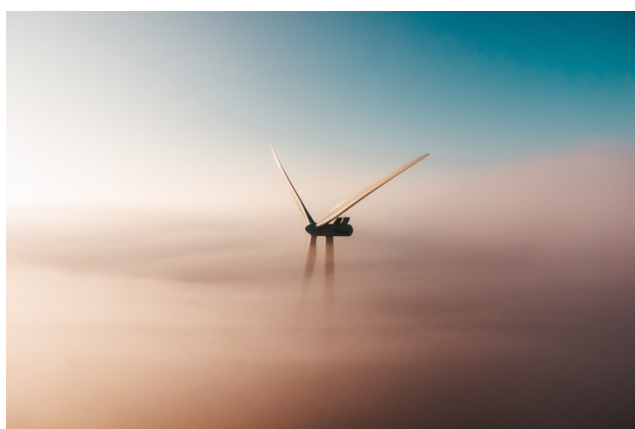


Past Events

CGI Russia: the role of the Board of directors in climate transformation: yesterday, today, tomorrow

12 October 2021



On October 12, 2021 the Climate Governance Initiative Russia (CGI Russia), in partnership with its general strategic partner in Metals & Mining – PJSC Polyus, held an exclusive offline event “CGI Russia: the role of the Board of directors in climate transformation: yesterday, today, tomorrow” dedicated to CGI Russia’s first anniversary of operations.

At the gala event, organized with the support of the general strategic partner in Metals & Mining - PJSC Polyus, CGI Russia presented the results of its activities as the Russian division of the global CGI platform for 2020-2021 along with the future plans on expanding expert support to board members in the area of climate governance.

Alexander Vedyakhin, First Deputy Chairman of the Executive Board of Sber, made a video congratulation on behalf of the General Partner of CGI Russia: “Sber is striving to become a leader in the climate transformation both in Russia and globally, so it is important for us to be engaged in a dialogue with international climate organizations, like our partner CGI Russia, the Russian chapter of the Climate Governance Initiative in collaboration with the WEF, which is one year old today. This is one of the best platforms for dialogue, helping Russian companies to integrate themselves in the global climate arena and demonstrate its “green” transformation. I would like to note the significant progress that CGI Russia has achieved during the year of work. I sincerely congratulate our colleagues and wish them further success in their development and in solving our common tasks”.

At the official part of the event, **co-founders of CGI Russia Olga Pascault and Elena Haykin Sapozhnikova presented the first industry research “Climate Agenda in Russian Metallurgical and Mining Companies: Management System, Strategy and Risks”**. The research was carried out with

the assistance of Deloitte CIS, an intellectual partner of CGI Russia and one of the leaders in the market of consulting services in the field of sustainable development. The data for the analysis were provided by a team of financial analysts and IT specialists from Exerica (Great Britain), an analytical partner of CGI Russia. The first Russian representative of the mining sector to support the initiative and this study was PJSC Polyus, the general strategic partner in Metals & Mining of CGI Russia and one of the leaders in climate transformation in Russia.

Representatives from 40 of Russia's largest companies were among the event's guests, as well as the Bank of Russia and the Federal Service for Supervision of Natural Resource Usage (Rosprirodnadzor).



In the picture, from left to right, are: **Olga Pascault**, Founder and Chair of the Management Board, **CGI Russia**, **Oleg Tsvetkov**, Managing Director, Head of the Corporate Secretary Service, **Sber – General Partner of CGI Russia**, and **Elena Haykin Sapozhnikova**, Founder and Member of the Management Board, **CGI Russia**.

Russian Oil & Gas: The decarbonization journey

21 October 2021



On October 21, 2021 the Climate Governance Initiative Russia (CGI Russia), in partnership with its insurance partner – Marsh, Russia & CIS and its intellectual partner - Deloitte CIS, held the online conference «Russian Oil & Gas: The decarbonization journey».

Creating a low carbon economy over the next 30 years will be one of the most

significant challenges ever faced by the human race. We will not succeed unless there is total and complete commitment to decarbonization across all sectors. Yet, for the Oil&Gas industry, the decarbonization path might prove to be a more challenging journey than for other sectors.

