



# SYSTEMIC RISK AND SDGS

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# Contents

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- Manifestation of systemic risk
- Features of systemic risk
- SDGs impacted by systemic risk manifestation
- What should we do?
- Possible approach to fulfilling its mission



# Manifestation of systemic risk

- Financial crisis
- Pandemics
- Climate change
- Income gaps





## Features of systemic risk 1/2

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- Significant negative impact
- Global impact
- Interconnectedness
- Unpredictability





## Features of systemic risk 2/2

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- Externality (damage caused by somebody's activities for which it does not pay)





# SDGs impacted by systemic risk manifestation

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SDGs impacted by systemic risk manifestation include:

- No poverty
- Zero hunger
- Good health and well-being
- Quality Education
- Clean water and sanitation
- Decent work and Economic growth
- Reducing inequality





# What should we do?

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Contribute to society and people – not solely to our own





# Mission of mutual and cooperative

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Contribute to people (members) and community







# What should mutual and cooperative do?

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Fulfil its mission





# Possible approach to fulfilling its mission 1/2

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- Aim for fulfilling SDGs
- Agree with key indicators
- Set concrete goals and a plan for their achievement
- Assess implementation
- Disclose results of assessment





## Possible approach to fulfilling its mission 2/2

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- Enhance comparability and quantification (e.g. carbon emission, scenario testing...)
- Pay attention to three Rs (report, risk assessment and return)
- Take into account regulatory development (disclosure (pillar 3), scenario testing, supervisory review (pillar 2) and potentially regulatory capital (pillar 1) )