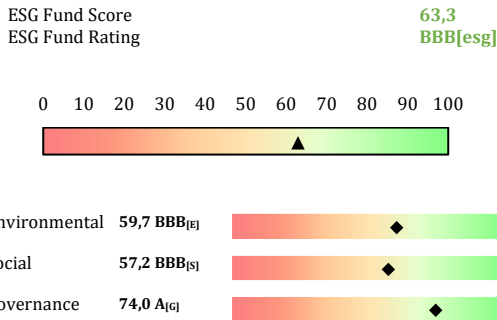
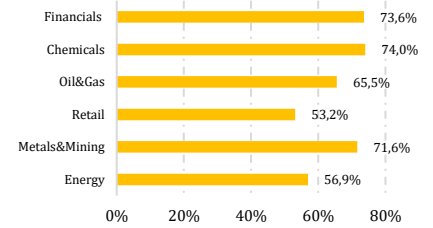
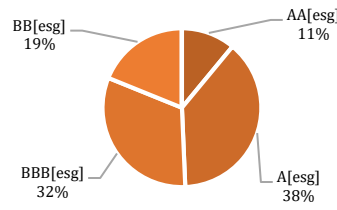


## ESG Fund Score & Rating



## Fund ESG Rating distribution Fund ESG score per sector (weighted)



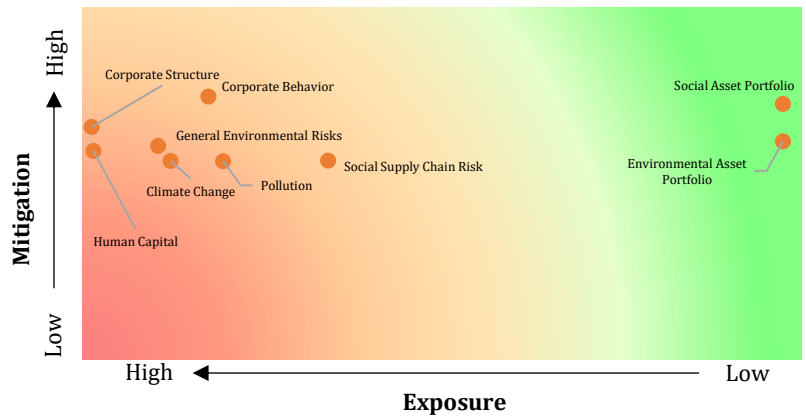
## Fund information

ISIN / Code	RU000A101R66
Registration number	4057
Country	Russia
Fund currency	RUB
Exchange	MOEX
Fund type	ETF
Investment object	Index
iNAV ticker	ESGRA
Moscow Exchange ticker	ESGR
Bloomberg code	ESGR RX

## Fund ESG scorecard

Theme	Weight	Score	
E	Natural Resources	10,3%	61,1
	Pollution	8,4%	57,6
	Climate Change	8,9%	57,7
	General Environmental Risks	6,5%	62,8
	Environmental Asset Portfolio	0,3%	64,4
S	Human Capital	14,6%	61,0
	Corporate Social Responsibility	12,1%	71,1
	Social Supply Chain Risk	7,5%	57,8
	Social Asset Portfolio	0,3%	77,1
G	Corporate Structure	16,9%	69,2
	Corporate Behavior	14,2%	79,7

## Exposure vs Mitigation



## Summary

RAEX-Europe reassessed the ESG risks of the investment portfolio and slightly increased the ESG Score of RSHB - Moscow Exchange Index - RSPP Vector of sustainable development from 62.3 to 63.3 (equivalent to the BBB<sub>ESG</sub> rating) This means that the management of ESG related risks remains at a Moderately high level. In the same time, we observe a major rebalancing in the fund and numerous rating changes in the portfolio. There is a rebalancing in the fund and a reduction in the number of holdings. All companies included in the portfolio are already revalued by the agency taking into account non-financial reporting for 2021. The four ESG-parameters leaders of the portfolio remained unchanged. The list is still headed by NLMK. Moscow Credit Bank, again included in the portfolio, took fifth place in the list. The assessment and position in the list of the "Sistema" company has changed significantly due to reassessment on the data of late published non-financial report.

