



**GLOBAL  
RISK**  
INSTITUTE



**CELEBRATING  
10 YEARS**

Annual Report 2020

# TABLE OF CONTENTS

3	About GRI
4	Message from the Board Chair
5	Message from the President & CEO
6	GRI Leadership
9	2020 Highlights – Making an Impact in an Uncertain World
10	Our Three Pillars
12	Events
14	GRI Summit 2020 – 10th Anniversary
15	Education and Bespoke Sessions
16	Research
18	National Pension Hub
19	Sustainable Finance and Climate Risk
20	Looking Ahead



# ABOUT GRI

## Mission

The Global Risk Institute (GRI) is a premier organization that defines thought leadership in risk management for the financial industry. We bring together leaders from industry, academia, and government to draw actionable insights on risks globally.

## Vision

To be a critical resource to government and the financial industry to mitigate and adapt to risks, focused on ensuring the stability of the financial ecosystem.

## GRI MEMBERSHIP

### GRI FOUNDING MEMBERS

Government of Canada  
Province of Ontario  
Manulife Financial  
TD Bank Group

### GRI MEMBERS

Alberta Investment Management Corporation (AIMCo)  
BMO Financial Group  
Business Development Bank of Canada (BDC)  
Canada Deposit Insurance Corporation (CDIC)  
Canada Infrastructure Bank (CIB)  
Canada Life  
Canada Mortgage and Housing Corporation (CMHC)  
CDPQ  
CIBC  
Concentra  
CPP Investment Board  
Desjardins  
Equitable Bank  
Export Development Canada  
Fairfax Financial Holdings Limited  
Home Trust Company  
Insurance Bureau of Canada  
Investors Group  
Laurentian Bank  
Mackenzie Investments  
Munich Re Canada  
National Bank of Canada  
OMERS  
Ontario Pension Board (OPB)  
Ontario Teachers' Pension Plan (OTPP)  
Payments Canada  
PC Bank  
Power Financial Corporation  
PSP Investments  
Royal Bank of Canada  
Scotiabank

### NATIONAL PENSION HUB MEMBERS

Alberta Investment Management Corporation (AIMCo)  
British Columbia Investment Management Corporation  
CAAT Pension Plan  
Canada Life  
CDPQ  
CN Investment Division (CNID)  
CPP Investment Board  
Deloitte  
Government of Canada  
Investment Management Corporation of Ontario  
KPMG  
McKinsey & Company  
Mercer  
OMERS  
Ontario Teachers' Pension Plan  
OPTrust  
PSP Investments  
Sunlife Financial  
University of Toronto Asset Management Corporation (UTAM)

# MESSAGE FROM THE BOARD CHAIR



**Over the past 10 years, GRI has become the leading forum for ideas, engagement and emerging trends in risk management in the financial services sector.** The vision of our founders was to bring together government, academia and corporate members from asset management, banking, insurance and pension management. As we celebrate our 10th anniversary, amidst the most challenging crisis in a century, I believe the work of GRI has become more important than ever.

This 10-year milestone has given us the opportunity to reflect on the growth and development of GRI over the past decade. Looking back now, the Global Financial Crisis of 2008, which was the impetus to create GRI, was just the beginning. At the time, our Canadian financial system took centre stage and was heralded globally as a model of stability and prudent risk management. Government and financial services leaders who created GRI were focused on working together to evolve and strengthen our risk management strategies in Canada and position the industry to manage through difficult times.

The reputation of Canada's financial system continues to be strong around the world. As a respected global partner, we are continuing to build strong connections, provide critical research, education and events for risk management professionals at every stage of their career. It is important to our collective recovery, both in Canada and internationally, that we continue to engage in relevant and meaningful dialogue that will help organizations navigate this crisis.

I want to thank the entire GRI team for their dedication and quick response to the need to create virtual events and opportunities for us to come together safely over this difficult year. The success of the 2020 Annual GRI Summit was a tribute to their innovative and enduring commitment to engage with our members and deliver excellence.

I'm proud of the work the Global Risk Institute is doing to drive more sustainable long-term solutions here in Canada and globally. I'm also grateful for the founding members who 10 years ago had the foresight and commitment to create this organization. I want to thank our Board of Directors for your time and advice throughout the year. It is a privilege to serve with you.

In closing, let me thank each of our members and the many thought leaders who have contributed to our programs in 2020. I look forward to continuing to build on our 10-year legacy together.

A stylized, handwritten signature in black ink, appearing to read 'Mark Hughes'.

**Mark Hughes**

Chair, Global Risk Institute

# MESSAGE FROM THE PRESIDENT & CEO



**This year we celebrated the 10th anniversary of GRI** and, looking back, no one could have predicted the seismic changes 2020 would bring to our country or our world.

