CXO-keskustelutilaisuus: Kaksinkertainen olennaisuus, CSRD ja ilmastonmuutos strategisina ajureina

13.12.2023 kello 8.30–11.00

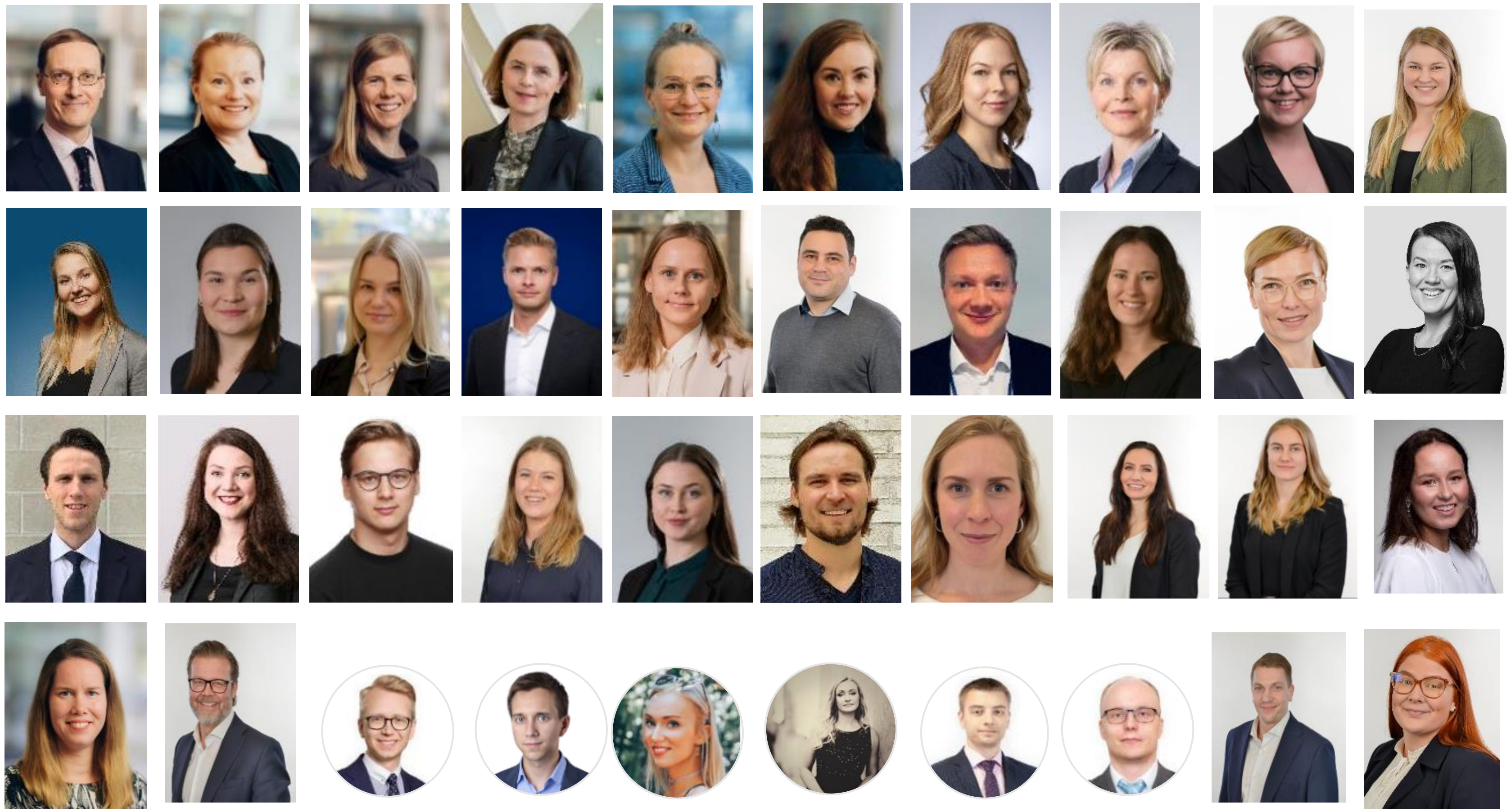
STRATEGISEN KUMPPANUUDEN YHTEISTYÖNÄ

Ohjelma

8.00 – 8.30	Aamukahvi ja verkostoitumista	
8.30 – 8.40	Tilaisuuden avaus	Kimmo Lipponen, toimitusjohtaja, FIBS ja Tomas Otterström, Partner, Head of Sustainable Finance and Corporate Sustainability, KPMG
8.40 – 9.10	CSRD - ajankohtaiskatsaus ja kaksinkertainen olennaisuusanalyysi yhtiöiden valmistautumisen pohjana	Kirsi Saaristo, Director, and Veronica Palmgren, Director, Sustainable Finance and Corporate Sustainability, KPMG
9.10 – 9.25	Keskustelua	
9.25 – 9.35	Kohokohdat COP28 tapahtumasta	Kimmo Lipponen, toimitusjohtaja, FIBS
9.35 – 10.00	Decarbonization transition plans – journey to net zero	Heidi Koljonen, Manager, and Peter Willcocks, Assistant Manager, Sustainable Finance and Corporate Sustainability, KPMG
10.00 – 10.20	Nokian strategia vihreään siirtymään - "There is no green without digital"	Pia Tanskanen, Head of Environment, Nokia
10.20 – 10.50	Keskustelua	
10.50 – 11.00	Yhteenveto	
11.00	Tilaisuus päättyy	

We help you integrate sustainability into your value creation story and business processes

"Our unique combination of professional experience and intuition, we harness our technical innovation and leverage our sector knowledge, fully focused on helping you grow your business for today and tomorrow. ”



Our EMA ESG Hub team

Sector Experts

Energy & Natural Resources
Massimo Mondazzi (Partner / senior advisor)

Infrastructure Expert
Lisa Kelvey (Ass. Partner)
Tom Handysides (Manager)

Public Sector Expert
Bob Hoogendoorn (Director)

Consumer Goods & Retail Expert
Kristel Boyes (Director)

Life Sciences Expert
Michael Wagemans (Partner)

Transport & Leisure
Candidate in train

Automotive & Industrial Manufacturing
Candidate in train

Financial Services Expert
Sandra Schneeloch (Manager)

Financial Services Expert
Larissa Schneider (Ass. Manager)

Financial Services Expert
Georgina Fletcher (Manager)

Private Equity
TBD

Telecommunications, Media & Technology
TBD

Heatlhcare

Subject Matter Experts

Head of ESG Strategy & Transformation

Head of Circular Economy
Nicolas Jourdain (Director)

Head of Biodiversity
Orlaith Delargy (Ass. Director)

Head of ESG Governance
Nadine Hönighaus (Partner)

Head of Human Rights
Kristiina Kouros (Senior Manager)

Water & Marine Environment
Alexey Pavlov (Manager)

Pollution & Contamination
Paddy Girinathannair

Africa ESG Lead
Pieter Scholtz

Enablement Team

EMA & German Head of ESG
Goran Mazar (Partner)

COO ESG EMA Hub
Clive Adendorff (Partner)

Head of Strategic Projects
Jason Kerr (Senior Manager)

Head of ESG Insights and Innovation
Benedikt Herles (Director)

ESG EMA Hub Associate
Elisa Becher (Associate)

ESG EMA Hub Associate
Catalina Alarcon (Senior Associate)

Operational support: seconded by functions and funded by the hub

Hired from
Vacant position

KPMG's solutions across 4 areas in a changing business environment

Strategy & Value

Transforming business and operating models to increase resilience, economic performance and enterprise value through ESG

Regulation & Reporting

Meeting increasing regulatory requirements and stakeholder expectations on ESG transparency and accountability while profiting from political incentives

Climate & Nature

Maximizing positive impact on the planet's systems and the business operating in it

Technology & Alliances

Using the power of data and software in collaboration with the world's biggest tech players to steer and report on the ESG transformation

Governance & Organisation

Enabling change by defining internal processes, controls, and structures as well as creating an inclusive, equal and just culture along the entire value chain

