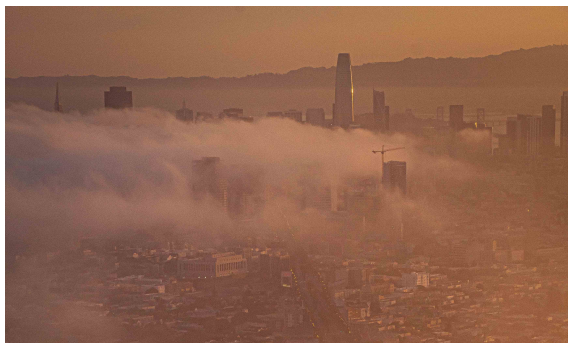


PAST EVENTS

The Russian retail sector and climate change: challenges and opportunities for board members



On July 15, 2021 the Climate Governance Initiative Russia (CGI Russia) in partnership with its intellectual partner - Deloitte CIS held the round table "The Russian retail sector and climate change: challenges and opportunities for board members".

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

Ivan Kukhnin, Partner and Head of

Business with our suppliers. By 2025, all home deliveries to customers should be done by electric vehicles. Today, pilot fleets of electric vehicles have been launched for Moscow and St. Petersburg, in the future this experience will be expanded to other cities. It is important to make sure that the KPIs for sustainable development match the KPIs for sales, and at IKEA we follow this principle".

Ekaterina Ivanova, Head of Social and Environmental Responsibility, **Leroy Merlin, Russia**: "The company's carbon footprint is central to Leroy Merlin's sustainable development strategy. It is also an effective tool for assessing the company's environmental goals. By 2025, Leroy Merlin plans to switch to renewable energy for all its operations".

Nadezhda Galaktionova, Head of Sustainable Development, **Magnit**:

Sustainable Development Services Group of **Deloitte CIS**, gave the opening speech on behalf of CGI Russia's intellectual partner.

The participants shared their experience in tackling climate challenges as part of the ESG strategy of companies and presented the main factors for successful climate transformation, among which the following stand out:

- a systematic approach to climate transformation: work should be carried out both with company personnel and with suppliers and consumers
- creation of areas of responsibility at the level of boards of directors and management
- climate KPI accounting system with measurable indicators
- staff training and inclusion of climate KPIs in the motivation system

Konstantin Voytikov, Vice President for Production and Supply Services, Member of the Board of Directors, Unilever, Russia, Ukraine and Belarus: "The main mission of Unilever is to make sustainable development commonplace. This is made possible by our purpose-driven brands. Each brand must contribute to either improving the health of the planet, the health and self-esteem of people, or a more just society. And for us these are not just words — by 2030 Unilever is to invest 1 billion euros in the implementation of the "Clean Future" strategy and by the same year we plan to make all ingredients in our product formulations 100% biodegradable."

"Magnit is carrying out climate transformation of business both as a retailer and a food manufacturer, so our approach is comprehensive. The company has a multi-level climate management structure. The company's board of directors has adopted a sustainable development strategy, including the company's climate goals. At the level of executive management, there is a Steering Committee for Sustainable Development, which ensures the implementation of the adopted strategy. Therefore, issues related to climate transformation are being implemented systematically and consistently. In 2020, Magnit was the first Russian retailer to start testing an electric truck to reduce its carbon footprint. We use a closed CO2 cycle at our own agricultural sites — carbon dioxide released by greenhouses' heating systems is captured and used to feed greenhouse plants".

Elena Konnova, Director of Corporate Communications, X5 Group: "The scale of the company determines our impact on the environment, we are aware of the level of our responsibility and the challenges we face are addressed systematically. Key to success is the commitment by the Supervisory Board and the company's management to ESG goals, as well as a transparent system of accounting with measurable indicators and the involvement of employees and partners. Thus, all goals are fixed in the company's sustainable development strategy until 2030; climate risk assessment is part of the overall risk assessment system. Last year, we already reduced Scope 1 and Scope 2

According to Mr. Voytikov, retailers will inevitably have to shift towards greater environmental awareness, as survey data show that already 62% of Gen Z and millennials prefer brands with purpose and a specific mission: in the future, the share of such buyers will only grow.

Natalya Beneslavskaya, Head of Sustainable Development and Environmental Protection, IKEA, Russia: “One of the most important IKEA climate initiatives is renewable energy. In 2021, we invested 21 billion roubles to acquire a stake in a company that owns solar parks, thus covering 100% of the electricity consumption of IKEA stores. We want to share this experience

emissions by 9% and will continue to progress in this direction. The company develops projects aimed at reducing its ecological footprint, for example, Smart Shield and Smart Store helped introduce energy-saving technologies at the point of sale, and for suppliers we, together with experts and partners, developed recommendations on sustainable packaging that will reduce the volume of waste sent to the landfill”.

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

UPCOMING EVENTS

Global investors and climate change: expectations, assessments and reality

16 September 2021, 11 am Moscow time



The Climate Governance Initiative Russia (CGI Russia) in partnership with its general partner - Sberbank is delighted to invite board members, asset managers, chairs and members of audit and risk committees to the discussion

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

Moderators:

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

Elena Haykin (Sapozhnikova),

«Global investors and climate change: expectations, assessments and reality» on September 16, 2021 at 11:00 am Moscow time.

Climate change is no longer a hypothetical risk and is impacting economies and markets today. It is a significant material consideration for all investors – regardless of whether or not they lean towards sustainability objectives. The time has come for long-term investors to view climate change not just as a risk factor in their investment framework but as an opportunity for active alpha generation along the path to a greener economy.