At the CGI Russia online conference, moderated by **Olga Pascault**, co-founder and Chair of Board, **CGI Russia**, and **Elena Haykin Sapozhnikova**, co-founder and Board Member, **CGI Russia**, the leading companies in the Oil & Gas sector discussed the challenges and opportunities they see in developing their climate strategies, and shared their expectations from the upcoming COP26 conference.

Francois Borgida, Vice-President Country Delegate Russia North Sea & Russia – New Business Division, **TotalEnergies**, reported on the company's plans to become a leader in the energy transition and diversifying the supply and sales mix to include low-carbon electricity and green gases including hydrogen. “TotalEnergies is a front-runner of the energy transition and this was exemplified by the recent name change which was approved by 92% of our shareholders, demonstrating a strong support of the Company's strategy to grow energy production with less emissions. This will be built around an increase in gas production including LNG and gases such as hydrogen and biogas as well as a growth of our low carbon electricity capacity, mostly coming from renewable resources. At the same time, we will increase carbon sinks capacity and continuously improve our energy efficiency and methane leak reduction. Russia fits well in this strategy as a country of strong growth for our LNG production and opportunities around Blue hydrogen/ammonia and carbon capture and storage (CCS)”, - highlighted Mr.Borgida.

Tatyana Mitrova, Independent Director at **Schlumberger** and **NOVATEK**, Head of Research at **SKOLKOVO Energy Centre**: “The oil and gas sector accounts for 12% of all greenhouse gas emissions, which exceeds the emissions of the entire industrial sector. Therefore, we need to engage all three technology archetypes currently available for the transition to a low carbon economy, including the

electric, hydrogen and CO2 utilization models”.

Konstantin Romanov, General Director of **Gazprom Hydrogen** and Division Head at **Gazprom**: “Gazprom pays great attention to its climate responsibility and we managed to reduce GHG emissions by 12% for a period of 2018 - 2020. Now "Gazprom" has set a goal to achieve in a year 2031 a reduction in carbon intensity by 11.2% in gas business and by 10.5% in power generation”.

Mikhail Yulkin, Founder and CEO, **CarbonLab LLC**: “The oil and gas sector accounts for 42% of global GHG emissions. This includes both direct and indirect emissions. To reduce the industry contribution, such measures as the transition to electric energy sources in production and equipment, prevention of fugitive emissions of methane and other gases, CO2 sequestration and utilization and rebalancing of the energy portfolio are needed”.

Dan Gardiner, Climate Transition Plan Specialist, **Institutional Investors Group on climate Change (IIGCC)**: “The Net Zero Standard for Oil and Gas enables investors to assess the full range of companies’ decarbonization strategies and distinguish those that are taking actions consistent with a scenario of maintaining global warming within 1.5°C”.

The conference recording is available by the [link](#).

Upcoming Events

Russian Metals and Mining: COP26: Future of the Carbon Transition

11 November 2021, 11 am Moscow time



The Climate Governance Initiative Russia (CGI Russia), in partnership with its general strategic partner in Metals&Mining – Polyus and its ESG-assistance partner - Horizon, will hold the online conference «Russian Metals and Mining: COP26: Future of the Carbon Transition» on November 11, 2021 at 11:00 am Moscow time.

The energy transformation or “Green Deal” gains momentum, new ecosystems are forming, and new technologies emerge. Understanding the financial impact of climate-related risks and opportunities on their businesses is imperative for companies across all sectors. In time, greater scrutiny will be placed on organizations to disclose and respond to the transition and physical risks that lie on the path to the future of the metals and mining sector. Transition risks include depressed asset values, stranded assets and changing market demand. Reputation risks are present here too, as companies strive to become more transparent and show their operating processes. Climate information disclosure is becoming a requirement for global investors and regulators.

During the online conference «Russian Metals and Mining: COP26: Future of the

Carbon Transition» Olga Pascault and Elena Haykin Sapozhnikova, the co-founders of CGI Russia, will discuss the challenges and opportunities of a carbon transition with representatives of metals and mining companies, which are among the leaders of the climate agenda.

