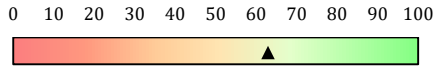


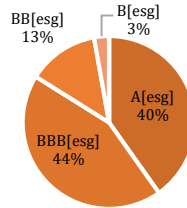
### ESG Fund Score & Rating

ESG Fund Score **63,8**  
ESG Fund Rating **BBB[esg]**

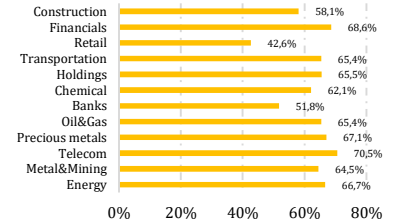


|               |             |  |
|---------------|-------------|--|
| Environmental | 52,0 BB[E]  |  |
| Social        | 59,2 BBB[S] |  |
| Governance    | 79,8 AA[G]  |  |

### Fund ESG Rating distribution (weighted)



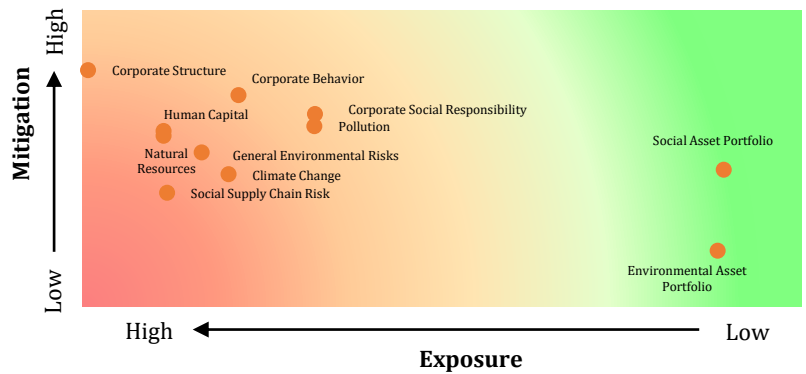
### Fund ESG score per sector (weighted)



### 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      |

### Exposure vs Mitigation



### Fund ESG scorecard

|   | Theme                           | Weight | Score |
|---|---------------------------------|--------|-------|
| E | Natural Resources               | 10,2%  | 59,1  |
|   | Pollution                       | 7,8%   | 63,0  |
|   | Climate Change                  | 9,0%   | 43,5  |
|   | General Environmental Risks     | 6,5%   | 52,4  |
|   | Environmental Asset Portfolio   | 1,1%   | 12,6  |
| S | Human Capital                   | 16,3%  | 61,0  |
|   | Corporate Social Responsibility | 9,3%   | 67,9  |
|   | General Social Risks            | 4,1%   | 36,0  |
|   | Social Asset Portfolio          | 1,1%   | 45,3  |
| G | Corporate Structure             | 19,5%  | 85,7  |
|   | Corporate Behavior              | 15,1%  | 75,5  |

### Summary

RAEX-Europe has reassessed the **ESG Score of RSHB - Moscow Exchange Index - RSPP Vector of sustainable development, total return at 63,8 (still equivalent to a rating of BBB<sub>ESG</sub>)**, which means that the management of ESG related risks remains at a moderately high level. The slight decline on the overall rating score was mainly due to the addition of 9 new companies, of which 4 have relatively low ESG scores, especially Magnit (see table 1). On the other hand, we saw improvements in the scores of Rosneft and Tatneft. Besides the introduction of new companies, the fund excluded three companies from our previous review. In general, most of the companies continue to strongly mitigate risks related to corporate structure and behavior. In addition, pollution and CSR are factors well mitigated across the board. However, not all of the holdings have solid anti-corruption practices, which have led to few controversies related to this topic. The overall fund exposure to climate risk remains high, but performance is still weak. While the adequacy of policies and programs for carbon emissions and renewable energy utilization are favorable, climate change adaptation remains widely unaccounted for. Finally, environmental and social asset portfolios of banks remain very depressed in terms of disclosure of results and adequacy of policies.