Navigating the pandemic has brought to the forefront a confluence of domestic and global issues - geopolitical tensions, climate change, systemic racism, social and economic disparities. These have all become the purview of risk management professionals and your expertise and advice has never been more vital.

At GRI, we know this crisis has presented unprecedented challenges for your organizations and our focus has been on adapting our programming to connect with you virtually. This new digital approach has enabled us to offer more events, expand our audience and to attract a highly respected group of Canadian and international experts.

The 2020 Annual GRI Summit was a highlight. Our keynote speaker, Governor of the Bank of Canada, Tiff Macklem, one of the founders of GRI, helped celebrate our 10th anniversary. Governor Macklem emphasized the importance of thoughtful risk management in Canada's economic recovery. He was followed by an outstanding group of distinguished speakers and panelists and we examined four key areas: Canada's new economic reality post-COVID; geopolitical risk and the acceleration of global tensions; Canada's climate crisis and how to create a more sustainable and greener economy; and the importance of a "new normal" in leadership.

The global pandemic has brought into sharp focus the need for strong and inclusive leadership. As leaders, we need to create a new, more resilient Canadian workforce, where invisible barriers are removed and everyone has the opportunity to contribute and bring fresh ideas and innovation to the table.

Overall, we have engaged with thousands of participants throughout the year to discuss the broad range of issues facing risk management professionals, provide strategic research and offer training and education. We are extremely grateful for the support of our members.

I want to thank our Board of Directors and GRI Standing Committees for providing your advice and counsel to GRI during a year that will be remembered for generations to come.

Yours truly,

A handwritten signature in black ink, appearing to read 'SBaxendale', with a long horizontal flourish extending to the right.

**Sonia Baxendale**

President & CEO, Global Risk Institute

# GRI LEADERSHIP

## EXECUTIVE TEAM

**Sonia Baxendale**  
President & CEO

**Vanda Vicars**  
Chief Operating Officer  
and Corporate Secretary

**Alyson Slater**  
Senior Director,  
Sustainable Finance

**Mary Lou Frazer**  
Director, Communications  
and Marketing

**Joel Parsan**  
Manager,  
Member Relations

## SENIOR FELLOWS

**Dr. John Hull**  
Senior Research Fellow

**Bernard Morency**  
Senior Fellow,  
National Pension Hub

## EXECUTIVES IN RESIDENCE

**Rita Achrekar**  
Executive in Residence

**Kevin Nye**  
Executive in Residence

**Hugh O'Reilly**  
Executive in Residence

**James (Jason) Stewart**  
Executive in Residence

**Michael Stramaglia**  
Executive in Residence

**Lois Tullo**  
Executive in Residence

**Peter van Dijk**  
Executive in Residence

# GRI BOARD

## DIRECTORS

**Ajai Bambawale**  
Group Head and Chief Risk Officer,  
TD Bank Group

**Sonia Baxendale**  
President & CEO,  
Global Risk Institute

**Craig Broderick**  
Corporate Director

**Alister Campbell**  
President & CEO, Property  
and Casualty Insurance  
Compensation Corporation

**Francine Champoux**  
Executive Vice President,  
Risk Management, Desjardins Group

**Michelle L. Collins**  
President, Cambium LLC  
(Chicago, Illinois, U.S.A.)  
Corporate Director

**Julie Dickson**  
Corporate Director

**Dwight Duncan**  
Senior Strategic  
Advisor, McMillan LLP

**Janet L. Ecker**  
Corporate Director

**Graeme Hepworth**  
Chief Risk Officer,  
Royal Bank of Canada

**Rahim Hirji**  
Chief Risk Officer, Manulife

**Mark Hughes**  
Chair, Global Risk Institute  
Corporate Director

**Daniel Moore**  
Group Head & Chief Risk Officer,  
Scotiabank

**Lynn Oldfield**  
President & CEO,  
AIG Insurance Company of Canada

**Michael Zerbs**  
Group Head & Chief Technology  
Officer, Scotiabank

**Barbara Zvan**  
President & CEO,  
University Pension Plan Ontario

## GRI ADVISORY COMMITTEES

### BUSINESS STRATEGY COMMITTEE

**Leah Anderson**

Assistant Deputy Minister of the Financial Sector  
Policy Branch, Finance Canada

**Alyson Bailey-Flynn**

Senior Vice President, Global Risk Management Data,  
Analytics & Technology, Scotiabank

