

Climate and sustainability risks and opportunities

The new prosperity frontier

7th of February 2023, Sheraton Bratislava Hotel, Pribinová 12, Bratislava

The conference will be held in English

08.00 – 09.00	Breakfast & registration
09.00 – 09.10	Welcome and opening speech Peter Kazimir , Governor, National Bank of Slovakia
09.10 – 09.30	Keynote speech Klaas Knot , President, De Nederlandsche Bank, Chair, Financial Stability Board
09.30 – 10.30	<p>Future of banking – managing risk in times of uncertainty and inflation</p> <p>The year 2022 saw major political and economic upheaval, with Russia’s war in Ukraine causing greater uncertainty and market volatility, and a consequent negative impact on business and investor confidence. The mounting costs of refinancing is a major concern for corporate leaders, while growing public debt creates additional anxieties on the economic outlook for 2023.</p> <p>While short-term and urgent issues command our attention, the risks of major economic, financial, and political upheavals caused by climate change effects are only growing. With more frequent extreme weather events, crop failures, more rivers becoming monsoon rivers, depleting fish stocks and growing biodiversity loss, the natural systems on which business operations and socio-economic structures rely are now at risk of serious disruption.</p> <p>Going forward, banks will require appropriate resources and skillsets to manage a fast-changing risk landscape, and for the timely identification of emerging risks. Fully understanding the risks one’s business model is most exposed to allows for early reaction, ensures improved resilience and returns. The future of banking is likely to have a greater focus on non-financial data, double materiality and new financial products that support and enable the transition to low carbon growth.</p> <p>QUESTIONS this session will seek to address:</p> <ul style="list-style-type: none"> • What are the key emerging climate-related risks requiring attention and management by banks in Slovakia and the wider Central European region?



	<ul style="list-style-type: none">• How can risk assessments and methodologies be improved to ensure that the most material risks are handled? What are the best approaches to improve the sustainability and climate-risk related data landscape?• From a risk perspective, can and should banks drive business decarbonisation ambitions and efforts?• Which parts of the bank can play the greatest role in helping to manage and mitigate climate risk exposure?• Is there a business opportunity in the increased focus on non-financial disclosures, and the climate stress tests? <p>Speakers Paul Hiebert, Head of systemic risk & financial institutions, European Central Bank Peter Krutil, CEO, Slovenská sporiteľňa Alexander Resch, CEO, VÚB</p> <p>Moderator Reiner Martin, Head of Research, National Bank of Slovakia</p>
<p>10.30 – 11.00</p>	<p>Coffee break</p>
<p>11.00 – 12.00</p>	<p>The new risk landscape: the future of Slovak industry and business</p> <p>Slovak manufacturing businesses form a substantial part of the country's GDP. With the EU's Fit for 55 package, decarbonisation goals, and heated discussions about changes to EU ETS and CBAM, the industrial sector faces multiple challenges. Simultaneously, external shock created by the Russian aggression in Ukraine has led to growing energy costs and inflationary pressures which further endanger the near-term survival of some companies.</p> <p>Yet the climate-related risks, both physical and transition related, will remain part of doing business in Europe or with European companies. Effectively navigating changing expectations and managing emerging risks will be a key factor determining business competitiveness.</p> <p>QUESTIONS this session will seek to address:</p> <ul style="list-style-type: none">• What are the greatest needs and concerns of the Slovak industrial and business sectors?• Can Slovak industry decarbonise, and how might it do so?• What should Slovak banking sector focus on in 2023, and what risks are the most material to the current business models that they finance?• What are the most feasible approaches to reducing carbon emissions in Slovak industry?• What enablers are missing to support a more effective decarbonisation effort and its financing?