Orchestration as key success factor

EU CSRD ajankohtaiskatsaus ja yhtiöiden valmistautuminen

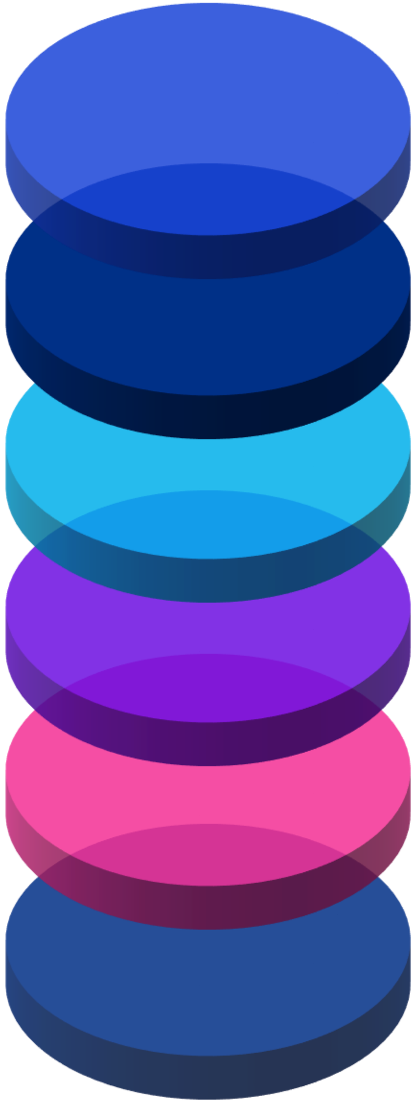
Veronica Palmgren

Director, Corporate Sustainability &
Sustainable Finance, KPMG

Kirsi Saaristo

Director, Corporate Sustainability &
Sustainable Finance, KPMG

EU CSRD:n suurimmat vaikutukset yrityksiin



01 Velvoittavuus

Kestävyysraportoinnin on oltava EU:n kestävyysraportointistandardien (ESRS) mukaista, mikä lisää pakollisia raportointivaatimuksia.

02 Raportointi osana vuosiraportointia

Kestävyystiedot tulee raportoida osana toimintakertomusta (erillinen kestävyysselvitys -osio) samalta raportointikaudelta ja samasta yrityksestä kuin tilinpäätös.

03 Pakollinen varmennus

Kestävyystiedot tulee varmentaa riippumattoman kolmannen osapuolen toimesta aluksi rajoitettuna varmennuksena, ja myöhemmin kohtalaisen varmuuden antavana varmennuksena.

04 Kaksinkertainen olennaisuus

Yritysten tulee raportoida olennaiset kielteiset ja myönteiset vaikutuksensa ihmisiin ja ympäristöön, sekä olennaisten kestävyysseikkojen taloudelliset vaikutukset, eli riskit ja mahdollisuudet, ja kohtuudella odotetut taloudelliset vaikutukset yritykseen.

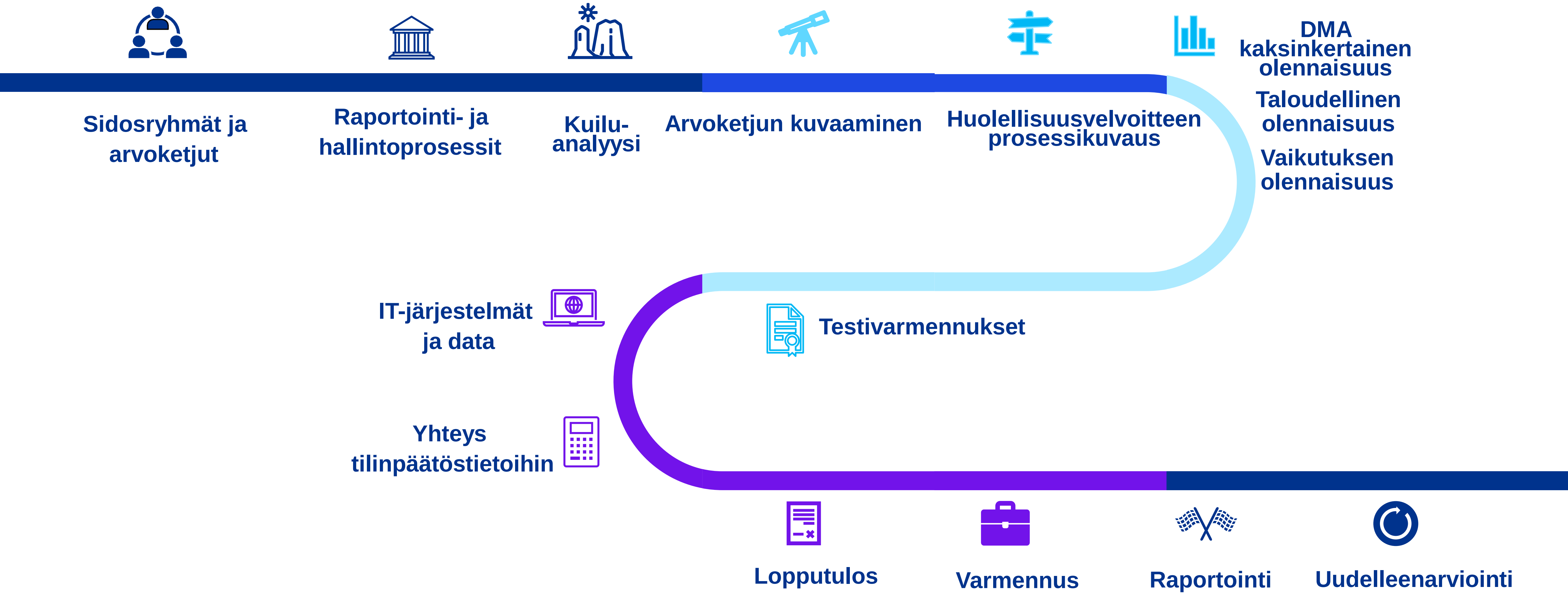
05 Yksityiskohtaisuus

Edellyttää, että olennaisista kestävyysseikoista tulee raportoida strategiaa, tavoitteita, edistymistä, politiikkoja ja toimenpiteitä. Tietojen tulee kattaa vaikutukset, riskit ja mahdollisuudet arvoketjun alku- ja loppupäässä.

06 Muut raportoinnin kehikot

ESRS:ssä edellytetään EU:n taksonomian mukaisten tietojen julkistamista. Yhtiöiden on myös raportoitava EU:n muusta lainsäädännöstä johdettuja tietopisteitä, kuten SFDR (EU:n asetus 2019/2088), pilar 3 (EU:n asetus 575/2013), ja EU:n benchmarking asetus (EU 2021/1119), soveltuvin osin. Yhtiö voi sisällyttää GRI tai IFRS standardien mukaista kestävyysraportointia.

CSRD raportoinnin eteneminen



Mitä on kaksinkertainen olennaisuus?

