

## Sber – general partner of Russian Chapter: The Directors' Climate Forum



**Sber** has become the general partner of **Russian Chapter: The Directors' Climate Forum**, an initiative launched in association with the World Economic Forum to raise awareness and build the competencies of board directors and executive bodies of

Russian companies in sustainable development and climate change.

It's an important step towards achieving one of the ambitious goals outlined in **Sber's** new strategy, which is to lead Russia's sustainable development agenda.

With support from **Sber, Russian Chapter** is set to organize regular meetings with global experts, watchdogs, and industries to pool experience and design the best approaches to climate governance.

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## Global network of board directors welcomes push for IFRS Sustainability Standards Board

In response to a consultation launched by the IFRS Foundation regarding the possible creation of a dedicated **Sustainability Standards Board**, an international network of listed company board directors from over 25 countries has come together to voice its strong support.

**The Climate Governance Initiative (CGI)**, a project launched in 2019 in association with the World Economic Forum, has brought together thousands of directors whose shared aim is to be effective boardroom



advocates for the adoption of sound climate transition strategies.

In order to drive the implementation of the CG Principles, the CGI has meanwhile established local Chapters around the world whose mission is to

bring directors together with peers, independent experts, investors, stakeholders and policy makers, thus enabling them to deepen their skills and bring fresh perspectives into their boardrooms. At present, the CGI has fully operational Chapters in France, Italy, Malaysia, **Russia**, Switzerland and the United Kingdom.

Further Chapters are currently under development, and will be launched in 2021. These include Brazil, Central America, Central Asia, Central & Eastern Europe, Chile, Colombia, the European Union, Hong Kong, Ireland, Mexico, the Netherlands, the Nordic region, Poland, Singapore, South Africa, Ukraine and the United States.

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## Past Events

**Olga Pascault**, Founder and Chair of the Management Board of Russian Chapter, spoke at the **First Russian-European Climate Conference** organized by the Delegation of the European Union to the Russian Federation and the Energy Centre of the Moscow School of Management **SKOLKOVO**. The conference was held online on December 1-3, 2020. It was the first forum on climate issues of such scale and such level of representation in Russia. In her speech, Olga Pascault emphasized that the link between climate change and business is becoming increasingly clear and unbreakable. Business decisions and actions will slow down or accelerate climate change, and climate change brings risks and opportunities for business. Climate change is not a new problem - but what has changed is the attitude of investors, regulators and end users who expect company directors to give due consideration to climate-related issues. On the one hand, good governance, by its very nature, should automatically include effective climate management. On the other hand, climate change is a new and complex issue for many companies. This challenge involves analyzing scientific, technical, macroeconomic, political and regulatory uncertainties on a broad

time scale and beyond the board's remit. But the main problem is the rather limited range of practical tools to help directors understand their role in responding to climate impacts.

On **17 December 2020** the **Russian Chapter** Directors' Climate Forum, in partnership with its **general partner Sberbank**, hosted the roundtable **"The Leading Role of Central Banks in Climate Governance Across the CIS"**. The following experts spoke at the event: **Maxim Morozov**, Divisional Head of the Financial Stability Department at the Central Bank of Russia; **Mark Smith**, COO at Deloitte CIS, Managing Partner for the Caspian Region; **Tatiana Zavyalova**, Senior Vice President for ESG at Sberbank; **Asel Nurakhmetova**, Advisor at AIFC Green Finance Centre Ltd in Kazakhstan.

During the event, experts discussed the challenges and opportunities associated with climate risks for central banks in the CIS region, as well as various aspects of green finance development.

There was great interest in the work of key international organizations in sharing best practices in climate risk management and the active involvement of the Central Bank of Russia and Sberbank in this process.

## Upcoming Events

On **28 January 2021** the **Russian Chapter** Directors' Climate Forum will host the **"Climate Regulation and Disclosure"** roundtable. Leading international and Russian lawyers from DLA Piper, Commonwealth Climate and Law Initiative and MinterEllison will speak about international principles of climate management, legal obligations of Directors and the need for disclosure of information. Please follow [the link](#) to register for the roundtable.

