

PAST EVENTS

On November 11, 2021 CGI Russia held a conference “Russian Metals and Mining. COP26: Future of the Carbon Transition” organized with the support of its partners - Horizon CF and PJSC “Polyus”

As “Green Deal” gains momentum, new ecosystems are forming and new technologies emerge. Representatives of the leading Russian metals & mining companies have discussed the challenges and opportunities of a carbon transition in light of COP26 resolutions at the CGI Russia online conference moderated by Olga Pascualt, co-founder and Chair of Management Board, CGI Russia, and Elena Haykin Sapozhnikova, co-founder and Member of Management Board, CGI Russia.

Rohitesh Dhawan, CEO, ICMM:

“I have been attending COP26 since 2009 and today I see a drastic change in the role of business. In the past companies were led, today they are leading the change. International Council on Mining and Metals unites 28 companies who took an obligation on becoming carbon neutral by 2050 according to COP26 goals. Mining companies are labeled as “lagging behind” in energy transformation but we want to demonstrate that mining companies can be the agents of change. But it is definitely better to underpromise and overdeliver than vice versa, taking into account a long-term production cycle in the M & M industry”.

Philip Dayer, Independent Director, Chairman of the Health, Safety and Environmental Committee, Member of the Remuneration and Nomination Committee, PAO Severstal:

“We are in full support of the global efforts to reduce GHG emissions but believe companies should announce only realistic targets not to mislead the public. In our case, we have a strategic policy on climate change and a mid-term target to reduce our CO2 intensity by 10% by 2030. We will continue setting more ambitious targets in the future as long as new technologies to lower emissions appear. The GHG issue is massive to cope individually. Hence Severstal has identified top three steps to accelerate its own transition and of the steel industry as a whole. First, it is collaboration with universities, equipment providers and wider society on new decarbonization technologies. For instance, we have developed a Climate Memorandum to engage our partners and clients in finding solutions to reduce emissions. First signatures have become Schneider Electric and Air Liquide, and we welcome other companies to join us. Second, there is progress in the development of our own green steel products like steel for energy wind towers. Third, it is improved infrastructure for collection of end-of-life steel materials”.

Evgeny Shvarts, Member of the Boards of Directors, Independent Non-Executive Director, Member of the Health, Security and Environment Committee, RUSAL and Member of the Board of Directors, Member of the Corporate Governance, Nomination and Remuneration Committee, Member of the Sustainable Development and Climate Change Committee, Nor Nickel:

"It was the climate agenda that turned out to be the only driver for the transition to relative quantitative indicators of strategic planning in corporate development and international voluntary environmental standards. It is the climate agenda that makes the world economy more green and truly global since for the first time in human history governments have set one common goal of preventing climate collapse".

Victor Drozdov, Director, Business Communications and Investor Relations, PJSC Polyus:

"Polyus" is on its way to carbon-neutral gold mining and one of the key transformative factors here is renewable energy sources. We are glad to share the news that in 2021 "Polyus" became fully powered by renewable energy, mainly by hydropower. As a member of ICMM and General strategic partner of CGI Russia, we put a lot of effort into our climate strategy. In 2020 "Polyus" compiled the climate risk map including a quantitative risk assessment and scenario analysis".

Irina Bakhtina, Director for Sustainable Development, RUSAL:

"This year COP26 has switched from "why?" to "how?". Participants agreed that today all the easy opportunities to achieve carbon neutrality have been exhausted, therefore, it is necessary to build long-term strategies. Along with an active discussion of the companies' public obligations, there were debates on specific steps towards the stated goals. One of the most powerful speeches at the Summit was the presentation done by the Ministry of Energy, Russia, demonstrating a state support program for companies during the energy transition".

Video recording is available [here](#).

On November 25, 2021, CGI Russia, with the support of its intellectual partner Deloitte CIS, held an invitation-only interactive boardroom-style discussion "COP26: Discussion post COP 26 – The Russian perspectives of Energy and Business transition"

25 November 2021

The online interactive discussion was moderated by **Olga Pascault**, co-founder and Chair of Management Board, CGI Russia, and **Elena Haykin Sapozhnikova**, co-founder and Member of Management Board, CGI Russia.

The event's speakers were: **Sam Baker**, partner, Deloitte UK, **Olga Kalashnikova**, Head of Environment, PAO Severstal, **Alexander Kraevoy**, Head of Sustainability Programs Department, PJSC RusHydro, **Dmitry Aksakov**, Vice President, VEB.RF, **Maxim Moshkov**, Executive Director, ESG Directorate, Sber.

Are Russian companies' climate targets aligned with global targets?

What does COP 26 mean for Russian business as part of the global economy?

How can the board of directors turn challenges of energy transition into opportunities?

These questions were among those discussed by Boards' representatives of Sber, Polyus, Deloitte, PhosAgro, Marsh, Horizon CF, Korn Ferry, Segezha Group, ALROSA, RUSAL, Nor Nickel and others.

Leaders in Support of Climate Transformation initiative



Alexey Ryabinkin, Vice President of the Mikhailov & Partners Group of Companies: «We have leading Russian industrial, energy, transportation companies and financial

organizations as our clients. And we see how important the issues of sustainable development and the transition to a low-carbon economy become for Russian business and society. Therefore, we greatly appreciate the opportunity to provide CGI Russia with our support in activities aimed at promoting climate transformation, taking into account the global agenda».