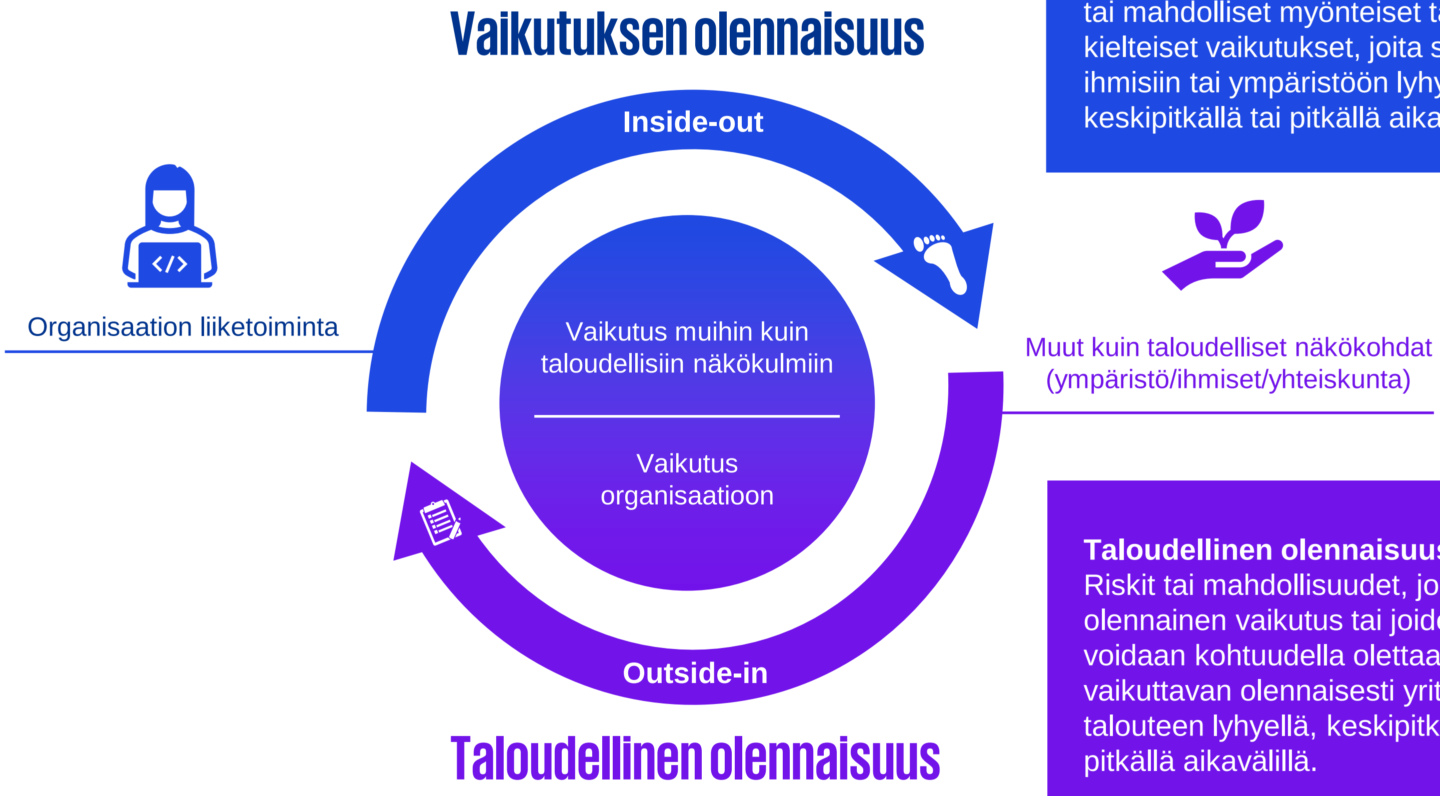
CSRD edellyttää raportoinnin sisällön määräytyvän kaksinkertaisen olennaisuuden perusteella.

Kaksinkertaisen olennaisuuden avulla yritys määrittää, mitkä kestävyyttä koskevat aiheet sen on sisällytettävä kestävyysraportointiinsa pakollisten raportoitavien tietojen lisäksi.

Kestävyysseikka täyttää kaksinkertaisen olennaisuuden kriteerit**, jos se on olennainen vaikutuksen olennaisuuden, taloudellisesta olennaisuuden tai molempien näkökulmasta.**

Kaksinkertainen olennaisuus on siis pohjimmiltaan vaikutusten arviointi kahdesta toisiaan täydentävästä näkökulmasta.

Yritykset voivat olennaisuusmäärittelyn perusteella päätellä, mitkä tiedot ja tietopisteet ovat olennaisia tai epäolennaisia joko kestävyysseikat, osa-aiheen tai osaosa-aiheen tasolla.



Vaikutuksen olennaisuus:
Yrityksen olennaiset tosiasialliset tai mahdolliset myönteiset tai kielteiset vaikutukset, joita sillä on ihmisiin tai ympäristöön lyhyellä, keskipitkällä tai pitkällä aikavälillä.

Taloudellinen olennaisuus:
Riskit tai mahdollisuudet, joilla on olennainen vaikutus tai joiden voidaan kohtuudella olettaa vaikuttavan olennaisesti yrityksen talouteen lyhyellä, keskipitkällä tai pitkällä aikavälillä.

CSRD - a tool for company's sustainability strategy

NON-FINANCIAL REPORTING DIRECTIVE (NFRD)

NFRD was adopted by EU in 2014 and transposed into the national law of all Member States as of 2018

NFRD set the rules on disclosure of non-financial and diversity information relating to the **ESG areas** by large EU public-interest companies (with > 500 employees) including listed entities, insurance companies and banks.

NFRD covered some 11,000 companies in the EU.

Limitations of NFRD

- No unified framework, and therefore no benchmark
- No assurance requirements - information reported by companies may not be sufficient
- Less detailed disclosure requirements
- Number of companies covered not enough to achieve goals of the EU Green Deal

Reporting requirements of NFRD

- Environmental protection
- Social responsibility and treatment of employees
- Respect for human rights
- Anti-corruption and bribery
- Diversity on company boards

Findings

In November 2018, CDSB and CDP analyzed climate and environmental disclosure under the EU Non-Financial Reporting Directive for 80 of the largest companies in the EU.

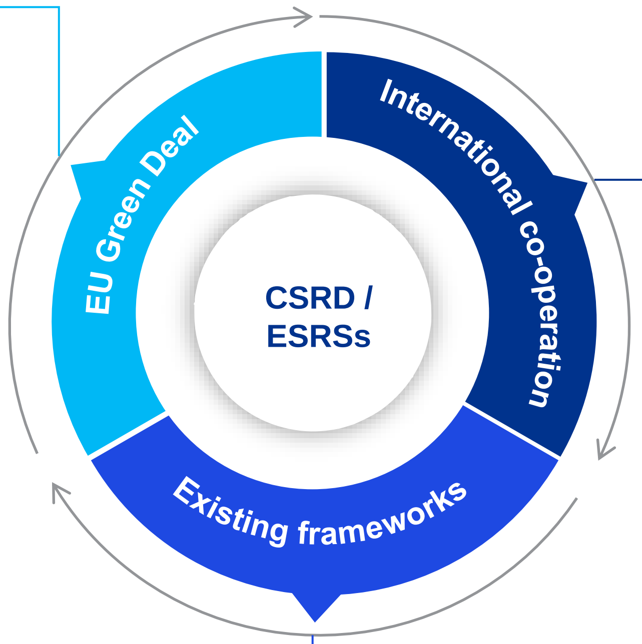
- 83% of companies disclosed their business model in some shape or form;
- 99% disclosed their policy approach to at least one key non-financial aspect;
- 76% disclosed the role of environmental or climate change matters in their financing and investments; and
- 79% identified at least one climate or environmental risk.

- 75% of companies disclosed board-level oversight of climate and environmental issues while a smaller proportion disclosed management's role of the same (64%)
- Only 1 company reviewed had conducted and reported fully on its climate-related scenario analysis and disclosed details of this analysis, including key assumptions and impact to the company and strategy.

- Less than half (48%) of the sample described their due diligence processes for climate and environmental risks;
- Only 13% identified the time horizon associated with an identified climate or environmental risk; and
- 39% of companies disclosed scope 1, 2 and 3 emissions and only 41% disclose GHG emissions targets.

First Steps: Corporate climate & environmental disclosure under the EU Non-Financial Reporting Directive | Climate Disclosure Standards Board (cdsb.net)

What are ESRSs based on?



EU Green Deal

Designed to support the European Green Deal and to be aligned with existing sustainability frameworks in the EU (e.g. SFDR and EU Taxonomy).

International co-operation

EFRAG has and will continue to co-operate with the ISSB to achieve interoperability and to maximise convergence between ESRSs and IFRS® Sustainability Disclosure Standards.