On **18 February 2021** – **"Physical risks and opportunities for Russian companies: who wins, who loses"** roundtable.

What do climate risks mean for Russia? Which industries and regions will be most affected? What are the socio-economic impacts of physical climate risks in Russia and in other countries? How do investors, banks and insurance companies assess physical climate risks? What practical tools can help directors understand how physical climate risks may affect their companies and stakeholders, and how to build strategies to address these risks. Please follow [the link](#) to register for the roundtable.

Climate News,  
December 2020

**Deloitte.**  
Russian Chapter Intellectual Partner

## Seventy-five countries commit to 'net-zero' carbon emissions at UN climate meeting

The United Nations hosted its 26th annual climate conference, where countries from around the world, including the EU, met virtually to report on their forthcoming sustainability initiatives.

According to the UN's official [summary](#), the event's biggest takeaway was that countries representing "65 percent of global CO2 emissions, and around 70 percent of the world's economy, will have committed to reaching net zero emissions or carbon neutrality by early next year."

Chinese General Secretary Xi Jinping said that China would reach 1,200 gigawatts of installed solar and wind energy capacity within the next decade, while simultaneously increasing renewable energy consumption to 25 percent of the country's total. Meanwhile, Indian Prime Minister Narendra Modi said that his country plans to hit 450 gigawatts of renewable power by 2030, according to a report from [Deutsche Welle](#).

The UK, France, and Sweden announced that they would stop financing new fossil fuel drilling and extraction projects.

## The progress report of *Climate Action 100+* registers accelerated company commitments to net-zero emissions

Almost half of the focus companies of Climate Action 100+, the world's largest ever investor engagement initiative on climate change, have now pledged to reach net-zero emissions by 2050 or sooner, its latest progress report reveals.

The [Climate Action 100+ 2020 Progress Report](#) also outlined the organization's significant growth and evolution. The initiative now features 545 investor signatories, responsible for over USD 52 trillion in assets under management, and engages with 167 companies.

The [Climate Action 100+ 2020 Progress Report](#) contains the following findings:

- Of the initiative's focus companies, 43 percent now have goals or commitments to reach net-zero emissions by 2050 or sooner in some form. Meanwhile, 51 percent also have short-term emission reduction targets (through 2025), and 38 percent have medium-term targets (for 2026-2035).
- Just 10 percent of focus companies have net-zero targets that include coverage of their most material Scope 3 emissions.
- Of electricity utility companies on the initiative's focus list, 26 percent plan to phase out coal.

## Low-carbon generation is becoming cost competitive, NEA and IEA say in new report

The levelised costs of electricity generation of low-carbon generation technologies are falling, and they are increasingly below the costs of conventional fossil fuel generation, according to the [2020 edition of the Projected Costs of Generating Electricity](#). Based on an analysis of 243 plants and data from 24 countries, the report presents the plant-level costs of generating electricity for baseload electricity generated from fossil fuel, nuclear energy, and a range of renewable technologies, such as wind and solar, hydro and biofuels.

Despite differences in regional, national, and local conditions, the report finds that low-carbon generation is overall becoming increasingly cost competitive. Renewable energy costs have continued to decrease in recent years, and the costs of wind and solar PV are now competitive with fossil fuel-based electricity generation in many countries. Electricity from nuclear power plants is also expected to cost less in the near future. Due to cost reductions stemming from the lessons learnt during first-of-a-kind projects in several OECD countries, new nuclear power will remain the dispatchable

low-carbon technology with the lowest expected costs in 2025. The [report](#) also finds that prolonging the operation of existing nuclear power plants, known as long-term operation (LTO), is the most cost-effective source of low

carbon electricity. Hydroelectric power can provide a similar contribution at comparable costs. However, it remains highly dependent on the natural endowments of individual countries.