- What are the milestones in the transition period and intermediate goals of achieving carbon-neutral commitments for metals and mining companies?
- COP26: conclusions and perspectives. Will COP26 mark a new step of change in the energy transition? How much can businesses lead and, if so, how much will COP26 help them?

Moderators:

Olga Pascault, Founder and Chair of the Management Board, **CGI Russia**

Elena Haykin Sapozhnikova, Founder and Member of the Management Board, **CGI Russia**

Speakers:

Rohitesh Dhawan, CEO, **ICMM**

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

Evgeny Shvarts, Member of the Boards of Directors, Independent Non-Executive Director, **RUSAL**, Member of the Board

of Directors, Member of the Corporate Governance, Nomination and Remuneration Committee, Member of the Sustainable Development and Climate Change Committee, **Nornickel**

Victor Drozdov, Director, Business Communications and Investor

Relations, **PJSC Polyus**

The event will be held online.

The simultaneous translation into English and Russian will be provided.

To attend the discussion please [register](#).

Leaders in Support of Climate Transformation initiative



Maria Novokreschenova, Deputy General Director of Horizon CF LLC: “For Horizon, as an ESG consultant for the largest energy and

mining companies in Russia, the climate agenda is one of the key aspects in the sustainable development concept. In our work, we try not only to increase the level and scale of information disclosure by Russian corporations, but also to convince companies to implement low-carbon technologies and programs to reduce GHG emissions. Over the past 5-7 years, we have seen a radical change in priorities - key international investors have gone from ignoring climate issues to including climate indicators in the key indicators list when making investment decisions and creating appropriate internal analytical departments.

Horizon CF partners with CGI Russia to expand the climate agenda on the board and management level, building on our 25 years of experience. We hope that this partnership will allow more companies to solve the problem of reducing the negative impact on the planet's climate”.

ESG Vacancies

CGI Russia’s initiative “ESG Vacancies” aims to create a unique platform to unite concerned companies and ESG specialists.



Mikhail Shamolin, President, Chairman of the Management Board of Segezha Group PJSC:

“We are closely monitoring the climate change agenda on our

planet. From our side, we strive to make a feasible contribution to the common efforts of preventing a climate disaster. Our key objectives include moving the Group to full carbon neutrality by 2025. We have planned and are implementing a whole range of measures to reduce greenhouse gas emissions. Closed-cycle production technologies are being introduced, hydrocarbon fuels are being replaced by renewable bio fuel, and the level of energy efficiency of enterprises is growing. We pay special attention to responsible forest management. As the largest forest user in the European part of Russia, Segezha Group is transitioning to a sustainable model of intensive forest management. 83% of the forest fund we lease is certified according to international voluntary forest certification schemes.

We plan to bring this figure to 100% by 2023”.

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

CGI Russia has presented its report “Climate Agenda of Russian Metals and Mining Companies: Management System, Strategy and Risks”

The survey was supported by Deloitte CIS, an intellectual partner of CGI Russia and a leader on the sustainability advisory service market.

Data for analysis was provided by financial analysts and IT specialists from Exerica (UK), an analytical partner of CGI Russia, offering AI solutions for financial and statistical data analysis.

Polyus, as the main strategic partner of CGI Russia, was the first Russian miner to support the initiative and this survey. Polyus is a strong advocate of the climate agenda in Russia.

The survey was undertaken to evaluate the maturity level of metals and mining companies in terms of incorporating a climate agenda into corporate governance. Separate parameters factoring in the Carbon Disclosure Project (CDP) and Task Force on Climate-related Financial Disclosures (TCFD) initiatives were selected as evaluation criteria. Against this background, indicators such as actual greenhouse gas emissions, use of renewable energy and low-carbon energy sources were also considered.