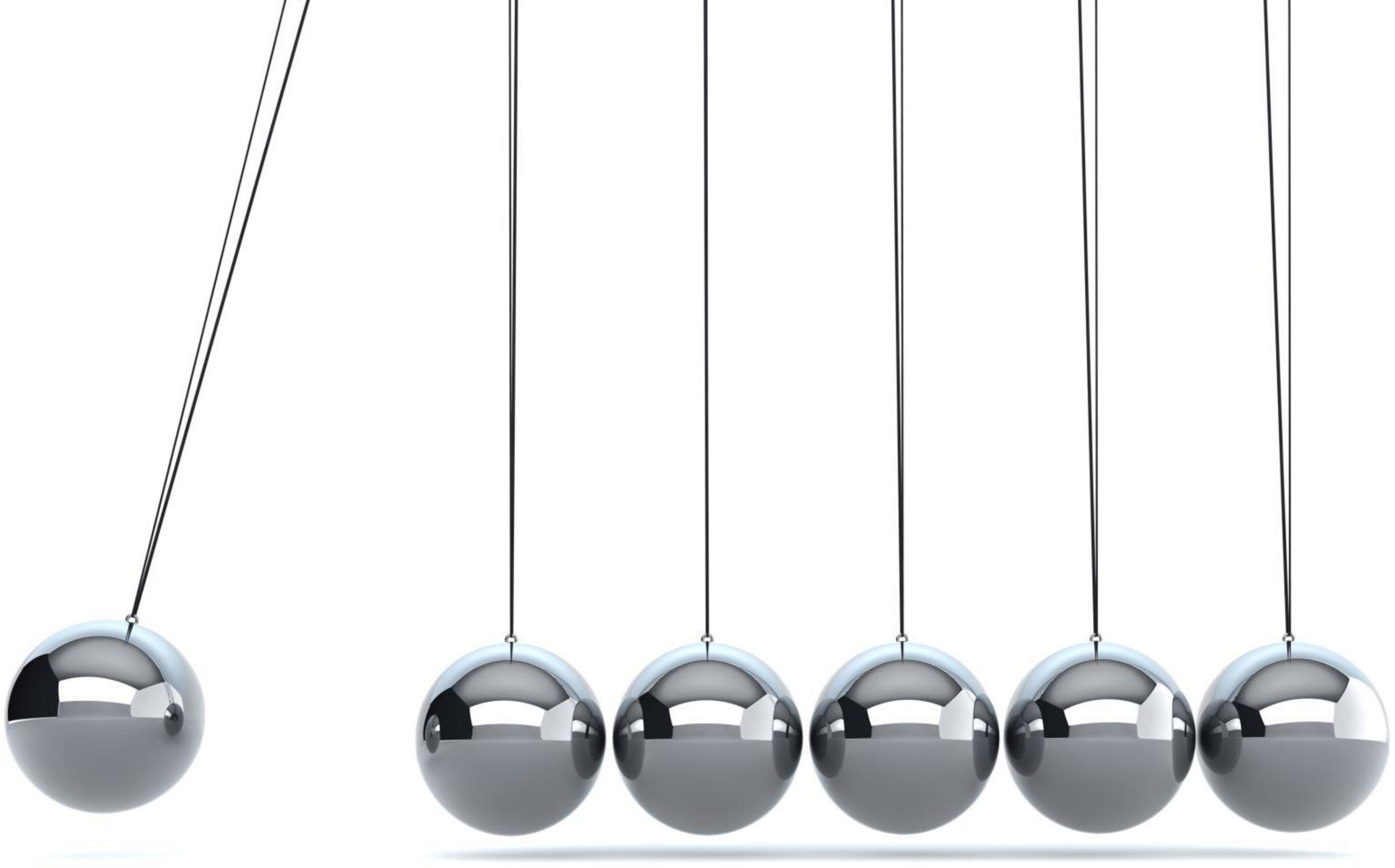
Existing frameworks

EFRAG has aligned reporting areas with those used in the TCFD's recommendations. Many disclosure requirements are similar to or based on these recommendations and the standards developed by the GRI.

The CSRD requires ESRSs to take account of global standard-setting initiatives for sustainability reporting to the greatest extent possible. However, ESRSs will go further where necessary to meet the EU's own ambitions and to be consistent with the EU's legal framework.

Sustainability driving the strategic company storyline

- The EU CSRD brings companies the opportunity to **report publicly about their sustainability programs, services and impacts** by not only focusing on risks.
- Elements of the company’s strategy that relate to or affect sustainability matters, its business model and value chain could create **further opportunities to the company** and it´s clients.
- **Investors increasingly factor in ESG aspects** when making investment decisions. The company might have better access to financial instruments by ESG reporting. Investors are also pushing ESG expectations downwards to portfolio companies.
- **Stakeholders increasingly scrutinize ESG performance and transparency**, affecting e.g. consumer demand and brand acceptance.



- How are material **impacts, risks and opportunities informing** the strategy and business model?

- **What are sustainability goals for major product and service groups**, customer categories, geographical areas and relationships with stakeholders?

- What are the strategic elements that relate to or impact on sustainability matters, including **challenges ahead, critical solutions** to be implemented or projects to be undertaken?

Mitä seuraavaksi?

Heinäkuu 2023

Euroopan komission kuuleminen delegoidun asetuksen luonnoksesta (CSRD/ESRS)

EU-komission lopulliset ESRS standardit

EU taksonomian päivitys: neljän ympäristö-tavoitteen kriteerit (Taxo 4).

Tammikuu 2024

Kansallinen implementointi lainsäädäntöön

Ensimmäiset yritykset keräävät kestävyystiedot

Kesäkuu 2024

Toimialakohtaiset standardit

Tammikuu 2025

Ensimmäiset yritykset julkaisevat kestävyystiedot

Kesäkuu 2025

Rajoitetun varmuuden standardi

KPMG EU Taxonomy Survey Results

FY 2022

For more information and detailed sector insights, see the full report

EU-taksonomia - vastuullisuuskriteeristö - KPMG Finland

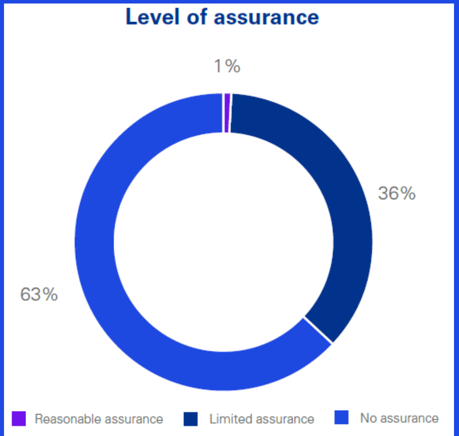
General findings

Qualitative information

- Disclosures varied from a concise paragraph in the back of the annual report to extensive sections
- There were gaps in the information provided, e.g.,
    - Only 6 % of the companies reporting aligned turnover provided required information regarding amounts related to aligned activities pursued for internal consumption
    - Only 22 % reported the required breakdown of the CapEx numerator
    - 82 % of companies with aligned activities described how they ensured compliance with the minimum safeguard requirements

Level of assurance

- 37 % of the sample companies said that they commissioned an audit of their EU Taxonomy information (33 % without Spanish companies who already have a mandatory limited assurance requirement)



Mandatory reporting tables

- 68 % disclosed all three reporting templates without modifications
- 15 % used modified templates
- 7 % disclosed only some of the templates
- 10 % did not disclose the required templates at all
    - Of these 52 % had no eligible or aligned turnover, CapEx, or OpEx
- 80 % did not disclose any information regarding the Complementary Delegated act (introducing gas and nuclear sector), neither any of the templates nor verbal explanations

Sector insights

- The highest EU Taxonomy-eligible Turnover was reported by the Real Estate and Automobiles and Parts sectors
- The highest Taxonomy-aligned Turnover was reported by the Utilities and Real Estate sectors
- The sectors Healthcare and Food, Beverage and Tobacco reported almost no Taxonomy-eligible or -aligned revenue

*In the report eligible means 'eligible and aligned turnover (A.1)' plus 'eligible but not aligned turnover (A.2)' – the underlying reasoning is that every aligned activity is also eligible.