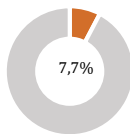
### Strengths:

- ❖ Corporate Structure
- ❖ Corporate Behavior
- ❖ Corporate Social Responsibility

### Weaknesses:

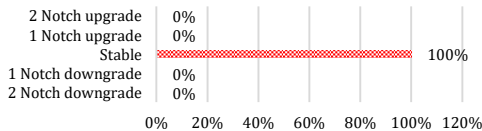
- ❖ Social Supply Chain Risk
- ❖ Climate Change
- ❖ General Environmental Risks
- ❖ Environmental asset portfolio (Banks)

### 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 | Highest score          | Lowest score      |
|------------|--------------|------------------|-----------|------------------------|-------------------|
| Polymetal  | Metal&Mining | 3,18%            |           | Stakeholder engagement | Pollution         |
| Lukoil     | Oil&Gas      | 4,87%            |           | Corporate Structure    | (E) Supply Chain  |
| NLMK       | Metal&Mining | 4,28%            |           | CSR                    | Natural Resources |
| Inter RAO  | Energy       | 4,42%            |           | Corporate Structure    | (S) Supply Chain  |
| Rostelecom | Telecom      | 4,73%            |           | Corporate Behavior     | (E) Supply Chain  |

### Bottom-5 holdings

| Holding   | Industry     | Portfolio Weight | ESG Score | Highest score       | Lowest score        |
|-----------|--------------|------------------|-----------|---------------------|---------------------|
| Magnit    | Retail       | 2,79%            |           | Corporate Structure | Pollution           |
| VTB       | Banks        | 3,33%            |           | Corporate Behavior  | (E) Asset portfolio |
| Sberbank  | Banks        | 3,35%            |           | Corporate Structure | (E) Asset portfolio |
| Nornickel | Metal&Mining | 3,49%            |           | Corporate Behavior  | (S) Supply Chain    |
| Tatneft   | Oil&Gas      | 3,15%            |           | Corporate Structure | (S) Supply Chain    |

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

| Holding       | Country | Industry        | Portfolio Weight* | ESG Score | 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 |
|---------------|---------|-----------------|-------------------|-----------|-------------------|-----------|----------------|-----------------------------|-------------------------------|---------------|---------------------------------|----------------------|------------------------|---------------------|--------------------|
| Inter RAO     | Russia  | Energy          | 4,42%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Nor Nickel    | Russia  | Metal&Mining    | 3,49%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| FGC UES       | Russia  | Energy          | 4,69%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| NLMK          | Russia  | Metal&Mining    | 4,28%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Rostelecom    | Russia  | Telecom         | 4,73%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Rosseti       | Russia  | Energy          | 4,39%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Severstal     | Russia  | Metal&Mining    | 3,40%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| MMK           | Russia  | Metal&Mining    | 3,81%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Polyus        | Russia  | Precious metals | 3,45%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Lukoil        | Russia  | Oil&Gas         | 4,87%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Rosneft       | Russia  | Oil&Gas         | 4,82%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Sberbank      | Russia  | Banks           | 3,35%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Phosagro      | Russia  | Chemical        | 5,46%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Sistema       | Russia  | Holdings        | 4,45%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Novatek       | Russia  | Oil&Gas         | 3,33%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Gazprom       | Russia  | Oil&Gas         | 4,07%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Tatneft       | Russia  | Oil&Gas         | 3,15%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Transneft     | Russia  | Oil&Gas         | 4,10%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Rushydro      | Russia  | Energy          | 3,26%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Aeroflot      | Russia  | Transportation  | 2,79%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Magnit        | Russia  | Retail          | 2,79%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Polymetal     | Russia  | Metal&Mining    | 3,18%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| Petropavlovsk | Russia  | Metal&Mining    | 3,71%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| MOEX          | Russia  | Financials      | 2,96%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| VTB           | Russia  | Banks           | 3,33%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |
| LSR           | Russia  | Construction    | 3,73%             |           |                   |           |                |                             |                               |               |                                 |                      |                        |                     |                    |

\* Excludes around 0,04% of the fund's holdings which are cash.

C[esg]

AAA[esg]



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