**Sonia Baxendale**

President & CEO, Global Risk Institute

**Brad Crombie**

Chief Executive Officer, Alquity

**Dwight Duncan**

Senior Strategic Advisor, McMillan LLP

**J. Michael Durland**

President and Chief Executive Officer,  
Melancthon Capital

**Janet L. Ecker**

Corporate Director

**Stephen Forbes**

Executive Vice President, Banking Centres, CIBC

**Paul C. Genest**

Senior Vice President, Power Corporation of Canada

**Richard Frank Goulding**

Former Chief Risk Officer, Standard Chartered PLC

**Ozench Ibrahim**

Partner, KPMG

**Sharon Ludlow**

Board Member, Lombard International

**Gadi Mayman**

Chief Executive Officer, Ontario Financing Authority

**Maria Theofilaktidis**

Executive Vice President, Finance, Scotiabank

**Vanda Vicars**

Chief Operating Officer, Global Risk Institute

### SUSTAINABLE FINANCE ADVISORY COMMITTEE

**Sonia Baxendale**

President & CEO, Global Risk Institute

**Blair Feltmate**

Head, Intact Centre on Climate Adaptation,  
University of Waterloo

**Toni Gravelle**

Deputy Governor, Bank of Canada

**Timothy Hodgson**

Corporate Director and Chair, Hydro One

**Miranda Hubbs**

Independent Director, Nutrien, Imperial Oil  
and PSP Investments

**Shannon McGinnis**

Senior Vice President, Enterprise and Operational  
Risk Management, TD Bank Group

**Barbara Zvan**

President and Chief Executive Officer,  
University Pension Plan Ontario

## GRI ADVISORY COMMITTEES

(CONTINUED)

### RESEARCH ADVISORY COMMITTEE

**Sonia Baxendale**

President & CEO, Global Risk Institute

**Claude Bergeron**

Executive Vice President and Chief Risk Officer,  
La Caisse de Dépôt et Placement du Québec

**Michel Crouhy**

Head of Research and Development,  
NATIXIS, France

**Darrell Duffie**

Economist and Professor of Finance,  
Stanford University

**Stefan Dunatov**

Senior Vice President, Investment Risk,  
Strategy and Research, British Columbia  
Investment Management Corporation

**Blair Feltmate**

Head, Intact Centre on Climate Adaptation,  
University of Waterloo

**Andrew Hammond**

Senior Vice President, Enterprise Risk, RBC

**John Hull**

Professor, Derivatives and Risk Management,  
Rotman School of Management

**Kathryn Hyland**

Senior Vice President, Risk Management,  
Swiss Re

**Carol Ann Northcott**

Chief Risk Officer and Managing Director,  
Financial and Enterprise Risk Department,  
Bank of Canada

**Jean-François Perrault**

Chief Economist and Senior Vice President,  
Scotiabank

**Dan Rosen**

Professor, Mathematical Finance,  
The Fields Institute, University of Toronto

**Vanda Vicars**

Chief Operating Officer, Global Risk Institute

**Barbara Zvan**

President and Chief Executive Officer,  
University Pension Plan Ontario





## Doubled GRI program participation

### Year over Year Increases



# 65%

**More events hosted**



# 26%

**More research papers published**



# 41%

**Increase in newsletter subscribers**



# 85%

**More media mentions**



# 87%

**Increase in website traffic via social media**

## 2020 HIGHLIGHTS

### Making an Impact in an Uncertain World

Our focus at GRI is on building risk management capability and capacity in the financial sector. In our first 10 years, we have provided our members with the knowledge and tools to fortify their risk management expertise.

In 2020, we utilized our convening power to deliver programming centred on key areas of risk, including risk management practices, macroeconomic and geopolitical risks, and other emerging risks, including cyber security, fraud, technology disruption and innovation. This past year we expanded our risk concentration and programming on pensions, operational resilience and sustainable finance and climate risk.

With the onset of COVID-19, we extended our focus to include an emphasis on global pandemic risk. We quickly pivoted our programming to address the challenges and opportunities posed by the crisis.

Whenever new risks emerge, new skills, new ideas and new ways of thinking about risk are required. To address the growing demand for greater diversity and inclusion globally, we have developed our programming with an emphasis on building broader leadership talent and capacity at all levels within the financial sector.

In a year that was unprecedented, we are proud that GRI was able to continue to deliver value to our membership.



**OUR THREE PILLARS**

# THE STRENGTH OF GRI IS IN OUR CONVENING POWER

In 2020, we experienced firsthand the importance of our financial system and how its ability to respond to global events can have a deep impact on our economy and financial sector.

To support our members through a year that was unlike any other, GRI stayed ahead of the risk management frontier by actively engaging in the evolution of risk management practices globally to remain in front of any new or emerging areas of risk. What we learned, we shared.

We brought this global perspective to our members through our core programming – research, education and events. GRI’s ability to bring together distinguished experts that are knowledgeable on risks and trends for financial services has become more important than at any time in our history.