Speeding up global climate work

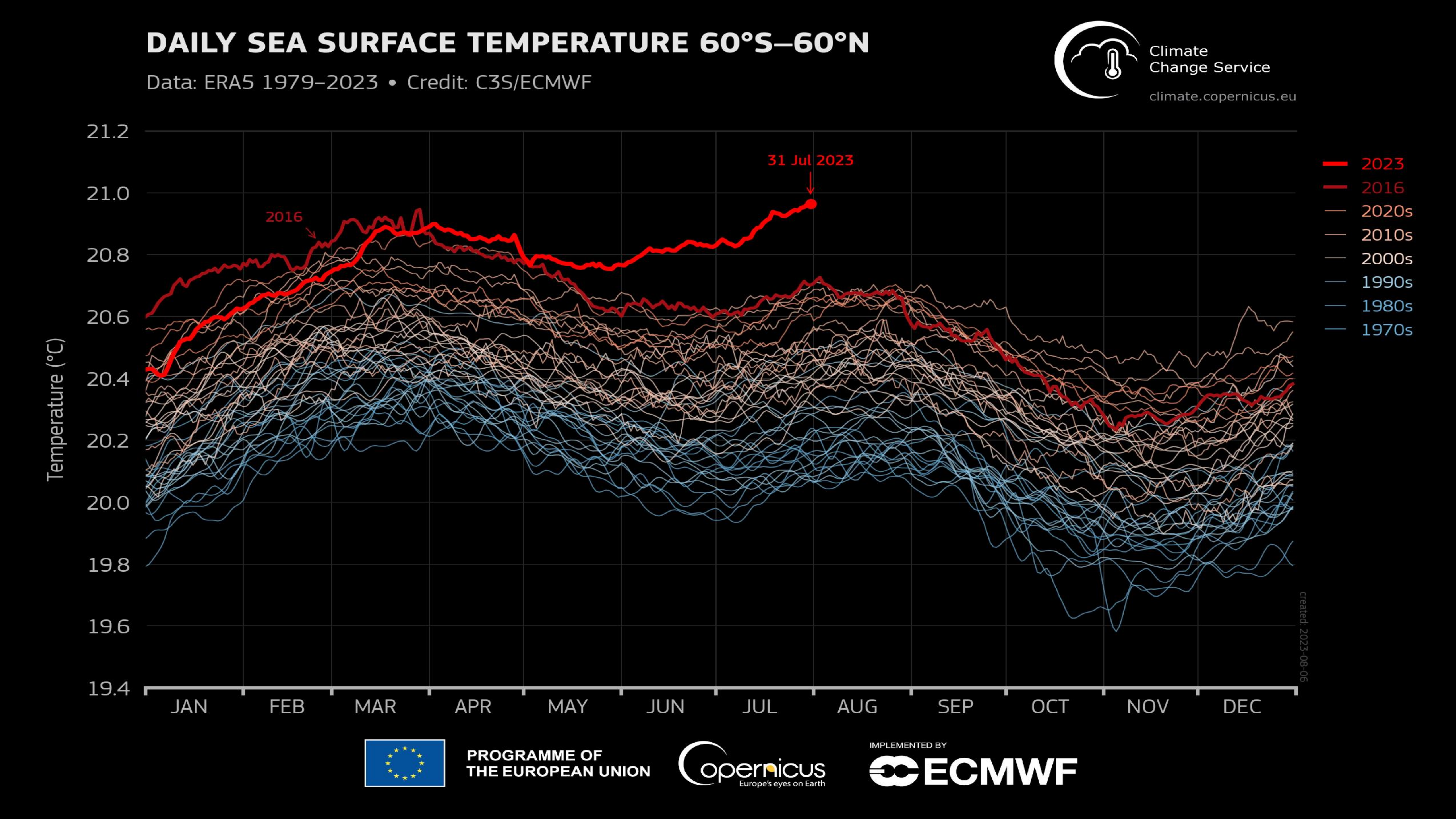
Thoughts and examples from pioneering Finnish companies

COP28 Finland Pavilion, 1.12.2023

Photo: Thomas Kast / Visit Finland

The Heat Is On...

Photo: Mikko Nikkinen / Visit Finland


DAILY SEA SURFACE TEMPERATURE 60°S–60°N
Data: ERA5 1979–2023 • Credit: C3S/ECMWF
Climate Change Service
climate.copernicus.eu
Temperature (°C)
21.2
21.0
20.8
20.6
20.4
20.2
20.0
19.8
19.6
19.4
31 Jul 2023
2016
2023
2016
2020s
2010s
2000s
1990s
1980s
1970s
JAN
FEB
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MAY
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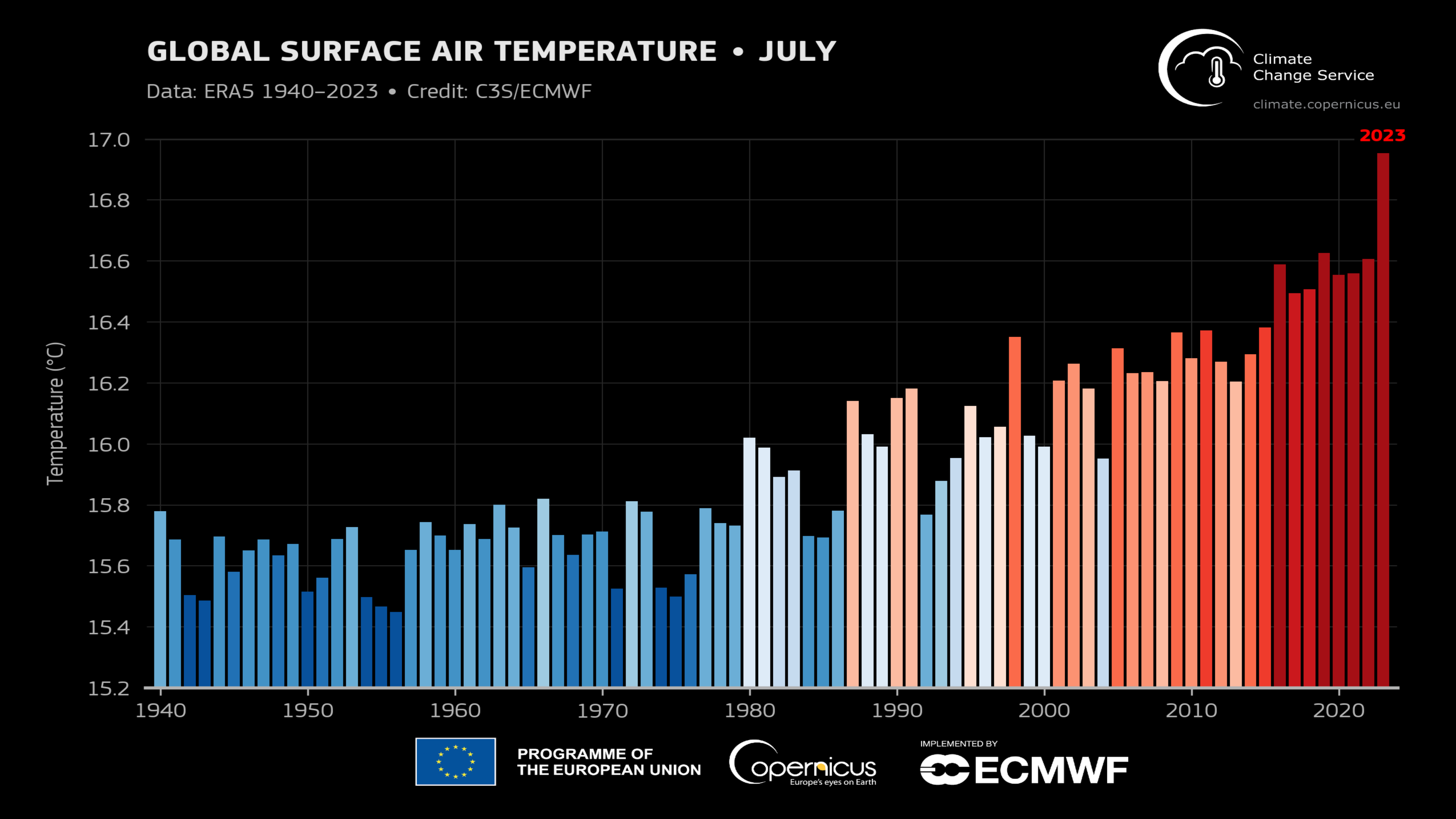
PROGRAMME OF THE EUROPEAN UNION
Copernicus
Europe's eyes on Earth
IMPLEMENTED BY
ECMWF


GLOBAL SURFACE AIR TEMPERATURE • JULY
Data: ERA5 1940–2023 • Credit: C3S/ECMWF
Climate
Change Service
climate.copernicus.eu
2023
Temperature (°C)
17.0
16.8
16.6
16.4
16.2
16.0
15.8
15.6
15.4
15.2
1940
1950
1960
1970
1980
1990
2000
2010
2020
PROGRAMME OF
THE EUROPEAN UNION
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Europe's eyes on Earth
IMPLEMENTED BY
ECMWF

COP28 Main Themes

- Tripling global **renewable energy** generation capacity by 2030.
- Doubling annual **energy efficiency** improvements by 2030.
- An orderly decline of **fossil fuel use** demand by 2030, starting with no new coal plants.
- **Commitment from the oil and gas industry** to align their strategies and investment portfolios with 1.5°C, with a focus on a 75 percent reduction in methane emissions by 2030.
- **Financing mechanisms** for a major scaling-up of clean energy investment in emerging and developing economies.