Alexander Shevelev, CEO, PAO Severstal: «The climate change we are facing today is unprecedented in human history. Its negative impact is obvious for sustainable

economic development, well-being of society, nature conservation and biodiversity. "Severstal" pays special attention to this problem, and we are not only making great efforts to minimize our carbon footprint, but also trying to involve our partners in joint climate initiatives. In November, Severstal submitted a proposal to the business community to join the Climate Memorandum 'Towards a low-carbon future together' in support of global efforts to prevent further climate change».

ESG Vacancies

CGI Russia's initiative "ESG Vacancies" aims to create a unique platform to unite concerned companies and ESG specialists.

Please submit vacancies and resumes to info@cgi-russia.ru.

CGI Russia News



The co-founders of CGI Russia told about what does it mean to launch a global climate platform in Russia

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The co-founders of CGI Russia Olga Pascault and Elena Haykin Sapozhnikova talked about their story in Plus One media interview.



The full interview (in Russian) is available [here](#).

CGI Russia moderated the round table on ESG issues held by Sberbank

On November 23, 2021, Sber with support of CGI Russia held the round table on ESG issues. Board members of the largest Russian companies gathered to share experience, tasks and challenges.

The round table was moderated by Oleg Tsvetkov, Managing Director, Head of the Corporate Secretary Service of Sberbank, Olga Pascault, Chair of the Management Board, CGI Russia and Elena Haykin Sapozhnikova, Member of Management Board, CGI Russia.

The event was attended by the First Deputy Governor of the Bank of Russia Sergey Shvetsov, Energy Strategy Specialist Carbon Tracker Kingsmill Bond, Deputy Chairman of Deloitte UK, Head of Deloitte Global IFRS and Corporate Reporting Veronica Poole.

Among the participants were board members of the largest Russian companies - AFK Sistema, Aeroflot, En + Group, Inter RAO, Moscow Exchange, MTS, Norilsk Nickel, OMK, Polymetal, Severstal, Sibur, SPB Exchange, Uralchem, PhosAgro, X5 Group, M.Video-Eldorado.



CGI News



Post-COP Statement by CGI: COP26 brings a mix of hope and concern

As governments struggle to find consensus, business must now take the lead.

The Glasgow Climate Pact reflects important signs of progress. The world has clearly recognised the urgency of the climate crisis, and tens of thousands of actors - national governments working with businesses, financial and other civil institutions, and regional governments - came together to set new ambitions. Some crucial taboos were broken, including acknowledging the need to wean the global economy off its dependence on fossil fuels.

We welcome the promise to end and reverse deforestation by 2030, supported by 133 world leaders representing 90% of the world's forests, and the backing lent by financial institutions with \$8.7 trillion of assets under management, who have pledged to take immediate action. But we also recognise the many significant challenges and the persistent 'ambition gap' that separates us from the 1.5°C target. COP confirmed that this must remain our North Star, and while the Glasgow Climate Pact has kept that target on the table, achieving it is by no means guaranteed.

Boards must lead to reach Net-Zero by 2050!

Results of the COP26 for Russia

Experts have voiced concerns that the increasingly severe wildfires that have hit Siberia in recent years will only become more intense due to climate change and unsustainable forestry practices. In order to fight deforestation, Russia **will need** to tighten controls over both legal and illegal logging, as well as up its game in fighting forest fires.

Russia did not present a more ambitious climate strategy in advance of COP26, as was required under the Paris Agreement.

However, officials signed a document days before the summit allowing President Putin to announce that Russia aims to reach net-zero carbon emissions by 2060.

Russia plans to increase its coal production over the next 10 years. That said, the Kremlin considers natural gas to be a crucial transition fuel, even though the **International Energy Agency** has called on nations to immediately halt investments into new gas projects.

S&P Dow Jones Indices Extend Climate Transition and Paris-Aligned Indices

S&P Dow Jones Indices (S&P DJI), the world's leading index provider, **announced** the launch of the S&P Net Zero 2050 Climate Transition Select Index Series and the S&P Net Zero 2050 Paris-Aligned Select Index Series. These new indices are specifically designed as underlying indices for the structured product market, which has been increasingly incorporating environmental, social and governance (ESG) principles.

The indices measure the performance of a targeted number of the largest float-adjusted market capitalization companies, designed to be collectively compatible with a 1.5° C global warming climate scenario. Companies that are involved in controversial business activities related to weapons, tobacco, or ESG controversies, as well as those that are non-compliant with the **United Nations Global Compact** (UNGC) principles, are excluded.

Russian Ministry of Economic Development Prepares Package to Ensure the Competitiveness of Russian Businesses During the ESG Transition

The Russian Ministry of Economic Development has **prepared amendments** to the Federal Law "On Limiting Greenhouse Gas Emissions", which concerns mandatory carbon reporting verification. The bill contains over 30 regulations on accreditation, standardisation and listing of reportable greenhouse gases.

If the bill is adopted, Russian manufacturers will be able to sign service agreements to validate their climate-change projects and have their performance verified by legal entities whose independence and competency has been certified by an accreditation authority.

COP26: New global climate deal struck in Glasgow

A deal aimed at staving off dangerous climate change has been struck at the COP26 summit in Glasgow. The Glasgow Climate Pact is the first ever climate deal to explicitly plan to reduce coal, the worst fossil fuel for greenhouse gases, by 2030.

However, according to many experts, the proposed measures are superficial and not ambitious enough.

Only 1.2% of world's top firms make substantial climate disclosures

Little more than one percent of 5,000 big companies globally are making substantial disclosures of their climate risks, while more than half are not reporting them at all, according to data from ESG research and investment manager Arabesque.

