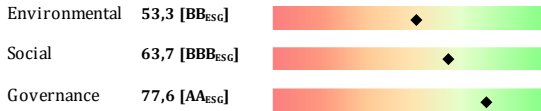
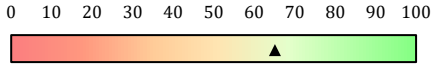
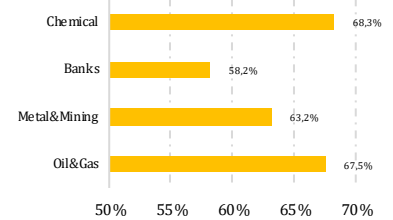
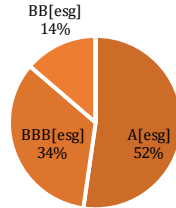


ESG Fund Score & Rating

ESG Fund Score **64,5**
ESG Fund Rating **BBB[esg]**



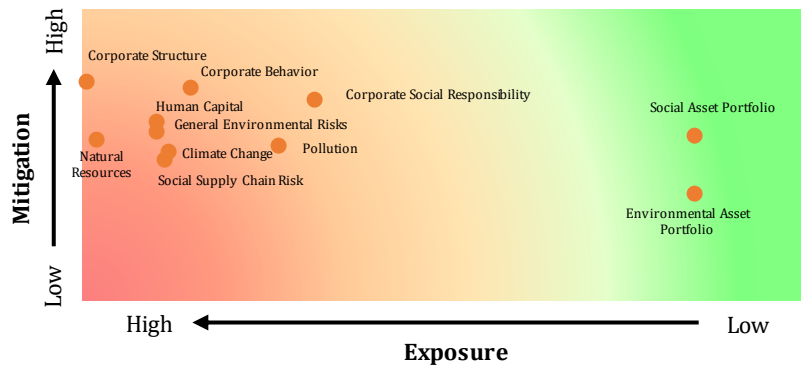
Fund ESG Rating distribution (weighted) Fund ESG score per sector (weighted)



Fund information

ISIN / Code	RU000A1030R1
Registration number	4362
Country	Russia
Fund currency	RUB
Exchange	MOEX
Fund type	ETF
Investment object	Index
Ticker	PRIE

Exposure vs Mitigation



Fund ESG scorecard

	Theme	Weight	Score
E	Natural Resources	10,7%	56,4
	Pollution	7,9%	53,8
	Climate Change	9,5%	50,9
	General Environmental Risks	6,7%	59,3
	Environmental Asset Portfolio	1,5%	33,7
S	Human Capital	15,8%	63,1
	Corporate Social Responsibility	9,0%	72,9
	General Social Risks	3,9%	48,2
	Social Asset Portfolio	1,5%	57,6
G	Corporate Structure	18,0%	79,4
	Corporate Behavior	15,4%	77,6

Summary

RAEX-Europe has increased the ESG Score from 61,6 to 64,5 (still equivalent to a rating of BBB_{ESG}) of RSHB - Russian corporate Eurobonds, vector ESG, which means that the management of ESG related risks is of Moderately high level. The rating score mainly improved due to the annual revision of all our ratings which caused an upgrade of Nornickel, Phosagro, Novatek and Sberbank. These companies improved their overall ESG strategies and transparency, while also some controversies have been removed due to adequate management and no recurrence. On the other hand, we also saw a pair of downgrades to Gazprom and Uralkali mainly due to sanctions which have hurt ownership structure and some governance metrics. In general, and despite being affected by recent sanctions, the companies' best mitigated risks are related to corporate governance. Furthermore, risks related to Corporate Social Responsibility remains well mitigated, while the companies have generally high exposure to climate risk and the mitigation efforts have remained subpar.

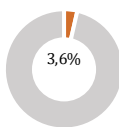
Strengths:

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

Weaknesses:

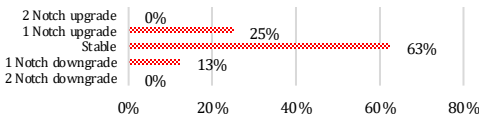
- ❖ Social Supply Chain Risk
- ❖ Climate Change
- ❖ Natural Resources

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

Note: for the financial vehicles in the fund, we used the ESG rating of the parents.