WE DON'T SAY MUCH BUT WHEN WE DO, WE MAKE IT COUNT

We are a Northern people of few words: our actions do the talking. In Finland, we seek innovation everywhere. We punch above our weight in creating lasting solutions for a sustainable, good life. To meet the world's collective climate goals, this task has become more urgent than ever. Words aren't enough: it's time to act together.

COP28 FINLAND PAVILION

Speeding up global climate work
Thoughts and examples from pioneering Finnish companies

Panelists

Rolf Ladau
CEO
Paulig Group

Alexander Nick
Senior Director Climate Action
WBCSD

Heidi Peltonen
VP Sustainability
Outokumpu

Pia Tanskanen
Head of Environment
Nokia Corporation

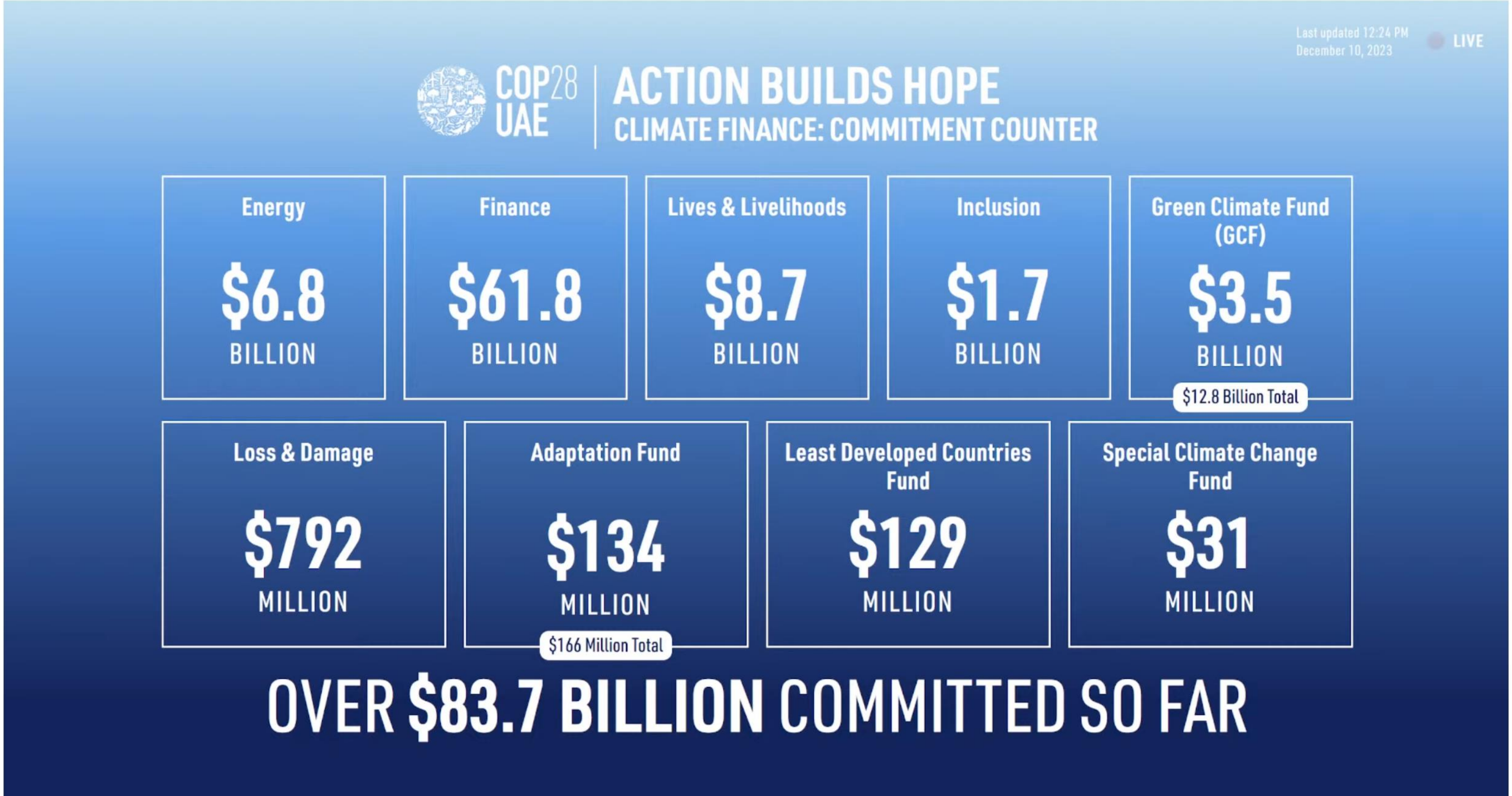
Moderator

Kimmo Lipponen
CEO, FIBS

WBCSD Action Plan

- World is turning to **businesses** for sustainability solutions
- We drive **transformative solutions** into value chains that are based on science, data and collaboration
- We recognize that trust and recognition will grow by business being **accountable for their performance** towards the climate targets
- By tackling both the **solutions** and the **accountability** we are the credible business-driven partner in the sustainability ecosystem

#LIVE COP28 | CLIMATE FINANCE: COMMITMENT COUNTER | ACTION BUILDS HOPE



COP28 + Add to myFT

COP28 draft agreement drops phaseout of fossil fuels

Document says countries ‘could’ cut consumption and production among a range of actions

Save

The proposed text faced fierce opposition from those that were hoping for a landmark agreement to phase out fossil fuels © Martin Divisek/EPA-EFE/Shutterstock


FIBS
WBCSD
World Business Council for Sustainable Development
COP28 FINLAND PAVILION
Thank you!

Decarbonization transition plans – journey to net zero

Peter Willcocks

Assistant Manager, Corporate Sustainability & Sustainable Finance, KPMG

Heidi Koljonen

Manager, Corporate Sustainability & Sustainable Finance, KPMG

Increasing scrutiny on corporate net zero targets

The tough truth behind corporate net zero sustainability targets

(Image credit: Alamy)

By Kristen Talman 15th November 2023

Businesses are increasingly committing to ambitious sustainability pledges. Yet what that means is complicated and opaque, and some companies are struggling to make an action plan.

More companies setting 'net-zero' climate targets, but few have credible plans, report says

World's biggest firms failing over net-zero claims, research suggests

Amazon, Ikea, Nestlé and others will fall short of promise to cut carbon by 100%, says NewClimate Institute

Corporate Net Zero Stocktake

50%	**World´s largest 2,000 publicly listed companies have a net zero target**
37%	**Of corporate net zero targets fully cover Scope 3 emissions**
13%	**Of corporate net zero targets specify quality and conditions under which offsets would be used – reliance on low quality offsets over emissions reductions**
4%	**Of corporate net zero commitments meet the revised ´Starting Line criteria´ set out by UN in June 2022**