A total of 75 metals and mining companies from 19 countries were surveyed for the report, which drew the following conclusions:

- One third of Russian mining companies cover more than 80% of their energy needs with renewable sources

- Local players are increasingly using natural gas (making up at least 70% of total consumption)
- 50% of Russian mining companies have publicly announced climate strategies
- 70% of Russian mining companies have taken measures to identify climate risks
- Russian companies are increasingly noting plans for Science Based Targets initiative (SBTi) validation in their climate goals, and have become more active in engagement with global climate associations, often putting them ahead of their international peers.

The analysis presents the overall position of the Russian metals and mining sector, in particular:

- Position vs. global peers
- Corporate governance
- Strategy
- Risk management
- Metrics and climate goals

The results of the analysis demonstrate that Russian metals and mining companies are addressing climate agenda issues comprehensively through effective corporate governance and actual emission reduction measures, in line with or sometimes ahead of best practice global trends.

HORIZON CF LLC becomes an ESG Assistance Partner of CGI Russia

The goal of the partnership agreement between **Horizon CF LLC** and **CGI Russia** is to jointly promote the climate agenda among board members of Russian companies and create the necessary tools to address the challenges of climate transformation in business strategy. One of the main cooperation areas will be ESG assistance for Russian companies and the implementation of the best international practices for introducing the climate agenda into corporate governance.

An important role in the collaboration between Horizon CF and CGI Russia will be the preparation of analytics on ESG topics, including comprehensive studies involving large Russian companies in various industries. In October 2021, Horizon CF assisted CGI Russia in conducting the research entitled “Climate Agenda in Russian Metals and Mining Companies: Management System, Strategy and Risks”.

Olga Pascault, Founder and Chairman of the Board, CGI Russia, commented on the new partnership: “ESG assistance is an integral part of the consulting services in modern business realities and Horizon, being one of the leaders in this area, will help us improve the quality of the expertise provided by CGI Russia to its members for the implementation of the climate strategy”.



Maria Novokreschenova, Deputy General Director, Horizon CF LLC: “For Horizon, as an ESG consultant for the largest energy and mining companies in Russia, the climate agenda is one of the key aspects in the sustainable development concept. In our work, we try not only to increase the level and scale of information disclosure by Russian corporations, but also to convince companies to implement low-carbon technologies and programs to reduce GHG emissions. Over the past 5-7 years, we have seen a radical change in priorities – key international investors have gone from ignoring climate issues to including climate indicators in the key indicators list when making investment decisions and creating appropriate internal analytical departments.

Horizon CF partners with CGI Russia to expand the climate agenda on the board and management level, building on our 25 years of experience. We hope that this partnership will allow more companies to solve the problem of reducing the negative impact on the planet’s climate”.

“Mikhailov & Partners” becomes a communication partner of CGI Russia



**MIKHAILOV
& PARTNERS**
COMMUNICATIONS
ADVISORS

The Climate Governance Initiative Russia (CGI Russia) announces the conclusion of a partnership agreement with **“Mikhailov & Partners. Strategic Communications”**, the largest Russian consulting company in a sector of strategic communications according to the HP2K rating. Within the framework of the cooperation agreement, Mikhailov & Partners will assist in promoting projects and initiatives of CGI Russia related to the climate agenda in the Russian public space.

Olga Pascault, Founder and Chairman of the Management Board, CGI Russia:

“Climate governance issues are becoming an integral part of business strategy, and for Russian companies to remain competitive in the international arena it is extremely important that the board of directors receives

the most up-to-date information on all aspects of the transition to a low-carbon economy and climate transformation. This is our mission in Russia and we are very pleased with the fact that Mikhailov & Partners will help us convey this information to a larger number of board members and emphasize the importance of the climate agenda for all ecosystem participants”.

Horizon CF partners with CGI Russia to expand the climate agenda on the board and management level, building on our 25 years of experience. We hope that this partnership will allow more companies to solve the problem of reducing the negative impact on the planet’s climate”.

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 support in activities aimed at promoting climate transformation, taking into account the global agenda”.

