

Past Events

Global Investors and Climate Change: Expectations, Analysis and Reality



On September 16, 2021 the Climate Governance Initiative Russia (CGI Russia) with the support of its General Partner PAO Sberbank held an online conference for board members and senior executives on the topic of “Global Investors and Climate Change: Expectations, Analysis and Reality”.

The online conference was moderated by **Olga Pascault**, Founder and Chair of the Management Board, **CGI Russia** and **Elena Haykin (Sapozhnikova)**, Founder and Member of the Management Board, **CGI Russia**.

CGI Russia invited the world's largest asset management companies, Sberbank and the London Stock Exchange to discuss the following issues:

- How Sustainable Development and Climate Management Goals

influence the value of stocks and bonds?

- Which Russian companies should consider entering international capital markets?
- What do global investors expect from Russian companies in terms of ESG and climate strategy disclosure?

Oleg Tsvetkov, Managing Director, Head of the Corporate Secretary Service, **Sberbank**, demonstrated the principles of climate governance on the example of Sberbank. According to Mr. Tsvetkov, the Supervisory board becomes the ultimate driver of ESG transformation, including its climatic aspect. “We were the first in Russia to develop a documentary format for ESG policy which sets out the goal, principles, tasks and directions of Sberbank's activities in the field of ESG and sustainable development. Sberbank strives to become a leader and an agent of change in the ESG area at the national and global levels in order to create a prosperous economy that is effective for society and friendly to the environment. To achieve sustainable development goals, it is necessary to consider all governance issues of Sber Group through the prism of the ESG strategy until 2023”, - said Mr. Tsvetkov.

Katya Gorbatiouk, Primary Capital Markets - Russia, CIS, Central Asia, **London Stock Exchange**, spoke about the Exchange's approach to supporting the sustainable financing movement. "As one of the largest exchanges in the world, we have a responsibility to support the changing needs of investors, issuers and the economy at large. London Stock Exchange is the first global exchange to commit to Net Zero, backed by Science-based Targets. We are co-chairing the UN Sustainable Stock Exchange Advisory Group, tasked with developing a Model Climate Reporting Guidance. On the product side, we offer a green focus across all asset classes, including the "Green Economy Mark" that identifies green champions across our markets, the Sustainable Bond Market with over 300 Green and Sustainable debt issues being traded, over 130 ESG ETFs, 30 Green Funds, as well as over 100 ESG indices. Following our merger with Refinitiv, we now offer a market-leading range of ESG data and analytics tools to help channel capital flows into companies and sectors delivering positive environmental outcomes".

Investors' standpoint was presented by East Capital, Aberdeen Standard Investments, BMO Global Asset Management and Amundi Asset Management.

David Nicholls, Assistant Portfolio Advisor at **East Capital**, Deputy Chairman of the **API Russian Corporate Governance Association**: "We expect that global decarbonisation will prove to be a highly disruptive market trend over the next few years, including for the asset management industry. All capital providers will increasingly look at carbon intensity vs peers as a key performance metric, and hence companies with better metrics and climate strategies are likely to enjoy lower costs of capital. Over the past three years Russian companies have moved away from greenwashing and are starting to embed climate risks and opportunities

into their governance structures and strategies, although there is more to be done, starting with increased board competence and more robust scenario analysis".

William Scholes, Investment Director, **Aberdeen Standard Investments**: "ESG strategy gives company stocks a chance to trade at a sustainable premium, and we see improvements in ESG as a crucial part of unwinding the discount at which Russian equities trade relative to global peers. Companies have made great progress here, but bringing in more diverse skill sets to company Boards will ensure further progress is made in managing risks not just related to climate but across all areas".

Sonya Dilova, Director of Emerging Capital Markets, **BMO Global Asset Management**: "Along with digital transformation, the climate agenda became another disruptive factor impacting the organisational life cycle. Climate issues should be incorporated in the long-term corporate strategy and form part of the decision process. Therefore, the board members should bear financial responsibility for decisions made in the field of climate governance".

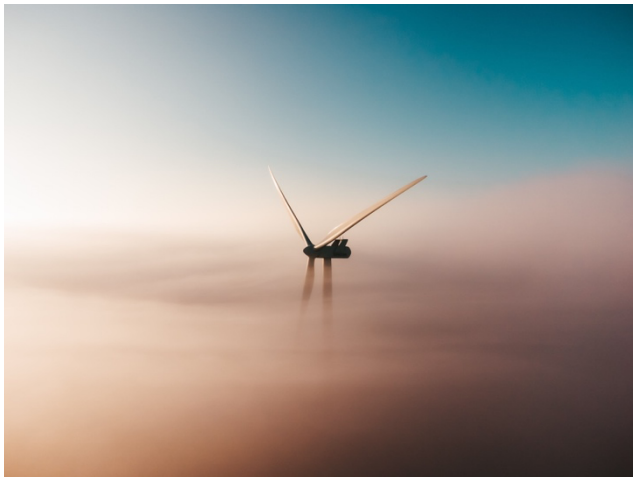
Sergei Strigo, Co-Head of Emerging Capital Markets, **Amundi Asset Management**: "Green bonds are a compelling source of ESG funding for companies and it allows investors to access climate related investment opportunities. Considering recent growth trends in Green Finance globally and especially in Latin America and Asia, we believe there is a significant scope for Russian corporates to tap the international Green bond market".