Net Zero Tracker, Oct 2023

UN Race to Zero

Starting Line

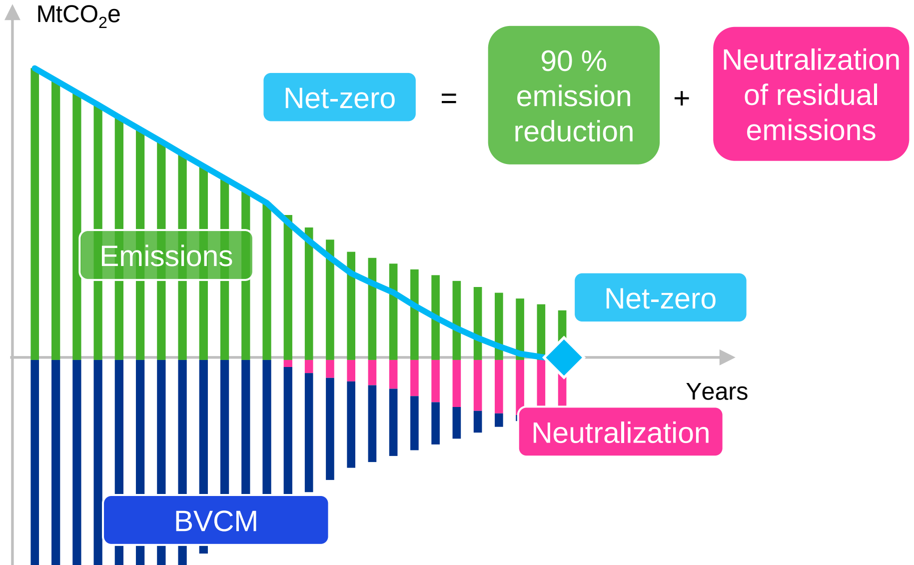
Pledge	Pledge to **reach net zero GHGs as soon as possible and by mid-century at the latest**, in line with global efforts to limit warming to 1.5C Interim target to achieve in next decade reflecting maximum effort toward **50% reduction in GHGs by 2030**
Plan	Within 12 months of joining, **explain what actions will be taken toward achieving both interim and longer-term pledges**, especially in the short- to medium-term
Proceed	**Take immediate action toward achieving net zero**, consistent with delivering interim targets specified
Publish	**Commit to reporting publicly** both **progress** against interim and long-term targets, as well as the actions being taken, at least annually

Leadership

Scope	Targets must cover all GHG emissions. Including Scope 3 for businesses and investors where they are material to total emissions and where data availability allows them to be measured sufficiently
Sinks and Credits	In the transition to net zero, prioritise reducing emissions, limiting any residual emissions to those that are not feasible to eliminate Clearly specify what sinks and credits are used to make any neutralization claims Encourage contributions to preservation and restoration of natural sinks and credits demonstrate additionality and permanence
Empowerment & Equity	Seek to enable all actors to contribute to the global transition toward (net) zero through engagement, information sharing, access to finance, and capacity building. Develop plans aligned with UN SDGs and Articles 2 and 4 of the Paris Agreement.

Science Based Target Initiative (SBTi)

SBTi Corporate Net Zero Target Standard



	Scope 1 & 2 Coverage	Scope 3 Coverage	Emission Reduction
Near-term (5-10 years)	95%	67%	50%
Long-term (2050)	95%	90%	90%

Indicative of cross-sector absolute reduction targets

Transition Plans in Corporate Reporting

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Transition Plan

- Current GHG emissions performance
- Impact on businesses, strategy and financial planning from a net-zero transition
- The actions and activities that support the transition plan, including GHG emissions reduction targets and planned changes to businesses and strategy

CDP DISCLOSURE INSIGHT ACTION

Transition Plan

Time bound action plan clearly outlines how organization will pivot assets, operations and entire business model towards a GHG emission reduction trajectory limiting global warming to 1.5C (halving emissions by 2030 and achieving net zero in 2050)

ISSB IFRS Foundation

Transition Plan

- Company´s strategy for how it plans to transition to a lower-carbon economy
- Specific targets and actions on how it plans to transition
- Resourcing of the activities outlined in transition plans
- Critical assumptions and dependencies identified in developing transition plan

TPT Transition Plan Taskforce

Transition Plan

- Launched by HM Treasury to develop a gold standard for private sector climate transition plans
- Sets out good practice for transition plan disclosure on how organizations will meet climate targets
- New requirements likely to be enforced by FCA authority

ESRS E1-1 Transition plan for climate change mitigation

Objective: Enable an understanding of past, current and future mitigation efforts to ensure that the undertakings strategy and business model(s) are compatible with the transition to a sustainable economy and in line with limiting global warming to 1.5C

GHG emission reduction targets

Explanation of how the undertaking´s targets are compatible with limiting global warming to 1.5C

E1-4 GHG emission reduction target

Decarbonization levers

Explanation of the decarbonization levers identified, and key actions planned, including changes in the undertaking´s product and service portfolio and its adoption of new technologies

E1-3 Actions, resources and climate change policies

Investment and Funding

Explanation and quantification of the undertaking´s investments and funding supporting the implementation of the transition plan

E1-3 Actions, resources and climate change policies

Locked-in GHG emissions

Qualitative assessment of potential locked-in GHG emissions from undertaking´s key assets and products, associated transition risks and plans to manage these

Taxonomy Alignment

If applicable, explanation of the undertaking´s objective for aligning economic activities (revenues) with Taxonomy Regulation and its plans for future Taxonomy alignment (revenues, CapEx plans)

Alignment with Strategy

How the transition plan is embedded in and aligned with the undertaking´s overall business strategy and financial planning and whether it is approved by management

Implementation Progress

Explanation of the undertaking´s progress in implementing transition plan

ESRS E1 Climate Change Disclosures

E 1-4 Targets related to climate mitigation and adaptation

- Emission reduction targets for scope 1, 2 and 3 GHG
- Whether targets align with limiting global warming with 1.5C (e.g. SBTi)
- Expected decarbonization levers to achieve targets

E 1-6 Gross Scopes 1, 2, 3 and total GHG emissions

Includes all significant emission sources across the entire upstream and downstream value chain

GHG protocol

E 1-7 GHG removals and GHG mitigation projects financed through carbon credits

- Total GHG removals and storage and carbon credits
- Net zero target disclosed, explanation of neutralising residual emissions once 90-95% emission reductions

E 1-8 Internal carbon pricing

- Whether internal carbon pricing schemes are applied
- Type of internal carbon pricing scheme
- Scope of internal carbon pricing schemes
- Coverage of emissions

Transition Plan

E 1-2 Policies related to climate change mitigation and adaptation

Disclosure of the policies adopted to manage material impacts, risks and opportunities related to climate change mitigation and adaptation

E 1-3 Actions and resources in relation to climate change policies

- Key actions planned and undertaken
- Achieved and expected emission reductions
- CapEx and OpEx required

E 1-9 Potential financial effects from material climate related risks and opportunities

Financial effects from material climate related risks and opportunities over the short, medium and long-term time horizons

ESRS 2 SBM-3 Material IRO and their interaction with strategy and business model(s)

Disclosure of the resilience of its strategy and business model in relation to climate change

What does "good" look like?

1. Clear, measurable and ambitious target

2. Target must cover short, medium and long-term with steep front loaded GHG cuts

3. Carbon credits and offsets cannot be used to deliver on short to medium term targets

4. Levers for change clearly identified and costed with a robust financial plan in place

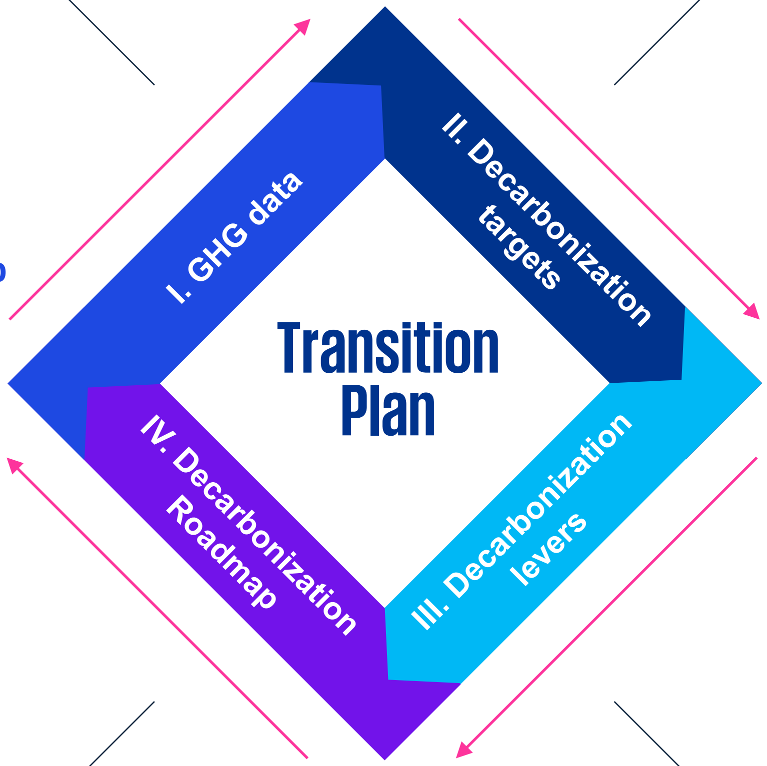
5. Supply chain and consumer engagement is key for industries with large scale 3 emissions

