

APPROVED
by the resolution of the Supervisory Board
Moscow Exchange
28 April 2023 (Minutes No. 22)

ENVIRONMENTAL POLICY OF MOSCOW EXCHANGE

MOSCOW - 2023

I. General provisions

Moscow Exchange, a leading trading platform in Russia and Central and Eastern Europe, pays particular attention to ensuring an environmentally sustainable future and reducing the adverse impact on the environment.

The Environmental Policy of Moscow Exchange defines key environmental principles, targets, and priorities for Moscow Exchange, including the nature, extent, and environmental impact, and constitutes the basis for environmental objectives.

The Environmental Policy of Moscow Exchange has been developed in line with the international and national regulatory frameworks:

- The Rio Declaration on Environment and Development (1992);
- The Paris Agreement under the United Nations Framework Convention on Climate Change (2015);
- The UN Sustainable Development Goals (2015);
- Sustainable Stock Exchanges Initiative (2009);
- Constitution of the Russian Federation (Article 42, version of 2020);
- Strategy of socio-economic development of the Russian Federation with low greenhouse gas emissions until 2050;
- Strategy for the Development of the Financial Market of the Russian Federation until 2030;
- Applicable environmental management and protection laws of the Russian Federation.

The Environmental Policy of Moscow Exchange has been developed in line with ISO 14001:2015 Environmental management systems — Requirements with guidance for use. The Environmental Policy comprise a key element of an environmental management system.

II. Purposes of the Environmental Policy

The purposes of the Moscow Exchange Environmental Policy in the field of environmental protection and natural resource management are:

1. To facilitate the transition to a circular and low-carbon economy through:
 - a) the development of on-exchange green finance and the creation of new on-exchange environmental products and services;

- b) the development of the market for carbon units;
 - c) informing issuers about trends, standards and best practices in the field of environmental protection;
 - d) expanding sustainability partnerships.
2. To minimise its own direct and indirect negative impact on the environment and climate by:
- a) complying with regulations and requirements applicable to Moscow Exchange business, including national environmental legislation, as well as voluntary commitments to stakeholders that have been accepted as binding on Moscow Exchange;
 - b) reducing its own consumption of energy, water and materials;
 - c) applying a risk-based approach to the management of environmental risks and emergencies;
 - d) striving to procure goods, works and services with the best environmental performance.

III. Principles

To achieve its environmental objectives and targets, Moscow Exchange adheres to the following principles:

- continuous enhancement of the environmental management system to achieve better environmental performance;
- identification and availability of resources required to implement, maintain, and continuously enhance the environmental system management;
- regular analysis on the environmental management system's performance (internal audits, etc.);
- prevention of potential non-routine (abnormal) situations and incidents that might have an adverse environmental impact through systematic analysis on environmental aspects and building stronger competency level among employees;
- continuous encouragement of environmentally responsible behaviour among employees and other stakeholders through awareness-building activities;
- strict compliance with applicable national environmental legislation, including through regular reporting on the environmental aspects of Moscow Exchange's

- operations and its impact on the environment;
- ensure the use of environmentally friendly technologies to minimise the adverse environmental impact.

IV. Objectives

The goal of the Moscow Exchange Environmental Policy to facilitate the transition to a circular and low-carbon economy is achieved by:

- a) the development of on-exchange green financing in the Sustainability Sector;
- b) the implementation of measures of the Carbon Unit Register operational plan in order to create economic incentives for decarbonisation projects;
- c) the development and implementation of ESG indices and other exchange products and services to facilitate investment in leading environmental companies;
- d) conducting business and educational events to inform issuers about sustainability trends, standards and best practices, including those related to environmental protection;
- e) expanding sustainability partnerships, including partnerships aimed at developing and implementing best environmental practices.

The goal of the Environmental Policy to minimise its own direct and indirect negative impact on the environment and climate is achieved by:

- a) ensuring the implementation of measures aimed at improving the efficiency of resource consumption by reducing specific consumption of energy, water and materials, as well as reducing the amount of waste produced and consumed;
- b) reducing the intensity of greenhouse gas emissions, including through emission monitoring, the use of environmentally friendly equipment and technologies, as well as a planned increase in the share of carbon-free electricity consumption;
- c) applying a risk-based approach, including assessing risks and opportunities associated with climate change, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD);
- d) participation and implementation of charitable projects for biodiversity conservation, as well as forestry projects that contribute to reducing the carbon footprint of Moscow Exchange's operations;
- e) promoting suppliers and contractors who share the principles of environmental responsibility, comply with applicable environmental legislation and implement

- best environmental practices;
- f) improving the transparency of environmental protection activities, including annual disclosure of environmental indicators as part of the Moscow Exchange's Sustainability report.

To ensure the implementation of the objectives of the Moscow Exchange Environmental Policy, environmental performance targets are developed and reviewed on an annual basis (see Appendix hereto).

V. Final provisions

The Environmental Policy is binding on all employees of Moscow Exchange.

Moscow Exchange seeks to engage contractors which also focus on ensuring environmentally sustainable tomorrow and reducing the adverse environmental impact.

We believe that the environmental policy we pursue will provide the basis for minimising the adverse environmental impact and contribute to continuous improvement of environmental performance of Moscow Exchange.

Moscow Exchange's environmental performance targets for 2023

No.	Performance target	Metric
<i>Development of sustainable financing on the Exchange</i>		
1.	Volume of new issues in the Sustainability Sector related to environmental protection	RUB 30 bln
2.	Number of events for bond issuers in the sector	5
<i>Register and trading in carbon units</i>		
3.	Putting the carbon unit register onto the government's books	Done
4.	Implementation of the process of labelling ¹ carbon units	Done
5.	Arranging collaboration with trading platforms to launch a carbon register	Done
<i>ESG indexes</i>		
6.	Development of a new ESG index methodology	1
<i>Conducting business and educational events</i>		
7.	Number of educational ESG events for issuers	12
8.	Assessment of ESG awareness of issuers	1
<i>Expanding sustainability partnerships</i>		
9.	Entering the climate change initiative	1
<i>Enhancing resources consumption efficiency</i>		
10.	Intensity of greenhouse gas emissions Scope 1 and 2 t CO ₂ / RUB mln of operating income of the Moscow Exchange Group	0.03
11.	Share of electricity consumption from renewable energy sources	80%

¹Labelling means the allocation of carbon units traded (planned to be traded) on the exchange from the client's existing carbon units and/or greenhouse gas emission allowance units in an account in the register.

No.	Performance target	Metric
12.	Reduced electricity consumption	By 3%
13.	Waste generation rate, tonnes/person	0.11
14.	Water consumption rate, m3 /person	11.5
15.	Decrease in amount of waste	By 20%
<i>Risk Management</i>		
16.	Implementation of climate risk monitoring metrics	Done
17.	Reassessment of environmental risks	Done
<i>Charity and biodiversity conservation</i>		
18.	A biodiversity or forest-climatic project activity	Done
Supply chain management		
19.	Approval of the supplier code, launching the process of familiarisation with the document by suppliers	The code has been approved
20.	Number of suppliers that have undergone human rights and environmental risk assessments	15