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

Upcoming Events

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

12 October 2021, 6:00 pm Moscow time



On October 12, 2021 the Climate Governance Initiative Russia (CGI Russia), in partnership with its general strategic partner – Polyus, will hold 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. The event is by invitation only.

Russian Oil & Gas: The decarbonization journey

21 October 2021, 11:00 am Moscow time



The Climate Governance Initiative Russia (CGI Russia) in partnership with its insurance partner – Marsh, Russia & CIS and its intellectual partner - Deloitte CIS is delighted to invite board members, asset managers, chairs and members of audit and risk committees to the discussion «Russian Oil & Gas: The decarbonization journey» on October 21, 2021 at 11:00 am Moscow time.

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.

Many leading O&G companies publicly announce goals related to reducing emissions, utilizing renewable energy, and addressing climate-related risks. We will discuss what challenges and opportunities Russian energy companies consider when they develop their climate strategies.

Nevertheless, the transition toward a clean energy future is underway, and it will change almost every aspect of O&G companies’ assets and operations. Therefore, we will discuss transition risks

and new CO2 regulations that impact the companies' development.

COP26 is expected to be a milestone on the climate agenda. It will be the first COP to take place after the landmark Paris Agreement's measures take effect and the first opportunity for nations to come together to review their commitments and strengthen their ambitions. We will analyze what COP26 means for the future of Russian O&G companies in terms of business model, risk management and collaboration.

Moderators:

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

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

The event will be held online.

The simultaneous translation into English and Russian will be provided.

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

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

11 November 2021, 11 am Moscow time



The Climate Governance Initiative Russia (CGI Russia) is delighted to invite board members, asset managers, chairs and members of audit and risk committees to the discussion «Russian Metals and Mining: COP26: Future of the Carbon Transition» on November 11, 2021 at 11:00 am Moscow time.

There are abundant examples of both public and private organizations working hard to decarbonize the economy. The Russian metals and mining sector is among the leaders of the climate agenda. As this energy transformation or “Green Deal” gains momentum, new ecosystems are forming, and new technologies emerge. We will discuss the challenges and opportunities of a carbon transition

with representatives of metals and mining companies at a roundtable on “Russian Metals and Mining: COP26: Future of the Carbon Transition”.

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.

We will discuss metals and mining companies' milestones in the transition period and intermediate goals of achieving carbon-neutral commitments on the panel session. Also, we will look at conclusions after COP26 and discuss what

businesses can hope for. Will COP26 mark a new step of change in the energy transition? Are we putting too much faith in politicians to lead on that 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**

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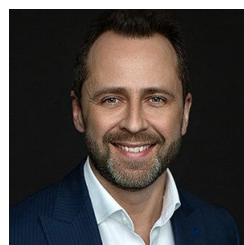
The event will be held online.

The simultaneous translation into English will be provided.

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

Leaders in Support of Climate Transformation initiative

CGI Russia has launched the **Leaders in Support of Climate Transformation initiative**, which aims to bring together executives involved in business climate transformation.



Yaroslav Glazunov,
CEO, Korn Ferry Russia & CIS:

«Global business leaders today are becoming true visionaries and ideological inspirers of the climate transformation for their companies and, as a result, for the entire world economy. Close attention to environmental issues on the part of corporate owners, a responsible, thoughtful and supportive approach of directors, board members and management teams to this topic can radically affect the speed and quality of environmental transformation of entire industries».

ESG Vacancies

CGI Russia has launched the **ESG Vacancies initiative**, which 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 launches in-house analytics

In order to fulfill the mission of implementing the climate strategy and providing climate governance expertise for board members, **CGI Russia** launches its own analytics.

The main goal is to form an expert opinion on the implementation of the climate agenda in corporate governance, as well as to collect process, systematize, analyze and

forecast companies' activities relating to ESG and climate transformation.

CGI Russia also plans to develop a knowledge base: conceptual framework, legal basis and step-by-step instructions to support raising awareness and developing competencies among boards of directors, allowing them to manage climate risks more effectively.

Korn Ferry Russia & CIS becomes an Organizational Consulting Partner for the CGI Russia

The goal of the partnership agreement between **Korn Ferry Russia & CIS** and **CGI Russia** is to jointly promote climate agenda among board members of Russian companies and create necessary toolkits to address the challenges of climate transformation in business strategy. One of the main cooperation areas will be an exchange of expertise needed for the selection process of ESG specialists within the Russian companies as well as the implementation of the best international practices for merging climate agenda into corporate governance.