PhosAgro becomes the general strategic partner of CGI Russia

The goal of the partnership agreement between **CGI Russia** and the **PhosAgro Group**, one of the world’s leading phosphate-based fertilizer producers, is to jointly promote the climate agenda among the board members of Russian companies and create the practical tools necessary to address the challenges of climate transformation in the chemical industry. Joint industry research will be one of the main areas of cooperation.



Climate crisis requires boards to put climate transition at the heart of corporate strategy, says international network of board directors

As the global UN COP26 climate talks commence in Glasgow, the international Climate Governance Initiative (CGI) has called on board directors across the world to place the climate transition at the heart of corporate strategy and board decision-making. In a [statement](#) released on November, 2 2021, the CGI points to warnings from Mark Carney and others that the climate crisis poses the 'single greatest threat to global financial stability' and urges board directors to rapidly skill up in order to confront the climate emergency.

Set up in association with the World Economic Forum in 2019, the Climate Governance Initiative network represents over 100,000 board directors across more than 20 major economies, with the capability to influence trillions of dollars of capital through the companies they serve.

The statement notes that the impact of the climate crisis 'will be felt by all companies, posing major short, medium and long-term risks and requiring boards to put climate change at the heart of their strategy, risk management and disclosure processes'. It calls on board directors to 'play a part in the global response to climate change', emphasising the critical role of board directors in the transition to a net-zero future.

Karina Litvack, Chair of the Climate Governance Initiative:

"We welcome the fact that growing numbers of directors around the world have understood the gravity of the climate crisis and have committed to taking a leadership

role in improving climate governance on their boards. We represent an important new wave of climate champions who have significant influence, and we are ready to step up to accelerate the pace of change needed to deliver a net-zero economy in our lifetime."

The Climate Governance Initiative statement states that 'now is a crucial time for boards to be engaging with the impacts of climate change and making long-term plans for the future. This includes ensuring that their business strategy is resilient in a zero emissions future and the executive team has the skills to deliver it.' The Climate Governance Initiative gives board directors the skills they need to advocate for their companies to accelerate their net-zero journey, by drawing on the eight Climate Governance Principles published by the World Economic Forum.

Olga Pascault, Founder and Chair of the Management Board, CGI Russia: "Local director networks that make up the Climate Governance Initiative, known as Chapters, are 'building a community of climate conscious directors who are committed to developing the skills, processes and understanding necessary for them to fulfil their fiduciary duties in the long-term service of their organisations'. During our first year of operation in Russia, our initiative has attracted more than a thousand participants, and we are pleased to see that Russian companies keep up with their foreign peers in matters of sustainable development and the climate agenda".

The Cabinet of Ministers has determined the list of greenhouse gases to be accounted for

The Cabinet of Ministers [has determined](#) a list of greenhouse gases that need to be accounted for. A corresponding order was signed by Prime Minister Mikhail Mishustin.

The document defines the list of substances that need to be disclosed. These include

carbon dioxide, methane, nitrous oxide, sulfur hexafluoride, hydrofluorocarbons and perfluorocarbons, as well as nitrogen trifluoride. Targets for limiting emissions are also expected to be set.

Philip Morris Pulls Forward Climate Goals, Launches Carbon Transition Plan

Tobacco company Philip Morris International (PMI) [announced](#) an update to its climate goals, accelerating its targets to achieve carbon neutrality in its operations by 5 years to 2025, and across its entire value chain by ten years to 2040.

The new goals were announced with the release of the company's [Low Carbon Transition Plan](#) (LCTP), outlining the company's plan to achieve, measure, and report on its climate ambitions.

UNEP released the 2021 Production Gap Report

In October UNEP [released](#) the 2021 [Production Gap Report](#). This is the first comprehensive update of the production gap analysis since 2019 assessment. The report also contrasts net-zero commitments and fossil fuel production plans and explores how governments worldwide are supporting fossil fuel production through their policies, investments, Covid-19 recovery measures and other mechanisms, as well as how some

are beginning to discuss and enact policies towards a managed and equitable transition away from fossil fuel production.

Assessment of the production gap is based on recent and publicly accessible plans and projections for fossil fuel production published by governments and affiliated institutions.