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Managing ESG Risks

Settimana SRI
Roma, 21 November 2019

What are ESG risks?

Physical risks:
direct impact of
ESG factors

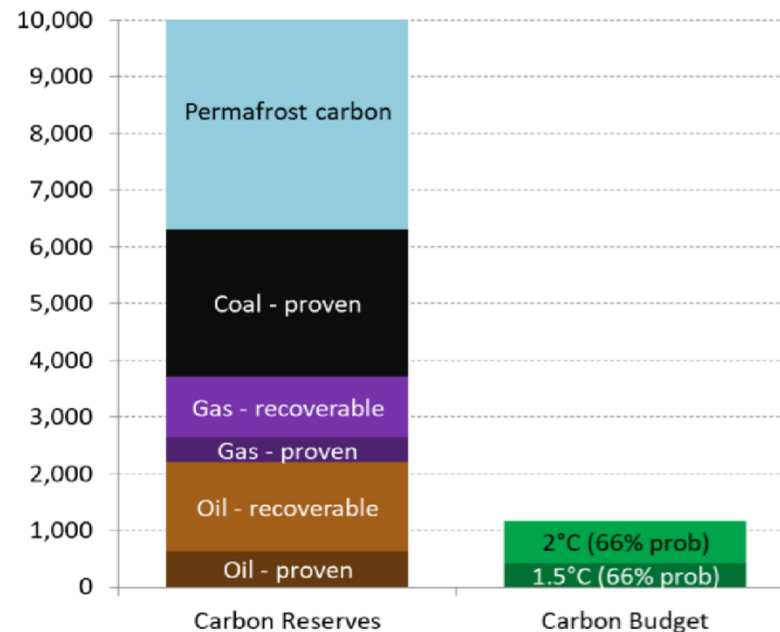


Ocean Drive, FL, 1926



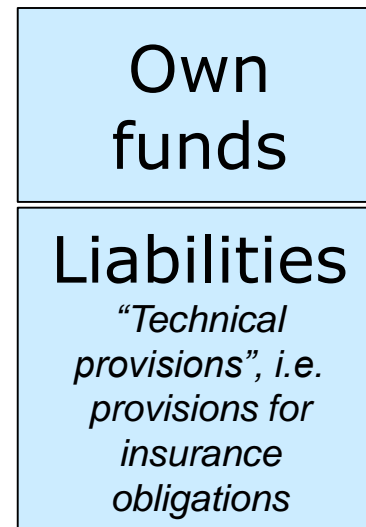
Ocean Drive, FL, 2010

Transition risks:
economic dislocation
and financial loss
arising from transition
to low carbon economy



Source:
CRO
Forum

Both sides of the Solvency II balance sheet



Crystallise via “traditional” risks



- Market risk
- Counterparty risk
- Liability risk
- Etc.

Different aspects: Identify, measure, mitigate, monitor

Identify and monitor

Taxonomy

Transparency in ratings

Scenario analysis/stress testing

Mitigation

Prudent person principle

Impact underwriting

Disclosure

ORSA



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Thank you

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