Parent company	Issuer
Gazprom	Gaz Finance Plc
Metalloinvest	Metalloinvest Finance DAC
Nornickel	MMC Finance DAC
Phosagro	Phosagro Bond Funding DAC
Polyus	Polyus FinancePlc
Severstal	STEEL CAPITAL SA
Uralkali	Uralkali Finance DAC
VTB	VTB CAPITAL
Sberbank	SB Capital SA

Top-5 holdings

Holding	Industry	Portfolio Weight	ESG Score / Rating	Highest score	Lowest score
NLMK	Metals&Mining	4,55%		Stakeholder engagement	Natural Resources
Polyus	Metals&Mining	7,19%		Corporate Structure	(E) Supply Chain
Lukoil	Oil&Gas	6,90%		Corporate Structure	Pollution
Severstal	Metals&Mining	6,08%		Corporate Structure	Climate Change
Uralkali	Chemicals	6,14%		Corporate Behavior	Climate Change

Bottom-5 holdings

Holding	Industry	Portfolio Weight	ESG Score / Rating	Highest score	Lowest score
Metalloinvest	Metals&Mining	4,53%		CSR	Climate Change
TMK	Metals&Mining	5,53%		Corporate Structure	Climate Change
VTB	Banks	3,66%		Corporate Behavior	(S) Supply Chain
Sberbank	Banks	7,14%		Corporate Structure	(E) Asset portfolio
Nornickel	Metals&Mining	3,60%		Corporate Structure	Pollution

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Fund ESG Rating distribution and 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
Lukoil	Russia	Oil&Gas	6,90%	Yellow	Orange	Green	Orange	White	Orange	Green	Orange	White	Green	Green
Nornickel	Russia	Metal&Mining	3,60%	Orange	Orange	Yellow	Yellow	White	Yellow	Green	Yellow	White	Green	Green
Phosagro	Russia	Chemicals	8,47%	Orange	Orange	Orange	Yellow	White	Yellow	Green	Orange	White	Green	Green
Novatek	Russia	Oil&Gas	6,00%	Green	Yellow	Orange	Yellow	White	Yellow	Green	Orange	White	Green	Yellow
Gazprom	Russia	Oil&Gas	5,50%	Green	Yellow	Orange	Yellow	White	Yellow	Green	Orange	White	Green	Green
Sberbank	Russia	Banks	7,14%	Orange	Orange	White	Orange	Orange	Green	Yellow	Orange	Yellow	Green	Green
Severstal	Russia	Metal&Mining	6,08%	Yellow	Yellow	Orange	Green	White	Green	Green	Yellow	White	Green	Yellow
MMK	Russia	Metal&Mining	7,91%	Orange	Yellow	Red	Yellow	White	Yellow	Green	Yellow	White	Green	Yellow
Polyus	Russia	Metal&Mining	7,19%	Green	Yellow	Green	Orange	White	Yellow	Yellow	Yellow	White	Green	Green
VTB	Russia	Banks	3,66%	Orange	Red	White	Red	Red	Orange	Green	Red	Yellow	Yellow	Green
Evrast	Russia	Metal&Mining	9,84%	Yellow	Orange	Orange	Yellow	White	Green	Yellow	Orange	White	Green	Green
Metalloinvest	Russia	Metal&Mining	4,53%	Orange	Orange	Red	Orange	White	Yellow	Yellow	Red	White	Yellow	Orange
NLMK	Russia	Metal&Mining	4,55%	Orange	Yellow	Green	Green	White	Yellow	Green	Yellow	White	Green	Green
Uralkali	Russia	Chemicals	6,14%	Orange	Yellow	Orange	Yellow	White	Green	Green	Orange	White	Green	Green
TMK	Russia	Metal&Mining	5,53%	Red	Orange	Red	Orange	White	Orange	Orange	Red	White	Green	Yellow
Sibur	Russia	Chemicals	6,95%	Orange	Orange	Orange	Yellow	White	Yellow	Yellow	Yellow	White	Green	Green

C[esg]

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