Climate Bonds INITIATIVE

1. Credible
2. Robust
3. Costed

Stages in developing a Transition Plan

1. Review of data & existing emission inventory
2. Identify additional data requirements and roadmap



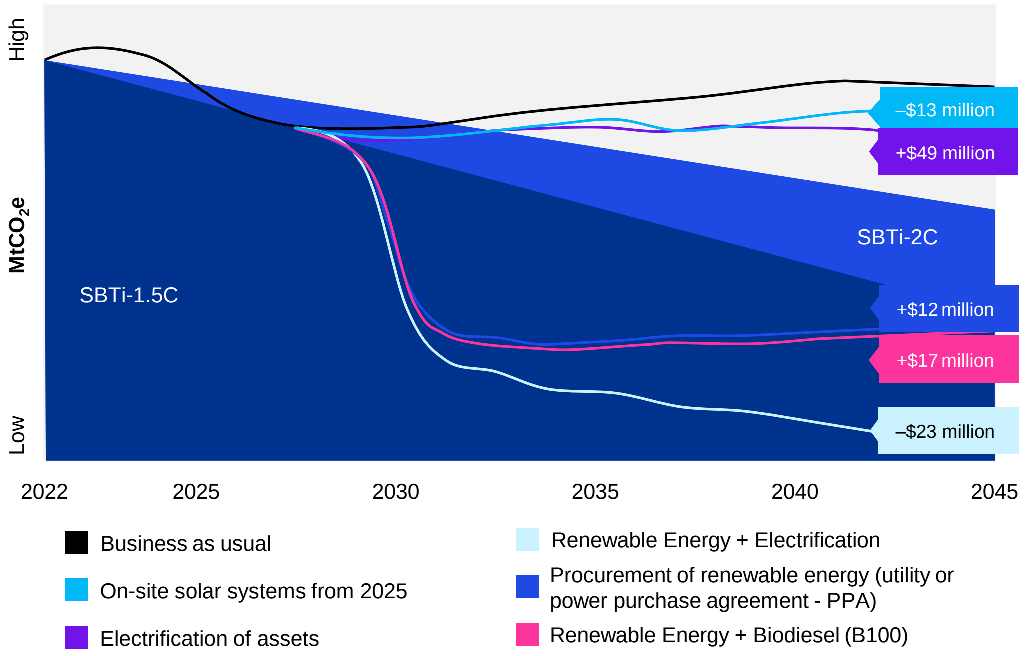
3. Review of peer/sector targets and criteria
4. Appropriate GHG emission reduction target setting
5. Current emission reduction initiatives review
6. Identification of potential decarbonization levers
7. Decarbonization roadmap development
8. Initial transition plan to be implemented

Transition Plan

KPMG Decarbonization Pathways Tool:

KPMG has developed an in-house tool to assist companies in modeling future scenarios to achieve decarbonization goals. The tool includes scenario models to assess the impacts of various **decarbonization scenarios** on reducing CO2 emissions **compared to their net present costs**.

Example-Output



Developing a scenario-based roadmap using the methodology of the tool ensures a robust transition plan is produced.

Integrating considerations such as future growth, anticipated environmental regulations and additional data on aspects such as grid decarbonization.

Nokian strategia vihreään siirtymään There is no green without digital

13 December

Pia Tanskanen

ESG is one of the six pillars of our corporate strategy

Our pillars

1	2	3	4	5	6
Grow CSP business faster than market	Expand the share of enterprise	Actively manage our portfolio	Secure business longevity in Nokia Technologies	Build new business models	Develop ESG into a competitive advantage

Our enablers

1	2	3	4
Develop future-fit talent	Invest in long-term research	Digitalize our own operations	Refresh our brand

Our two-pronged approach to ESG

Handprint

Maximizing our positive impact

- Decarbonizing other industries and society
- Enabling the transition of the energy sector
- Providing the critical networks for life
- Connecting the unconnected with digital skills

Footprint

Minimizing our negative impact

- Continually improving product energy efficiency
- Driving circularity to reduce waste
- De-risking the potential misuse of technology
- Building sustainable operations & supply chain

Built on a foundation of responsible and ethical business practices and procedures

Nokia is maximizing our handprint

Enabling other industries and society to decarbonize and adapt

Better management of natural resources with **vertical and precision farming**

Increasing productivity & sustainability through digitalization in **manufacturing**

Driving environmental & social benefits & increasing safety in **smart cities**

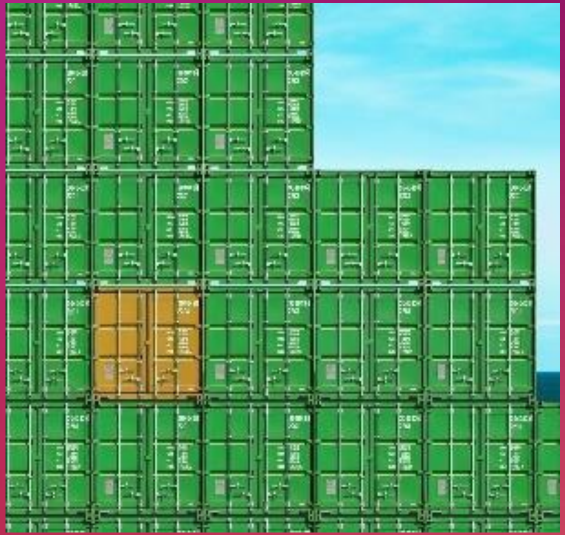
Enabling climate adaptation through **environmental monitoring**

NOKIA

Minimizing Nokia's footprint: innovations for the information & communications networking industry today

Improving product energy efficiency

Innovations in cooling



Reducing supply chain emissions

Accelerating the use of renewables

Holistic environmental impact and mitigation targets

RE100 2025

SBTi 2030

Land protection

Impact assessment

Waste Circularity

Increase recycled content in source materials


ACTION
OVER
WORDS


No green without digital: transforming industries for a net-zero future
2 December 2023, 12:00 - 13:00
2023 United Nations Climate Change Conference, Finland Pavilion, Blue Zone
Description
Digitalization will play a key role in enabling climate action. In the energy sector, it will support both renewables generation and grid transformation, allowing the sector to move faster with the green transition. Technologies such as digital twins and AI can also help hard-to-abate sectors find ways to accelerate sustainability efforts. Digitalization will play a key role in supporting all industries to decarbonize.
In this event, Nokia will bring together representatives from key industries to debate industrial digitalization and decarbonization. It will also introduce policy, regulatory and financing perspectives, debating what is needed to unleash the full enabling potential of digital.
Speakers
Opening remarks: Ms. Melissa Schoeb, Chief Corporate Affairs Officer, Nokia
Keynote: Mr. Petteri Orpo, Prime Minister of Finland
Mr. Hatem Dowidar, Group CEO, e&
Dr. Timur Gül, Chief Energy Technology Officer, International Energy Agency
Mr. Heikki Malinen, CEO of Outokumpu
Mr. Sebastian Weber, Global CIO of E.ON
Mr. Guangzhe Chen, Vice President for Infrastructure, The World Bank
Moderated by Mr Subho Mukherjee, Vice President Sustainability and Global Head of ESG, Nokia
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ACTION

NOKIA

Keskustelua

Tulevat tapahtumat

21.3.2024 CFO keskustelutilaisuus

ESG:n vaikutus talouskuntoon

12.6.2024 CXO keskustelutilaisuus

Teemana: ESG:n hallinto, organisointi, tavoitteet & mittarit

24.9.2024 CFO keskustelutilaisuus

Teemana: CSRD valmistautuminen: taloudellinen olennaisuus ja IFRS-raportointi

20.11.2024 CXO keskustelutilaisuus

Teema tarkentuu myöhemmin