There is an increase in assessments of environmental and social factors. Environmentally and socially responsible assets indicators assessment notable increase is related to the return of the Credit Bank of Moscow, the ESG-leader of the Russian banking sector.

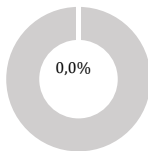
### Strengths:

- ❖ Corporate Behavior
- ❖ Corporate Structure
- ❖ Human Capital
- ❖ Corporate Social Responsibility

### Weaknesses:

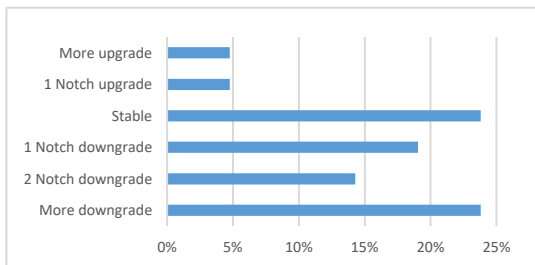
- ❖ Environmental asset portfolio (Financials)
- ❖ Social Asset Portfolio
- ❖ Social Supply Chain Risk
- ❖ Climate Change

## Share of companies facing severe\* controversies



\* Weight higher or equal to 50%

## ESG Rating trend in the past three months



## Exposure to flagged sectors - No

## Top-5 holdings

Holding	Industry	Portfolio Weight	ESG Score / Rating	Highest score	Lowest score
NLMK	Metals&Mining	5,52%		Climate Change	General Social Risks
Polys	Metals&Mining	5,48%		Climate Change	Corporate Behavior
Polymetal	Metals&Mining	6,80%		Corporate Structure	Pollution
Phosagro	Chemicals	4,43%		Corporate Social Responsibility	General Social Risks
Moscow Credit Bank	Financials	3,75%		Natural Resources	Human Capital

## Bottom-5 holdings

Holding	Industry	Portfolio Weight	ESG Score / Rating	Highest score	Lowest score
FGC UES	Energy	5,03%		Corporate Behavior	Climate Change
Magnit	Retail	4,81%		General Social Risks	Climate Change
Aeroflot	Transport	5,77%		Corporate Behavior	Natural Resources
X5 Retail Group	Retail	3,26%		Corporate Behavior	Climate Change
Gazprom Group	Oil&Gas	4,68%		Corporate Social Responsibility	General Social Risks

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**Table 1. Fund ESG scoring per section**

Holding	Country	Industry	Portfolio Weight*	ESG Score	ESG Rating	Natural Resources	Pollution	Climate Change	General Environmental Risks	Environmental asset portfolio	Human Capital	Corporate Social Responsibility	General Social Risks	Social asset portfolio	Corporate Structure	Corporate Behavior
NLMK	Russia	Metals&Mining	5,52%		AA[esg]											
Polyus	Russia	Metals&Mining	5,48%		AA[esg]											
Polymetal	Russia	Metals&Mining	6,80%		A[esg]											
Phosagro	Russia	Chemicals	4,43%		A[esg]											
Moscow Credit Bank	Russia	Financials	3,75%		A[esg]											
Nornickel	Russia	Metals&Mining	4,23%		A[esg]											
Severstal	Russia	Metals&Mining	4,79%		A[esg]											
Lukoil	Russia	Oil&Gas	5,99%		A[esg]											
Sistema	Russia	Financial services	4,31%		A[esg]											
Tatneft	Russia	Oil&Gas	4,02%		A[esg]											
Rusal	Russia	Metals&Mining	4,73%		BBB[esg]											
Novatek	Russia	Oil&Gas	3,92%		BBB[esg]											
Rosneft	Russia	Oil&Gas	4,36%		BBB[esg]											
RusHydro	Russia	Energy	4,87%		BBB[esg]											
MMK	Russia	Metals&Mining	4,79%		BBB[esg]											
Inter RAO	Russia	Energy	4,46%		BBB[esg]											
Gazprom Group	Russia	Oil&Gas	4,68%		BBB[esg]											
X5 Retail Group	Russia	Retail	3,26%		BB[esg]											
Aeroflot	Russia	Transport	5,77%		BB[esg]											
Magnit	Russia	Retail	4,81%		BB[esg]											
FGC UES	Russia	Energy	5,03%		BB[esg]											



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