Olga Pascault, Founder and Chair of the Management Board of CGI Russia: "Only concerted actions in accordance with scientifically based targets of reducing greenhouse gas emissions and decarbonization can solve the problem of global warming. The combined competencies of Korn Ferry and CGI Russia will strengthen the support of the management of Russian companies in their efforts to integrate the climate agenda into business strategy and personnel growth".

Yaroslav Glazunov, CEO, Korn Ferry Russia & CIS: "Global business leaders today are becoming true visionaries and ideological inspirers of the climate transformation for their companies and, as a result, for the entire world economy. Close attention to environmental issues on the part of corporate owners, a responsible, thoughtful and supportive approach of directors, board members and management teams to this topic can radically affect the speed and quality of environmental transformation of entire industries. The formation of corporate competencies in the field of environmental care and investments in ESG development means an important step forward for modern companies that are aware of their role in a society and strive to bring positive changes in the world. We are pleased to become a partner of the CGI Russia and are ready to bring our rich experience and unique expertise for a comprehensive support of the climate transformation in Russian business".

CGI Russia is delighted to announce that it is joining forces with fellow CGI Chapters around the world to co-host the CGI Global Financial Sector Hub

CGI Russia is proud to be a co-host of the **CGI Global Financial Sector Hub**, which will unite board members of the global financial institutions to improve their climate awareness and discuss risks and opportunities of climate strategy. The collaboration in the global financial sector is crucial to achieve carbon neutrality and streamline climate governance as a primary driver for a low-carbon economy.

Please submit your applications to fs@webhub.info.

Meanwhile you are invited to the climate events of CGI Russia's global counterparts:

Thursday 28 October

1:00-2:30pm BST

Financial disclosures and the management and integration of climate considerations into reporting: Reviewing the substance behind the reports

[Register here](#) (Please note this session has limited space and will be capped at 30 participants)

Tuesday 30 November

1:00-2:00pm GMT

Climate change: Risk management and scenario analysis

[Register here](#)

Co-Founder of CGI Russia will be a speaker at XVII Russian Risk Conference 2021

On **October 20-21, 2021 XVII Russia Risk Conference 2021** will take place in **Moscow**. The largest international professional event for risk managers combines modern approaches, technologies and innovations in the field of risk management.

At the session "**GREEN FINANCING**" the important trends of ESG banking, the integration of climate risks into the risk management system, "green" financial instruments, ESG principles and ESG ratings will be discussed.

Elena Haykin (Sapozhnikova), co-founder of CGI Russia, will speak at the session with the topic "**Climate risks and sustainable development in the duties of director boards: strategy, risks, fiduciary obligations**".

Registration www.riskconference.ru

EU Prepares to Kick Off Massive EUR 250 Billion Green Bond Programme in October

The European Commission [has announced](#) the launch of its Green Bond Framework, a key step as it prepares to kick off its landmark EUR 250 billion green bond programme with an initial issuance anticipated in October. The green bond programme is being launched as part of [NextGenerationEU](#) (NGEU), the EU's EUR 800 billion recovery programme established in response to the COVID-19 crisis. The initiative aims to support economic recovery through investments geared towards making the EU greener, more digital and more resilient.

The European Commission President [announced last year](#) that a full 30% of the NextGenerationEU budget would be raised through green bonds.

The EU's upcoming green bond issues will further expand the already rapidly growing sustainable finance market.

New Study by Energy Centre at Moscow School of Management SKOLKOVO

[The Energy Centre](#) of the Moscow School of Management Skolkovo [has assessed](#) the impact of the EU's Carbon Border Adjustment Mechanism (CBAM) on the export activities of Russian companies.

Among other findings, the study concluded the following: EU cross-border carbon regulations will have a greater impact on the Russian economy than previously estimated. Ultimately, virtually all companies in all sectors of the Russian economy will be affected, directly or indirectly.

CBAM is likely to have a major impact on the competitiveness of exporters from many countries. In particular, the new regulations will affect Russia, Turkey, China and Norway, and to a lesser extent Belarus, Ukraine, Tunisia, Morocco, the UK and the UAE. These countries will have to

simultaneously transition to a low-carbon model and pay a carbon tax on goods exported to the EU.

The study [shows](#) that Russian businesses and regions need a clearly articulated national climate strategy with sector- and region-specific emission targets for 2025, 2030 and 2050, along with support mechanisms for implementing GHG emission-reduction initiatives.

American Airlines, Microsoft Join Gates-backed Programme to Boost Clean Energy

Several U.S. companies, including American Airlines Group Inc., General Motors and Microsoft Corp, have built on their commitment to clean energy by joining billionaire and Microsoft co-founder Bill Gates' [Breakthrough Energy](#) programme.

The initiative aims to boost development of technologies in order to achieve the target of net-zero carbon emissions by 2050.

Its catalyst programme aims to raise money from governments, philanthropists and companies to make capital investments to bring down the cost of clean technology.

In a statement, American Airlines said it has invested USD 100 million already.