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VK COMPANY LIMITED

2021 ESG report highlights

We published our third annual ESG Report, which is referenced here <https://corp.mail.ru/en/investors/esg/>.

Based on our ongoing analysis of trends and topics, we have defined several focus areas for our sustainability agenda. This blog summarizes related 2021 highlights.

PRIVACY, INFORMATION SECURITY AND SAFE INTERNET EXPERIENCE

Information security & Privacy:

- **In 4Q 2021, we launched VK Protect**, a major initiative to protect user data, which combines all the technical solutions that ensure information security across VK projects
- **We have also launched a Security Management Center in the VK ID personal account.** The main task is to increase the number of protected profiles and reduce the number of hacked accounts

Safe Internet experience:

- The **average response time of the VKontakte moderators' team to unacceptable content stood at 1,3 minutes** last year
- A special filter for combating hostile statements became available to administrators of communities in VKontakte. During testing, the filter was connected by 12 mn communities — subsequently, only 1.8% refrained from using it
- OK updated measures against unwanted content in personal correspondence and launched a Message Security Center, containing rules for safe and correct communication inside OK. Since last year, all photos with 18+ content from strangers in private messages are automatically identified using neural network technology and are «blurred» for safety reasons
- OK also launched a neural network-based technology to combat aggressive statements and inciting discord in public comments
- **The VK gaming team has created its own anti-cheat solution, MRAC**, that actively monitors the usage of third-party programs that affect in-game characteristics or automate the gameplay, and restricts access to players who gain an unfair advantage over others
- In 2021 VK held its key ecosystem ESG activity — **the Day Against Cyberbullying** for the third time. In 2021 the project was supported by more than 70 brands and the campaign's coverage nearly doubled YoY having reached 130mn views.

EDUCATIONAL INITIATIVES

- VK is offering a number of own free of charge educational projects under **VK Education, which has marked its 10th anniversary in 2021.** Today VK Education is involved in educational projects spanning all levels and ages, from schools all the way up to professional training
- In 2021, **IT Knowledge Day**, our career guidance campaign focused on game development, brought together 5,700 schools and more than 290,000 school students, having accumulated more than 3mn online viewers
- More than 3,500 students attended VK's educational centres and courses at 13 of Russia's leading universities



SOCIAL INITIATIVES

- More than 1.5mn people have visited the site of Dobro Mail.ru in 2021, with a total of **RUB 110mn donated to funds, connected to the Dobro Mail.ru platform**, with the total number of regular payments reaching 19,205 for the year for a total amount of RUB 7mn
- VK continued to work on its **own fund «Code of Good»**, which **collected RUB 96mn for NGOs** in 2021
- More than 120 socially oriented NGOs received support from VKontakte in 2021 in the form of grants for advertising campaigns and assistance in their implementation

OUR PEOPLE

- Total number of employees at the end of 2021 reached 10,392. **The proportion of women among our employees stood at 37%, with 28% of top managers and team leaders being women and 35% of new hires being women**
- Among the major D&I efforts, in 2021 we launched the internal **VK Women initiative** — corporate professional female community, with 380+ participants so far
- **48% of our employees are under 30 years of age**, with the youngest being 17 years old, and the oldest being 71 years of age
- **100% of our employees are insured** under life insurance programs and health insurance programs
- VK provides various tools for continuous improvement of the level of knowledge and expertise, including through the internal learning experience platform – **Study**
- In 2021, the **employee engagement survey covered 5,159 people (~60% of total)**, who left 1,596 detailed feedback comments

ENVIRONMENTAL

Data centers:

- In 2021, we **scaled our liquid cooling system by 5x** while achieving the desired level of redundancy to allow uninterrupted operation and 24/7 maintenance of the servers
- The average annual PUE for the implemented liquid cooling system did not exceed 1.04 in 2021, and the maximum peak value reached 1.10. We **managed to reduce the consumption of electrical energy spent on heat removal by 6-12x vs traditional freon systems**

Offices:

- In the 1Q 2022, we conducted an environmental audit from Sphere of Ecology, a Russian company operating in the field of waste collection and processing. As a result of the audit and a survey of employees, we have now planned measures to **reduce non-recyclable waste, switch to separate waste collection, and replace light bulbs with energy- efficient ones**

Other environmental initiatives:

- In summer 2021, Dobro Mail.ru collected > RUB 500,000 to fight fires in the Republic of Sakha (Yakutia)
- In 2021, Dobro Mail.ru collected RUB 200,000 to help in the creation of a new forest nursery in the Kaluga region
- Thanks to the support of Dobro Mail.ru (RUB 300,000) the Delpha Foundation was staffed by teams of assistance to dolphins
- BIT.GAMES studio supports the local eco-community «EkoVes». In 2021, the studio's team helped to clean up the area around the Sursk reservoir in the Penza region (territory equal to 82m³ liters)



CORPORATE GOVERNANCE

- Since 2Q 2022 **30% of members of the Board of Directors are women**, and 60% of members (in addition to independent) were non-executive directors
- In 2021, the company registered 17 claims of different Code of Business Ethics violations. The company took appropriate steps to review, investigate and take corresponding corrective measures
- We have also **renewed our internal Code of Business Ethics**
- In addition to the whistle-blowing channel for employees, the Company now also operates a reporting channel for business partners and other third parties.
- In 2021, the company identified 13 ESG risks and provided measures to manage them

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