	<ul style="list-style-type: none"> • Do decarbonisation efforts pay off? If so, within what timeframe? • How can we finance innovation, R&D, and investments in emission reduction? <p>Speakers Oliver Grunberg, Chairman of the Board of Management and Member of the Board of Management, Volkswagen Slovakia Michal Pinter, Director for relations with the Slovak government and the EU, U.S. Steel Kosice Martin Kuruc, CEO, Tesco Stores SR Marek Senkovic, CEO, Slovnaft</p> <p>Moderator Linda Zeilina, CEO & Founder, International Sustainable Finance Centre</p>
<p>12.00 – 13.00</p>	<p>CEO roundtable – working lunch: A transformation or a transition of Slovak economy and industry? – over invitation</p>
<p>12.00 – 13.00</p>	<p>Lunch</p>
<p>13.00 – 13.20</p>	<p>Keynote speech Debora Revoltella, Chief Economist, European Investment Bank</p>
<p>13.20 – 14.20</p>	<p>Financing the transition to low carbon growth: what role can the banking sector and public finance play?</p> <p>Demands on banks and governments are increasing, with the latest updates to MiFID II stipulating that sustainability risks and factors must be integrated in banks’ organisational requirements, rules of conduct and product governance obligations. At the same time, Slovakia has also submitted its nationally determined contributions (NDCs), part of a non-binding plan to achieve the Paris Agreement goals, which puts a great pressure on financing decarobnisation.</p> <p>However, for Slovakia and other Central European countries to achieve the EU’s carbon neutrality goals and the 1.5° degree warming limits set by the Paris Agreement, businesses will need to lower their carbon emissions and adapt their business models or operations. The transition will require substantial investment and financing, which means that not only financial institutions, including banks, but also governments will be required to rethink their financing models.</p> <p>Governments, in charge of public policy and financing, play a crucial and catalytic role for business and finance, and for any decarbonization efforts. The greatest need will be faced by SMEs, which are the backbone of most European economies.</p> <p>QUESTIONS that this session will seek to address:</p>



	<ul style="list-style-type: none">• How should banks navigate the growing complexity of sustainability-related demands on their operations and products?• Will the implementation of CSRD have a significant impact, and will it help the banking and public sector?• Is the adoption of the EU Taxonomy helpful for the banking and public sector?• Is Slovakia's decarbonisation target for 2050, the year by which it aims to achieve climate neutrality, feasible?• Is there a market for new products that integrate sustainability-related factors?• What new approaches can public and private sectors use to drive the transition?• What are the greatest obstacles for financing “green” or transition projects and businesses, especially for the SME segment? <p>Speakers Daniel Gaspar, Managing Partner, Crowdberry Zuzana Kostialova, Board Member, Tatra banka Livia Vasakova, Director, Recovery Plan, Government Office of the Slovak Republic</p> <p>Moderator Debora Revoltella, Chief Economist, European Investment Bank</p>
14.20 – 15.15	Coffee break
15.15 – 16.15	<p>Buildings and energy efficiency – the next frontier</p> <p>The built environment accounts for a large share of global emissions. Slovakia has a great opportunity to reduce energy usage by renovating both its publicly and privately-owned building stock. By investing in more sustainable construction materials and practices that consider energy efficiency and carbon footprints, Slovakia could also reduce future risks, such as lower property resale values.</p> <p>QUESTIONS that this session will seek to address:</p> <ul style="list-style-type: none">• What are the main obstacles to greater public and private renovation volumes in Slovakia?• What more can be done by the government to encourage energy efficiency measures?• How can policies and incentives be devised to avoid negative or unintended socio-economic consequences?• What solutions have worked elsewhere?



	<ul style="list-style-type: none">• Are there any new European level developments that could help drive the local market? <p>Speakers Marian Herman, Group CEO, HB Reavis Norbert Kurilla, Advisor, Office of the President of the Slovak Republic Peter Robl, Head of the Board, Budovy pre buducnost</p> <p>Moderator Peter Holub, Founder & Director, Budovy21</p>
16.15 – 17.00	Coffee break
17.00 – 18.00	<p>Secure, diversified, and clean energy supply. How to get there?</p> <p>Energy security is fundamental to a country’s national security and its economic prosperity. In the next decade, important investment and policy decisions will be made that will affect energy prices, independence, and security. It will be important to pursue the optimal energy mix for Slovakia, ensuring the reliability and affordability of supplies. This will raise questions about the role of nuclear, and the necessity for EU Energy Solidarity and grid modernisation. The year 2023 will be a watershed moment for ensuring that Slovakia’s energy strategy, policies, and investments all support the growth and competitiveness of Slovak business and industrial sectors.</p> <p>QUESTIONS that this session will seek to address:</p> <ul style="list-style-type: none">• How can we diversify energy sources?• What are the energy diversification and financing options for Slovakia?• How can Slovakia decarbonize its energy production and adjust its energy mix?• What are the fundamental needs regarding EU Energy solidarity?• Can we reach net zero without nuclear energy?• Do renewable energy sources provide higher security? What unknown risks or challenges could it create? <p>Speakers Peter Dovhun, CEO, Slovenska Elektrizacna Prenosova Sustava Miroslav Kulla, CEO, SPP Robert Jambrich, Head of International relations, EU affairs and environment, Slovenske Elektrarne</p> <p>Moderator Sona Muzikarova, Economist, Economist Intelligence and Oxford Analytica</p>
18.00 – 18.40	<p>Closing remarks and conclusion of the day Ludovit Odor, Deputy Governor, National Bank of Slovakia</p>



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