Budnik (ECB)
- Raffaella Calabrese (University of Edinburgh and EUI)
- Susannah Fitzherbert Brockholes (HSBC)
- Sophie Alena Hölscher (EUI)
- Ilya Khaykin (Oliver Wyman)
- Michala Marcussen (SocGen)
- Pierre Monnin (CEP)
- Valerio Novembre (EUI)
- Alban Pyanet (Oliver Wyman)

Format | Residential

Level | Intermediate

Approach | Qualitative

Learning Objectives:

- Identify climate-related financial risks and the impact of climate change on the financial sector
- Understand how the financial sector is exposed to the various implications of climate change (from sea level rise to carbon pricing)
- Assess and quantify climate risks and exposures (e.g. climate scenarios, transition risks)
- Examine the impact of physical risks on the global economy.
- Discuss how climate risks can be incorporated into an institution's risk management framework and how risk management approaches can be adjusted to capture such risks
- Comprehend the role of Climate Stress Tests as a key tool for financial supervisors
- Describe the potential implications of climate change for financial stability

- Evaluate the effectiveness of disclosure and the interaction between different standards.
- Articulate the need for credible Climate Transition Plans within financial institutions.

MONDAY

17 MARCH

13:00 - 14:00	Light lunch
14:00 - 14:30	Welcome and introduction to the Academy. Followed by a Tour de Table
14:30 - 16:00	Session 1: Understanding Climate-Related Financial Risks. Defining, measuring, and managing climate-related financial risks
16:00 - 16:30	Coffee break
16:30 - 17:45	Session 2: Navigating Physical Risks in a Changing Climate. Deep dive into physical risks
17:45 - 19:00	Cocktail at the EUI premises

TUESDAY

18 MARCH

09:15 - 09:45	Interactive Recap: Key Takeaways from Day 1
09:45 - 11:00	Session 3: Transition Risks – A Closer Look. Exploring transition risks.
11:00 - 11:30	Coffee break

11:30 - 13:00	Session 4 – Practical Activity on Physical and Transition Risk. Interactive exercises
13:00 - 14:00	Lunch
14:00 - 15:00	Session 5: The US Perspective on Climate Risks – Academic and Regulatory Insights
15:00 - 15:30	Coffee break
15:30 - 17:00	Session 6: Practical Activity on Building Effective Climate Transition Plans
17:00 - 18:00	Guided tour of Villa Schifanoia

WEDNESDAY

19 MARCH

09:15 - 09:45	Interactive Recap
09:45 - 11:30	Session 7: Climate Stress Testing – Institutional, Private, and Academic Perspectives
11:30 - 12:00	Coffee break
12:00 - 13:20	Session 8: Climate Disclosures – Public vs. Private Sector Perspectives
13:20 - 13:30	Concluding remarks
13:30 - 14:30	Light lunch



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