For example, the 457 investors that hold almost a third of the world's assets under management signed a joint statement calling for governments to significantly strengthen their plans to cut carbon emissions in the next decade and to bring in detailed targets for net zero emissions by 2050 or sooner.

The Climate Governance Initiative Russia has invited the largest global asset managers as well as London and Moscow stock exchange to discuss:

- How sustainable goals and climate governance are embedded into stocks and bonds' evaluations?

Founder and Member of the Management Board, **CGI Russia**

Speakers:

Oleg Tsvetkov, Managing Director, Head of the Corporate Secretary Service, **PAO Sberbank**

Ayuna Nechaeva, Head of Europe, Primary Markets, **LSEG**

David Nicholls, Deputy Chairman, Russian Association for Corporate Governance **API**, Portfolio Manager, **East Capital**

William Scholes, Investment Director, **Aberdeen Standard Investments**

Sonya Dilova, Director, Emerging Markets, **BMO Global Asset Management**

Sergei Strigo, Co-Head of Emerging Markets, **Amundi Asset Management**

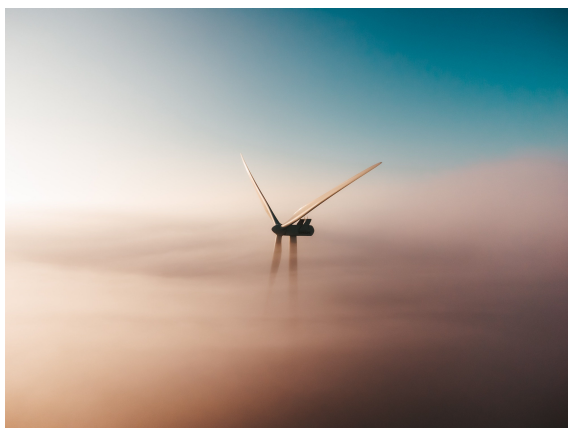
The event will be held online.

The simultaneous translation into Russian and English will be provided.

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

CGI Russia: The Role of the Board of Directors in Climate Transformation: yesterday, today, tomorrow

1 October 2021



On October 1, 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 year of operations. The event is by invitation only.

Russian Oil & Gas: The decarbonization journey

14 October 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 Oil & Gas: The decarbonization journey» on October 14, 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.

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:

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.

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 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

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

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

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**

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.



Alexander Vedyakhin,
First Deputy
Chairman of the
Executive Board,
PAO Sberbank:

“Russia has a long way to go in the coming years – both in terms of adapting to climate change and transitioning to a low-carbon economy. In this context, Sberbank’s task as the country’s largest financial institution is to both achieve carbon neutrality in its own operations by 2030 and mitigate the climate risks of our clients by assisting them in their ESG business transformation”.

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 News



AICD joins Climate Governance Initiative as Australian host

[The Australian Institute of Company Directors](#) (AICD) announced that it has joined the Climate Governance Initiative, as host of the Australian Chapter.

AICD CEO and Managing Director, Angus Armour said, “The AICD is excited to host the Australian chapter of this leading global forum on climate change governance. Climate risk is no longer an issue facing select sectors, but a standing item on many board agendas and our goal is to deepen the conversation on climate governance in Australia.

We are excited to collaborate through the Climate Governance Initiative with experts and directors in Australia and around the world, all confronting similar issues,” Mr Armour said.

Through the Climate Governance Initiative, Australian directors will have access to local and international resources and events and contribute to the global network.

To mark the launch of the Initiative in Australia, the AICD in collaboration with MinterEllison, has released a [Director Guide to Climate Risk Governance](#), covering many practical aspects of climate strategy.

Climate News

Deloitte.
CGI Russia Intellectual Partner

The IPCC's Latest Climate Report is Dire

The Intergovernmental Panel on Climate Change ([IPCC](#)) published its Sixth Assessment [Report](#), entitled *Climate Change 2021: The Physical Science Basis*, in August 2021. [The report](#), prepared by 234 scientists from 66 countries, reveals that human influence has warmed the climate at a rate unprecedented in at least 2,000 years.

The global surface temperature has increased faster since 1970 than in any other 50-year period in the past 2,000 years at least. For example, temperatures in the last decade (2011–2020) exceeded

those of the most recent multi-century warm period, which took place around 6,500 years ago. Meanwhile, the global mean sea level has risen faster since 1900 than in any preceding century in at least 3,000 years.

The document proves that emissions of greenhouse gases from human activities were responsible for approximately 1.1°C of warming between 1850 and 1900. They also found that over the next 20 years, the average global temperature is expected to reach or exceed 1.5°C of heating.

Russian Government to Create Working Groups to Consider a Decarbonisation Path for the Economy

Russian Prime Minister Mikhail Mishustin has tasked the government with [creating](#) working groups to figure out how to prepare the national economy for the global energy transition, entailing a rapid move away from fossil fuels to renewable energy sources.

The working groups will identify decarbonisation risks and opportunities for the Russian economy, consider possible scenarios, and select an optimal one.

IKEA to Sell Renewable Energy to Households in Sweden

IKEA, the world's biggest furniture brand, [is branching out](#) into selling renewable energy to households, starting with its home market of Sweden in September. Households will be able to buy affordable renewable electricity from solar and wind parks and track their usage through an app.

[IKEA](#), which also sells solar panels for households in 11 markets, stated that buyers will be able to track their own energy consumption in the app and sell back surplus electricity. The company aims to make electricity from sustainable sources more accessible and affordable for all.