Throughout 2020, we focused on three key pillars that are at the heart of our mandate:

- Convening engaging events for our members
- Sponsoring strategic research on emerging issues
- Developing quality educational programming for risk management professionals at all levels

These are our channels for delivering value to our members and advancing risk management capability in Canada.

We leveraged these three pillars in 2020 to be a key resource to the financial sector and government.



## EVENTS

Traditionally, GRI's convening power at in-person events has been a key focus of our organization. The worldwide lockdown demanded innovative solutions to ensure everyone could continue to connect, while at the same time, staying safe. Responding almost overnight, our team adapted and leveraged digital tools to deliver on our promise.

Our shift to hosting member events online enabled us to produce more events in shorter timeframes and with greater outreach.

In 2020, GRI hosted nearly 30 events and engaged a record number of more than 2,000 attendees who were able to gain valuable insights from industry leaders, academia, and the public sector. At our events, we addressed key topics in financial risk management impacting our membership.



### Diversity and Talent

In January, we convened our inaugural "Women In Risk Management" event, a first-ever opportunity for our members to engage with women in senior executive roles who are inspiring a new generation of women to build their careers in risk management. Speakers for this event included women in various stages of their risk management careers, including:

- **Roxana Baranski**, Deputy CRO, Payments Canada
- **Linli Chee**, Managing Director, Wholesale Credit Risk, RBC
- **Laura Dottori-Attanasio**, Senior Executive Vice-President and Group Head, Personal and Business Banking at CIBC
- **Elaine Lajeunesse**, CRO, Senior VP, TD Insurance
- **Janice Stein**, Professor, Munk School of Global Affairs & Public Policy, Order of Canada and the Order of Ontario

### Macroeconomic and Geopolitical Risk

The COVID-19 pandemic brought about a number of important macroeconomic and geopolitical considerations for our membership. In order to address these issues, we hosted a number of events including a look at *Modern Monetary Theory; Bond Markets, New Risks and the Investing Challenges Ahead; Bilateral Relations and Geopolitical Consequences: China, Canada and the World; and the Shape of the Recovery: L, V or Something New.*

**"I enjoy attending GRI events as they are always topical and insightful. In particular, the round tables and board education master classes provide me with an opportunity to interact directly with my financial services peers and extend my network. Sonia Baxendale and her team are superb at bringing great content to us and facilitating engaging discussion. I look forward to their 2021 program!"**

— **Kate Stevenson**  
Director and Chair-Elect, CIBC



## Facilitating Industry and Public Sector Dialogue

Throughout the year, GRI worked with public sector members on a number of events to help connect industry leaders to key issues, policy discussions and government initiatives.

- Province of Ontario Long-Term Report on the Economy
  - GRI held two round table discussions with senior leaders in the financial services industry to help inform the Province of Ontario's Long-Term Report on the Economy
- Energy and Finance in the Era of Climate Change
  - An exploratory dialogue between the Government of Alberta and Canadian financial sector leaders
- A Discussion with Ontario Treasury Board Secretariat and Minister Responsible for Digital and Data Transformation, Minister Peter Bethlenfalvy
- Climate Change: A Prudential Perspective with OSFI Superintendent Jeremy Rudin
- In Conversation with Jamey Hubbs – Financial Regulation in Extraordinary Times
- Bank of Canada – Scenario Analysis and the Economic and Financial Risks from Climate Change

## Global Reach

GRI also connects our membership to international risk management conversations. For example:

- Re-Underwriting Loan Books Amidst & After the Pandemic: The Risks and Opportunities
  - This round table gave GRI members access to credit risk innovation thinking from OakNorth, a U.K. bank.
- GARP Risk Institute, Second Annual Global Survey of Climate Risk Management at Financial Firms
  - GRI members heard from GARP on their maturity model for climate risk management covering more than 70 financial firms globally.
- IFRS Consultation on Sustainability Reporting
  - The comments and input from this roundtable were used to submit a formal submission to the IFRS.

GRI staff and senior leadership are also active in speaking at industry events both domestically and internationally. In 2020, GRI had the opportunity to address a diverse audience including:

- 35th United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) Forum
- Basel Conference
- Canadian Alternative Investment in Pensions (CAIP) Conference
- Canadian Lawyer: Steering Organizations Through Crisis Times Series
- CatIQ Connect Conference
- Defined Benefit Investment Forum
- Northwind Mortgage Finance Conference
- Northwind's 33rd Annual Financial Services Invitational Forum
- Rotman - Women in Management Conference

GREEN RECOVERY EVENT  
ON OCTOBER 1, 2020

**“This was fantastic and should be required viewing across the Federal and Provincial government.”**

– Kerry Max  
*Special Advisor, Climate Finance Partnerships  
Government of Canada*

# GRI SUMMIT 2020

## 10th Anniversary



GRI's signature event is our annual one-day Summit for members.

