Workshop on

# Climate Risk and Commercial Real Estate

19 November 2025

Sveriges Riksbank
Stockholm, Sweden

Commercial real estate represents a significant share of global financial market assets. As climate-related risks intensify, the sector faces evolving challenges that demand new approaches to risk management. Physical risks, including extreme weather events, rising sea levels, and heat stress, necessitate adaptation measures to safeguard both properties and individuals. Simultaneously, transition risks such as regulatory pressure, shifting investor preferences, and the emergence of stranded assets, further complicate the sector's outlook.

The commercial real estate market is increasingly segmented across logistics, office, retail, light industry, heavy industry, and residential sectors. Each segment is exposed to distinct climate risks, which in turn shape their financing and investment requirements. For example, logistics properties may face different physical risks than urban office buildings, while regulatory changes and investor sentiment can have heterogeneous effects across segments.

This workshop will discuss physical and transition aspects of climate-related financial risks in commercial real estate and emphasize multidisciplinary and cross-industry approaches. The format of the day will include a series of presentations by researchers in natural and social sciences and several panel discussions.  Our objective is to advance understanding of these risks and foster collaboration among commercial banks, insurance companies, think tanks, public institutions, and universities. By engaging a broad range of stakeholders, we aim to develop innovative measures, models, and tools that enhance financial stability and support a resilient transition for the sector.

# Workshop program

8:15 Coffee and registration

9:00 **Welcome address: Aino Bunge** (First Deputy Governor, Sveriges Riksbank)

## Session I: Research presentations

**Chair: Ulf Söderström** (Sveriges Riksbank)

9:15 **Emilia Garcia-Appendini** (University of St. Gallen)
"Weathering the storm: The effects of natural disasters on households under universal insurance"
Discussant: **Christian Thomann** (KTH Royal Institute of Technology)

10:00 **Tommaso Piseddu** (Stockholm Environment Institute)
"Blooming algae and falling returns on investments. The Swedish housing market in the face of biodiversity risk"
Discussant: **Kent Eriksson** (KTH Royal Institute of Technology and Sustainable Finance Lab)

10:45 Coffee

11:15 **Giuliano Di Baldassarre** (Uppsala University)
"The challenge of unprecedented floods and droughts in risk management"
Discussant: **Øyvind Paasche** (NORCE)

12:00 Lunch

## Session II: Panel discussions

13:15 **Panel 1 – Data and measurement**
*Deep dive into the challenges related to the measurement, interpretation, and application of climate data for assessing financial risk*
Chair: **Valentin Schubert** (Sveriges Riksbank)
**Ralf Doescher** (SMHI – The Swedish Meteorological and Hydrological Institute)
**Laura Ni** (If P&C Insurance)
**Ida Westerberg** (IVL Swedish Environmental Research Institute)

14:15 **Panel 2 – Policy implications**
*Focus on current private and public policy responses to commercial real estate's exposure to climate risk*
Chair: **Cristina Cella** (Sveriges Riksbank)
**Niklas Frykström** (Sveriges Riksbank)
**Rolf Marquardt** (Swedbank)
**Philip Thörn** (If P&C Insurance)

15:15 Coffee

15:45 **Panel 3 – Ways forward**
*Where do the key governance and coordination gaps lie in addressing climate risks in commercial real estate, and what policy or institutional actions are needed to close them?*
Chair: **Mark Sanctuary** (KTH Royal Institute of Technology and Sustainable Finance Lab)
**Per Bolund** (Stockholm University)
**Karin Dhakal** (Stockholms stad)
**Fedra Van Huyse** (Stockholm Environment Institute)

16:45 **Wrap-up**
**Kent Eriksson** (KTH Royal Institute of Technology and Sustainable Finance Lab)

17:00 Coffee & adjourn

## Time allocation for research presentations

Presenter 25 minutes
Discussant 10 minutes
General discussion 10 minutes

## Time allocation for panel discussions

Introductory remarks: 10 minutes per speaker
Discussion: 30 minutes

## Organising committee

Cristina Cella (Sveriges Riksbank)
Kent Eriksson (KTH Royal Institute of Technology and Sustainable Finance Lab)
Mark Sanctuary (KTH Royal Institute of Technology and Sustainable Finance Lab)
Valentin Schubert (Sveriges Riksbank)
Ulf Söderström (Sveriges Riksbank)

## Local organisation

Lena Sundvall (Sveriges Riksbank)