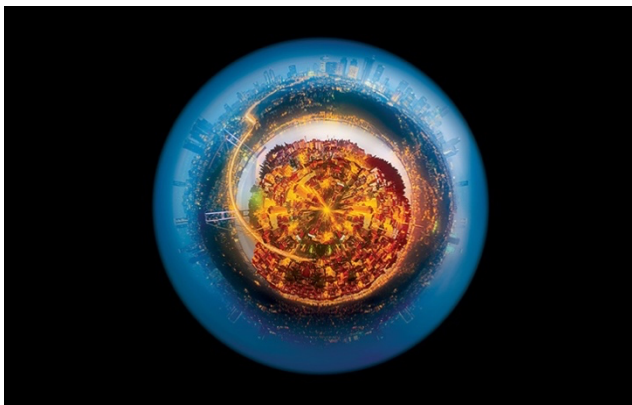


The Russian Chapter of the Climate Forum of Directors launched its activities on 3 September 2020



The forum got off to a successful start by hosting the **“Business and Climate Change”** roundtable, where board directors and others discussed the climate agenda’s implications for Russian business.

Speakers included well-known international and Russian experts in the field of climate risk management.

Silvio Dulinsky, head of the CGI of the **World Economic Forum**, spoke about the need for collaborative action to combat climate change.

Ivan Kukhnin, partner at the Deloitte CIS Sustainability Services group, presented a study by **Deloitte CIS** showing that so far, companies have been focusing on their own environmental impact rather than the climate’s impact on company strategy.

Karina Litvack, member of the board of directors of **Eni S.p.A**, drew attention to the fact that central banks in various countries, including Russia, are now realizing that climate change poses a serious threat to

global systemic financial stability. What’s more, regulators are working to introduce new prudential oversight rules to drive change in how banks and insurers lend and underwrite risk.

Tatiana Mitrova, director of the Energy Center of the Moscow School of Management SKOLKOVO and member of the board of directors at both **PAO NOVATEK** and **Schlumberger**, advised companies not to postpone revisiting their long-term business strategies, urging them to start changing the mindsets of board members and top managers regarding the climate agenda now.

David Nicholls, portfolio manager at **East Capital**, showed how his company integrates climate risk into its investment process. He also described how a company’s value can depend upon the ways in which executives and boards manage climate-related risks.

Alec Van Vaerenbergh, counsel at **DLA Piper**, noted that the EU is working on a new set of policy goals and binding regulations to tackle climate change. Russian companies that produce goods in the EU or export to it need to understand and anticipate these requirements and engage with EU stakeholders to be best positioned when the new rules take effect.

Nadya Wells, an independent member of the supervisory board of **Sberbank**, said that integrating climate risk management into daily business practices would be an essential part of their long-term strategy going forward.

The Moscow School of Management SKOLKOVO and the Russian Chapter signed a strategic partnership agreement to jointly promote the climate agenda among board members of Russian companies

[The Moscow School of Management SKOLKOVO](#) brings together students and graduates of its MBA and Executive MBA programs who are interested in the study and application of standards and best practices in the field of corporate governance.

The parties agreed to:

- **Create opportunities for the professional growth of board members** of Russian companies by providing advanced training in the field of climate management and sustainable development.
- **Develop training programs** for owners and senior managers on adapting business strategies in light of climate change.



- **Develop a platform for board members to exchange their experience and expertise** in corporate governance and sustainable development.

The Russian Chapter is confident that cooperation with the Skolkovo platform will be fruitful, bringing additional expertise in the field of corporate governance and expanding the reach of the climate initiative.

The Webinar “Overseeing the management of physical climate risks for non-executive directors” will be held on 15 October 2020.



The Russian Chapter, together with **Acclimatise** (UK) and the law firm **MinterEllison** (UK), are organizing the webinar “Overseeing the management of physical climate risks for non-executive directors”. The event will describe practical

steps that board members can take to manage and assess physical climate risks. It will also include a short overview of key physical risks in Russia.

Ian Colebourne, CEO of **Deloitte CIS**, will speak on the climate change agenda from a global consultant’s perspective. Meanwhile, Andrey Yakushin of the Central Bank of Russia will address the Russian regulator’s ESG agenda, shedding light on the previously published recommendations for board members and the ones that are currently under consideration.

Reduction of greenhouse gas emissions through the European Green Deal

During the coronavirus pandemic, economic activity slowed, [which](#) caused a reduction in carbon emissions but left the EU facing recession. In a resolution adopted on 15 May 2020, the European Parliament called for an [ambitious recovery plan with the Green Deal at its core](#). Climate change and environmental degradation are existential threats to Europe and the world. To overcome these challenges, Europe needs a new growth strategy that will transform the EU into a modern, resource-efficient and competitive economy, where there are no net emissions of greenhouse gases by 2050, economic growth is decoupled from resource use, and no person or place is left behind. The plan outlines the investments needed and financing tools available and explains how to ensure a just and inclusive transition.

With the 2030 Climate Target Plan, the Commission proposes to raise the EU's ambition on reducing greenhouse gas emissions to at least 55% below 1990 levels by 2030. This is substantially more ambitious than the previous target of [at least 40%](#).

In summer 2020, the European Commission [began to maximize](#) the role played by taxation in meeting the EU's climate goals. This revision of the Energy Taxation Directive will overhaul the way in which energy products are taxed in the EU to better reflect the EU's climate ambitions. This includes revising minimum rates for fuels and re-thinking current tax exemptions in order to reduce implicit subsidies for fossil fuels and certain economic sectors. The aim is to re-shape energy taxation in a way that encourages consumers and businesses to behave in a more environmentally friendly way.

China pledges to become carbon neutral by 2060

China is the world's biggest emitter, and it had previously committed to aim for peak emissions in 2030. However, its response to the coronavirus crisis includes plans to build new coal-fired power stations. During a UN General Assembly address, Chinese President Xi Jinping [called](#) for enhanced international solidarity to fight coronavirus, declaring that his country would aim to become carbon neutral by

2060 as part of the wider battle against climate change.

"China will scale up its intended nationally determined contributions [under the Paris climate agreement] by adopting more vigorous policies and measures," the Chinese president said, calling for a ["green recovery"](#) from the coronavirus pandemic.

New Zealand makes climate reporting compulsory

New Zealand [has become](#) the first country in the world to make climate risk reporting mandatory for banks, asset managers and insurers. Under new legislation, large financial institutions would be required to report annually on governance, risk management and strategies for mitigating climate change impacts.

According to the country's minister for climate change, James Shaw, the mandatory disclosure requirements —

which are based on a framework by the Task Force on Climate-Related Disclosure ([TCFD](#))—would be the first of their kind in the world. The requirement will apply to around 200 institutions, including banks and institutional investors with more than NZD 1 billion (USD 920 million) in assets, and insurers with either USD 1 billion in assets or annual premium income of more than NZD 250 million. The new regime requires parliamentary approval and would not come into force until 2023.