**Our 10th Anniversary Summit**, held virtually on October 8th, hosted an exceptional line-up of outstanding speakers from across Canada and around the world who provided attendees with greater access to global insights.

Leading panelists and speakers from the financial sector and government community included Governor Tiff Macklem, Bank of Canada, and Ontario Minister of Finance, Hon. Rod Phillips, who delivered keynote remarks on our overarching theme, *Securing the Future in Uncertain Times*.

**We focused our Summit session on four key areas of risk:**

1. Canada's New Economic Reality: Post-COVID Recovery
2. Geopolitical Risk and the Acceleration of Pre-Existing Tensions
3. Canada's Climate Crisis: Chasing an Elusive Green Economy
4. A New Leadership Normal for a Post-Crisis World



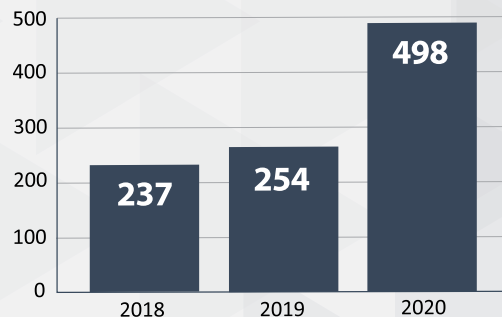
**SECURING THE FUTURE**  
IN UNCERTAIN TIMES

International speakers included former United States Ambassador to the United Nations, Ambassador Samantha Power, who provided a perspective on U.S./China Relations, two U.S. political operatives who offered insights on the U.S. election and Canada/U.S. relations, and author John Elkington from the United Kingdom and world authority on sustainable development who discussed the climate and sustainability challenges facing us globally.

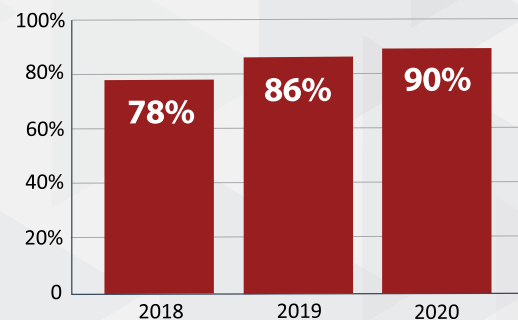
We were also pleased to welcome senior executives from the Canadian financial services and pension sectors who offered perspectives on the exceptional economic, sustainability and leadership challenges facing us today.

This year's Summit was our most successful yet. We reached more members than ever before and overall satisfaction with our Summit grew to 90%.

### Number of Attendees



### Overall Satisfaction



**"I can safely say that the 2020 GRI Summit was simply the best online conference I've attended so far this year. Well done to the GRI team on a great combination of content speakers, video entertainment and seamless production."** — Daniel Moore, Group Head and Chief Risk Officer, Scotiabank





## EDUCATION AND BESPOKE SESSIONS

To help organizations build resilience to financial risks, GRI delivers education, training and bespoke information sessions for our members. The various programs are designed to support members at all stages of their career to enhance their skills.

Our programs are developed for financial services professionals to provide a fuller understanding of emerging concepts and practices in the management of risk. In addition to providing high quality, timely and relevant content, each program offers valuable networking opportunities for members that connect them with other industry professionals, build relationships and foster long-term engagement.

To meet increased demand for participation, we delivered more sessions in 2020 to nearly 600 individuals from more than two dozen organizations.

### Emerging Leaders Program (ELP)

The Risk Management for Emerging Leaders Program is designed for new leaders interested in advancing their knowledge and effectiveness in the management of risk. In 2020, we hosted two full ELP sessions, each comprising six half days over two weeks in June and November. We also hosted an ELP reunion in April for program graduates. In all, more than 60 individuals participated in ELP last year.

### Board Risk Oversight and Insight Program (BROIP)

Our Board Risk Oversight and Insight Program is targeted to C-Suite executives and board directors. In 2020, we focused our BROIP offering on our Master Classes targeted to experienced board members and senior stakeholders. This advanced program offers risk perspectives necessary to enhance leadership and governance capabilities and continually evolves to address emerging needs. The four BROIP Master Classes held last year provided a deeper look at board risk oversight in the age of COVID, the role of the board in navigating climate risk and sustainable finance, and the leadership challenges of today. Nearly 100 leaders participated in our Master Classes.



### Bespoke Sessions

Bespoke sessions enable in-depth and highly tailored opportunities for our members to deepen their understanding and have meaningful discussions on specific topics. GRI staff spoke at 11 bespoke sessions in 2020 and engaged with nearly 450 members.

