

VK released 2022 ESG Report

August 17, 2023. VK Company Limited (LSE, MOEX: VKCO, hereinafter referred to as "VK" or the "Company") publishes its <u>ESG Report</u> 2022. The Company has also launched an <u>ESG portal</u> that highlights key developments for VK over the past year in environmental, social, and other sustainability-related areas.

"In 2022, VK continued to develop social and environmental projects to advance the sustainability agenda. The most important VK's activities in this area include developing high-quality and secure digital services, promoting digital transformation, supporting charitable initiatives, and creating a favourable working environment for the Company's employees. In each of these areas, VK implements a number of projects that not only benefit society, market and government, but also have a positive impact on the Company's business. We see the positive effect of such initiatives and will continue to implement them in the future," — Ksenia Toporkova, VK's ESG Officer, comments.

Key points of VK's ESG Report

Environmental aspects

- In 2022, VK data centre energy efficiency improved by 15% compared to the average data centre due to improved energy efficiency of auxiliary systems.
- In 2022, 35 tons of mixed waste were collected during VK Fest and sent for recycling.
 915,000 elementary school students took part in the online ecology and environment Olympiad on the Uchi.ru platform, up by 100,000 YoY.

Social aspects

- VK Dobro service raised over RUB 106 mn in 2022.
- Throughout 2022, the VKontakte social network provided free assistance to charitable foundations in arranging and promoting social projects and supplied them with more than 325 mn free ad views.
- For the fourth time VK held a large-scale campaign against bullying on the Internet Anti-Cyberbullying Day. More than 50 Russian brands participated in the campaign, which reached over 67 mn people.

Corporate governance

- The share of women on VK's Board of Directors accounted for 30% in 2022.
- 37 VK projects entered the Bug Bounty programme.
- VK has approved a Sustainable Development Policy.

In 2022, once again VK conducted a study to identify sustainability goals and priorities. Surveys were held among users, employees, shareholders, business partners and non-profit organisations. According to the survey results, the key topics included **personal data protection**, **employee training and development**, **responsibility for the quality of services**, **interaction with users and compliance with their demands**.

In each area of sustainable development, the Company implements initiatives and projects aimed at making the lives of users and employees more convenient and secure.

In the area of **information security and protection of personal data**, VK continues to develop the VK Protect initiative, within which the Company improves the level of security of products and services, and also conducts educational work with users in social networks and media. In 2022, the Company implemented more than 30 internal security improvements and launched more than 10 security options for users. The key ones are a warning about suspicious interlocutors using a banner in group chats, new dialogues, and the "Personal Space" mode, which protects users from unwanted attention (it was installed by 2.5 mn people).

In 2022, VK placed its Bug Bounty vulnerability search programme on two domestic platforms: Standoff 365 from Positive Technologies and BI.ZONE Bug Bounty. The VK Bug Bounty programme included 37 projects for which 755 reports were received from 163 independent security researchers.

VK implements **educational initiatives** for audiences of all ages – from schoolchildren to professionals. The Company pays special attention to working with schoolchildren and students – for this purpose, there is a separate area called VK Education, which provides an opportunity to learn and grow professionally in a wide range of IT and digital specialities.

VK launches its own educational programmes and introductory courses together with the country's leading universities. In 2022, VK expanded cooperation with universities and launched over 100 courses in 22 fields, with over 20,000 students trained so far. The VK Engineering and Mathematics School at the National Research University "Higher School of Economics" and Innopolis was one of the key launches. An "IT Knowledge Day" campaign for schoolchildren, which VK conducted in October 2022, covered 6,700 schools, 350,000 teenagers and more than 3 mn broadcast viewers. Over 2.5 mn schoolchildren across the country have completed the VK Digital Lesson. In 2022, VK won the Russian Knowledge Society Awards 2022 as the year's best education company.

VK supports **social initiatives**. The Company continued to work on its own "Code of Good" fund, which raised RUB 82 mn for non-profit organisations in 2022, while the total amount of donations together with the VK Dobro service exceeded RUB 188 mn. In 2022, the VK Dobro service conducted two social campaigns named "We Need to Talk" dedicated to health care (regular preventive check-ups) and pets. VK Dobro also initiated a special project "Everyone deserves a job", dedicated to employment for people with rare diseases.

VK contributes to the **development of inclusiveness** in Russian society. One of the Company's key objectives is to increase the digital availability of its services. For example, Odnoklassniki apps (on iOS and Android) and Mail.ru app (on Android) were tested for non-visual accessibility in 2022. The evaluation was conducted by blind testers from the Everland inclusive project. All applications received more than 80 points out of 100 possible. VK has a vocabulary of inclusive terms to help employees navigate terminology related to the topic of digital and physical accessibility.

Environmental issues are important to VK. In 2022, more than 700 face-to-face environmental lessons from the Uchi.ru online education platform were held in Russia's regions, with teachers and volunteers explaining to schoolchildren how to reduce the anthropogenic impact on the environment. More than 22,600 children took part in these lessons. The Skillbox service launched an educational course on global warming, ecology and prospects of biotechnology.

In 2022, the VK HR Tek service launched the Human Resources Electronic Document Management project (HR EDM). With the help of this tool, 30 different processes can be carried out electronically rather than in paper form. The HR EDM system is not only being implemented internally at VK; more than 100 other companies and projects, with a total of more than 500,000 employees, started using the tool in 2022. Once all of these companies are fully connected to the HR EDM system, up to 2.2 mn documents will be signed electronically instead of on paper. This will save more than 5 mn sheets of paper per year and thereby prevent nearly 350 trees from being cut down. VK aims to actively increase the number of companies connected to the HR EDM system in order to scale up this eco-initiative.

About the Report

The Report is published in Russian and English. The qualitative and quantitative data that VK discloses in the report are presented in accordance with International Reporting Standards (GRI) and the Sustainability Accounting Standards Board (SASB). To disclose ESG risks, we used the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

For more information please contact:

VK ESG team

Email: esg@vk.team

VK IR team

Email: ir@vk.team

VK PR team

Email: pr@vk.team

About VK

VK is one of the largest technology companies in Russia. Its products help millions of people with their day-to-day needs online. More than 95% of the Russian internet audience use VK services, which enable people to keep in touch, play video games, master new skills, listen to music, watch and create video content, buy and offer goods and services and fulfill a wide range of other needs. The company provides a number of solutions for digitizing business processes, from online promotion and predictive analytics to corporate social networks, cloud services and enterprise automation.