Our education and training programs provide continued value to our members. In a year when in-person sessions were not possible, we were able to deliver these programs virtually, keeping our members and staff safe and achieving the same high level of discussion and engagement.

NOV. 2020 BROIP MC – NAVIGATING SUSTAINABLE FINANCE AND CLIMATE RISK: THE ROLE OF THE BOARD

**“Great event! The key participants were so engaged, which enriched the discussion.”**

– Stephanie Bowman  
Board Member, Bank of Canada



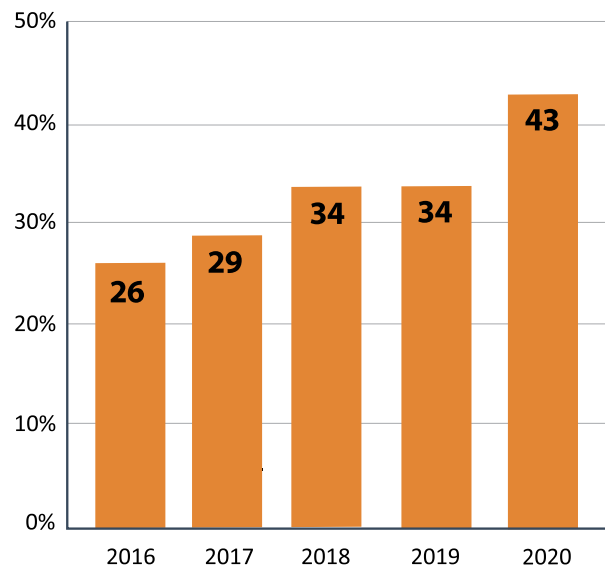
## RESEARCH

GRI research pivoted quickly in 2020 to adapt to the changing priorities and impact of the COVID-19 pandemic. Research became even more critical as the world went into lockdown and government and industry implemented business recovery plans. At the same time, GRI continued to deliver on its mission to produce high quality and relevant content to contribute more broadly to advancing risk management in the financial services sector.



**In 2020, we published 26 per cent more research than the prior year.**

### Published Research Papers



**Of the more than 40 research papers we published this year, 12 were pandemic-related, including:**

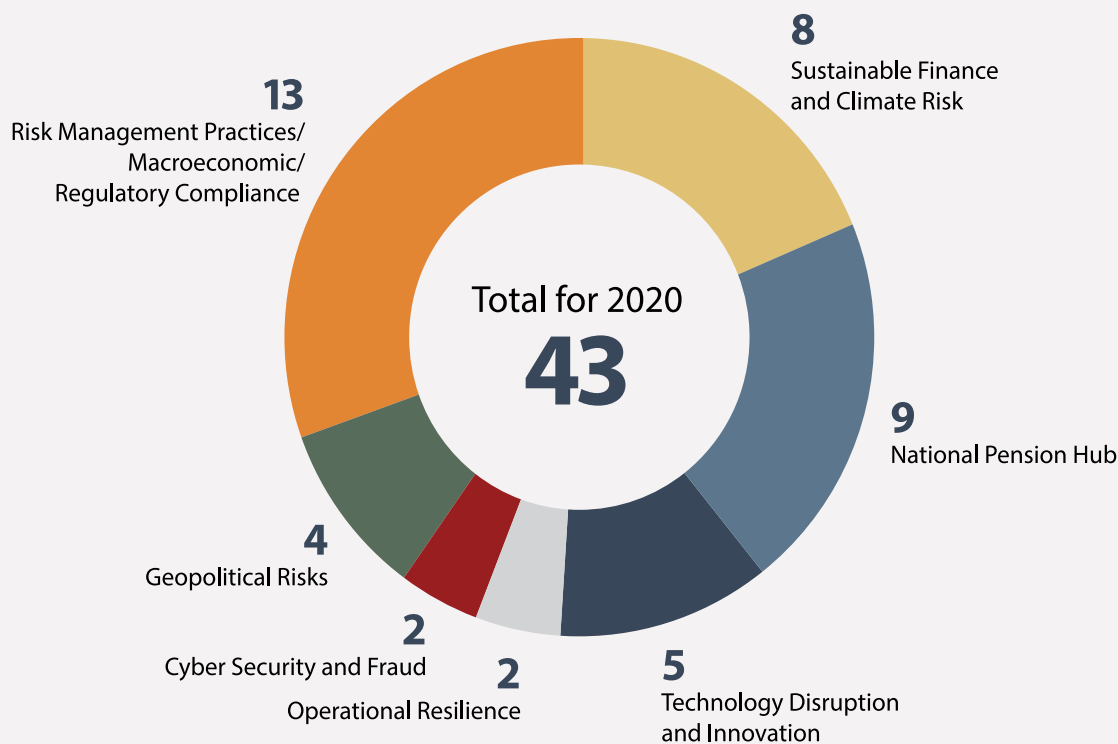
- *Geopolitics in a Post-Pandemic World*
- *Financial Institution Operational Resilience: Pre and Post COVID-19*
- *Fiscal Policy and the Economy's Great Divide: Addressing the Income and Jobs Gap in the Traditional Economy*



## GRI's Core Building Blocks

We continued to focus our research in key areas of risk aligned with our core building blocks.

**Number of Research Papers Published in 2020 by Risk Category**



### Major research papers from each category included:

- *Climate-Related Financial Disclosure in the Canadian Financial Sector*
- *The Canadian Pension Fund Model: A Quantitative Portrait*
- *Data-Sharing Frameworks In Financial Services: Discussing Open Banking Regulation for Canada*
- *Digital Assets May Shift Global Trade Currency*
- *Operational Resilience: Where are We?*
- *Withstanding Cyber-Attacks: Cyber-Resilience Practices in the Financial Sector*
- *Progress Toward 2021 Canadian Monetary Policy Renewal*

In addition to these research publications, GRI responded to requests for comments made by Ontario's Capital Markets Modernization Task Force on proposed changes to the Province's capital markets, and the International Financial Reporting Standards on the need for global sustainability standards. These can all be found on our website at [www.globalriskinstitute.org](http://www.globalriskinstitute.org).

# NATIONAL PENSION HUB

The National Pension Hub (NPH) was established in 2017. NPH is dedicated to developing pension and income security research that would lead to innovative solutions to pension design, governance and investment challenges in Canada.

**A lot of progress has been made in the past three years to meet the NPH's key objectives:**

Build a Canadian Pension Community	<ul style="list-style-type: none"> <li>• Representation from 19 firms including industry, academia and government</li> <li>• 13 meetings with our Pension Research Advisory Committee</li> </ul>
Promote innovation and leading edge thinking in the Canadian pension space	<ul style="list-style-type: none"> <li>• Through five calls for proposal over three years, we received and evaluated 52 leading edge submissions from more than 70 researchers globally, involving 38 institutions</li> </ul>
Create a sustainable capacity for academic research and support the pool of Canadian pension researchers	<ul style="list-style-type: none"> <li>• 20 Canadian institutions have submitted proposals, representing nearly 75% of our overall submissions</li> <li>• 80% of projects are led by researchers from Canadian institutions</li> </ul>
Serve as an unbiased source for policy consultation	<ul style="list-style-type: none"> <li>• 14 key events such as Research Day, Insights Meetings and Webinars connecting researchers to our members</li> </ul>

**The first set of research topics have generated 20 projects, including the following reports published in 2020:**

- *Canadian Pension Fund Model: A Quantitative Portrait*
- *Canadians' Preparation for Retirement*
- *Forced Retirement Risk and Portfolio Choice*
- *Risk Sharing Pension Plans: Sustainability, Affordability, Adequacy and Fairness*
- *Transition from Defined Benefit to Target Benefit*

**In 2021, we are going to continue to develop our research themes. Currently, our pension research is focused in the following areas:**

- Pension Adequacy/Plan Design
- Private Market Risk Assessment
- Portfolio Construction from a Pension Plan Perspective
- Impact and Use of Leverage
- Climate Change

# SUSTAINABLE FINANCE AND CLIMATE RISK

The world's major economies, including Canada, have now set their net zero carbon emissions goal – but what this means for our vital resource sector and other emissions-exposed or otherwise climate vulnerable economic activities is not yet clear.

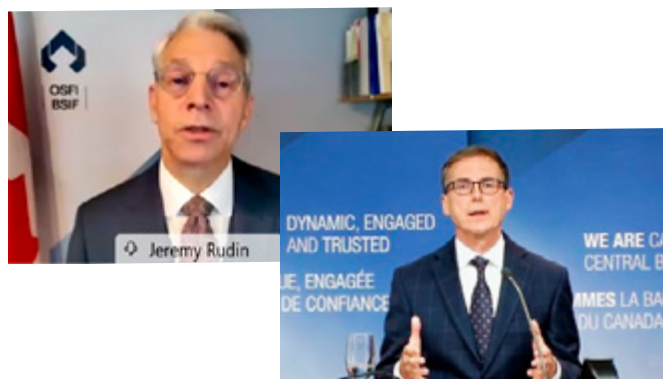
In this way, climate change poses imminent competitive and policy risk for our financial sector, while the impact of the growing physical risks from a warming earth are manifesting on our planet. This is why, for example, GRI convened a roundtable of C-suite financial executives from across the sector in a dialogue with top officials from the Government of Alberta to seek a common vision for Canada's energy sector. We will continue to support such collaborations as the resource sector seeks to define net zero pathways.

Industry as well as government, investors and other stakeholders are proactively evolving their response to the complexities of climate change as they understand more about the risks and opportunities, and this is expected to remain dynamic and fast changing over the coming decade.

GRI is supporting our member firms and the wider financial sector by providing thought leadership, research and education on two key themes:

**Climate risk governance and management:** Integrating climate change into board oversight and enterprise risk management is a formidable task and in early stages. GRI's programs focused on topics such as climate related financial risk disclosure, climate scenarios, and the development of data for better analysis.

**Development of the sustainable finance market:** Canada has the opportunity to be a leader in defining the market for transition finance – defined as providing capital for business activities as they move from high to low emissions. We're doing this by participating in the development of a transition taxonomy, supporting the need for transition planning, and exploring how private finance can support Canada's aims for a green recovery.



## In 2020, highlights included:

- **Events:** Hosting more than six climate-related webinars and meetings that supported continuing dialogue on green recovery, scenario analysis and potential new global sustainability reporting standards
  - **Education:** Holding two climate risk oversight master classes for board directors, the first of their kind in Canada: *Climate Risk for Board Directors* in February and *Navigating Climate Risk and Sustainable Finance: The Role of the Board* in November
- In addition, developing and delivering new climate-related curriculum for executive and emerging leader educational programs and providing bespoke content for GRI member firms
- **Research:** Publishing more than half a dozen research papers and publications including our *A Canadian Transition Pathway*, and *Climate-related Financial Disclosure in the Canadian Financial Sector: A Three-Year Progress Report*

GRI approved three grants for leading academic institutions on cutting edge topics in sustainable finance and climate risk.

Building on the momentum achieved in the past year, we intend to host a regular series of webinars in 2021. These webinars will support the integration of climate change into enterprise risk management and risk leadership in financial firms and contribute to sustainable finance market development in Canada.

# LOOKING AHEAD

Looking ahead to 2021, we know that uncertain times will continue. Organizations will be challenged to manage the risks they face to serve their stakeholders and support Canada in the journey to economic recovery.

GRI is committed to our members and the financial sector, to help unlock new opportunities and harness financial sector innovation and resources to drive sustainable economic growth. We will continue to leverage the strength of our convening power to assemble our broad risk management community in thoughtful and meaningful discussion. We welcome the opportunities 2021 may bring and look forward to engaging with you.

**Our objectives remain the same.**

**We will continue to:**

- Build risk management capacity in the financial services industry
- Leverage our convening capability to foster effective dialogue among the public and private financial sectors
- Deepen and broaden our collective understanding of financial industry risks through research, education and events
- Expand our financial industry membership reach and engagement while building our brand in risk management

We will remain focused on global risks and those that emerge as the world responds to the ongoing geopolitical tensions, climate change, systemic racism, social and economic disparities that threaten our economic security.

Going forward, we will place greater attention on operational resilience to ensure that risk preparedness extends beyond disaster recovery and supports a stronger financial sector and more resilient ecosystem.





**GLOBAL  
RISK**  
INSTITUTE

---

## Building risk management capacity and capability

### ABOUT GRI

The Global Risk Institute is the premier organization that defines thought leadership in risk management for the financial industry. GRI brings together leaders from industry, academia, and government to identify actionable insights on emerging risks and trends globally.

We develop high-quality research, convene our membership to further dialogue between the public and private sector and government regulators, and deliver an array of training programs that span multiple financial risk management topics.

Established in 2011 by the Canadian and Ontario governments and 16 financial institutions in response to the global financial crisis, GRI is a non-profit, public and private partnership with more than 46 members from the financial sector. Find more information on **[www.globalriskinstitute.org](http://www.globalriskinstitute.org)** or follow GRI on LinkedIn and Twitter.

### CONTACT US

#### General inquiries

[info@globalriskinstitute.org](mailto:info@globalriskinstitute.org)  
416.306.0606

#### Member services

[jparsan@globalriskinstitute.org](mailto:jparsan@globalriskinstitute.org)

#### Media inquiries

[mfrazier@globalriskinstitute.org](mailto:mfrazier@globalriskinstitute.org)

### ADDRESS

55 University Avenue  
Suite 1801  
Toronto, Ontario  
M5H 2H7

### CONNECT WITH US

[in](https://www.linkedin.com/company/global-risk-institute) [LinkedIn.com/company/global-risk-institute](https://www.linkedin.com/company/global-risk-institute)  
[t](https://twitter.com/globalriskfs) [@globalriskfs](https://twitter.com/globalriskfs)  
[www.globalriskinstitute.org](http://www.globalriskinstitute.org)