

APPROVED
by order of MC Delo
dated February 17, 2022 No.10

ENVIRONMENTAL POLICY OF MC DELO
(revision No. 1)

1. General provisions

1.1. The Environmental Policy of MC Delo (hereinafter - the Policy) is a local regulatory act of Limited Liability Company "Management company "Delo" (hereinafter - "MC Delo"), the parent company of Delo Group of Companies, which defines key requirements in the field of environmental protection, energy efficiency, and energy conservation.

1.2. The Delo Group of Companies (hereinafter - the "Delo Group", "We") is a dynamically developing transport and logistics holding company that holds assets in the Russian transport and logistics industry, manages sea container terminals in the Azov–Black Sea, Baltic and Far Eastern basins, a network of railway container terminals, a fleet of containers and fitting platforms.

The Delo Group's stevedoring business includes DeloPorts Holding and Global Ports, a leading operator of container terminals. The transport and logistics direction consists of the multimodal transport operator Ruscon and TransContainer, an intermodal container operator with the largest fleet of containers and fitting platforms on the entire railway network of 1520 standard.

1.3. The policy corresponds to the strategic priorities of MC Delo development, provides the basis for setting goals and objectives in the field of environmental protection, energy efficiency and energy conservation, and is taken into account in development of long-term development programs. The policy defines the goals, objectives, principles and fundamentals of environmental impact management and responsible resource consumption, and serves as a basis for development of relevant local regulations of the Delo Group.

1.4. The policy is developed in accordance with the United Nations Global Compact; Basic Principles of State Policy of the Russian Federation in the field of Environmental development for the period up to 2030; the Strategy of Environmental Safety of the Russian Federation for the period up to 2025; the Strategy of Social and Economic Development of the Russian Federation with Low Greenhouse Gas Emissions up to 2050; Presidential Decree No. 666 of the Russian Federation dated November 4, 2020 "On Reducing Greenhouse Gas Emissions".

1.5. The main provisions of the Policy are elaborated following the results of consultations with stakeholders.

1.6. The following **basic terms and concepts** are used in the Policy:

Green economy - increase in production while reducing energy consumption, improving the quality of life while reducing the resources used and the load on ecosystems.

The United Nations Global Compact - an international initiative of the United Nations, a tool for involving business in formation and promotion of the concept of sustainable development.

Precautionary principle - a principle holding that in cases, where there is a threat of serious or irreparable damage to the environment, a lack of complete scientific certainty is not used as a reason for delay in adoption of cost-efficient measures to prevent environmental impairment.

Stakeholders - individuals and legal entities or groups of persons involved to varying degree in operations of organization, which influence performance of organization and/ or are influenced in their decisions and operations by a group.

2. Principles of implementation and objectives of the Policy

2.1. MC Delo is guided by the following **principles** in its environmental management activities:

compliance with legal requirements, following recommendations, international conventions, best practices and standards in the field of preservation of the environment;

consideration of environmental factors and assessment of potential negative impact on the environment when making investment decisions;

need to reduce negative impact on the environment, responsible resource consumption and increase of responsibility for the state of the environment;

continuous promotion of development, implementation and dissemination of environmentally sound technologies and best practices in environmental impact management;

support for precautionary approach to environmental issues.

2.2. The Police **objectives** include the following:

ensuring transparency in environmental impact issues;

ensuring environmental effectiveness of investment decisions made;

responsible resource consumption, waste reduction;

improvement of environmental management system;

assessment of environmental aspects of suppliers and customers.

3. Policy implementation mechanisms

3.1. The main policy implementation mechanisms of the Delo Group are as follows:

maintenance and improvement of environmental management system;

implementation of environmental management system based on the requirements of international standard ISO 14001 in 2024 perspective;

consideration of environmental aspects and risk assessment in design, construction and operation of facilities of MC Delo and the Delo Group;

industrial environmental control and monitoring, assessment of environmental impact of business activities of MC Delo and the Delo Group; involvement in regional environmental programs and projects aimed at achieving sustainable development goals;

engagement with organizations and persons interested in improving environmental safety of MC Delo and the Delo Group;

just-in-time environmental training and professional development of employees of MC Delo and the Delo Group;

establishing relevant requirements for suppliers and business partners, audit of compliance with such requirements and raising awareness about environmental protection issues, periodic audit for compliance with the stated objectives of this Policy in order to make sure and convince all stakeholders that there is a process in place for managing environmental protection, industrial safety, occupational safety and health protection of personnel; involvement of all employees of MC Delo and the Delo Group in activities related to the environmental management system, inter alia, with a view to raise awareness about environmental protection issues;

presentation of environmental reports on a regular basis by disclosing environmental monitoring data in annual reports on sustainable development of the key companies of the Delo Group;

periodic internal audit in MC Delo and the key companies of the Delo Group for compliance with the stated objectives of this Policy in order to make sure and convince all stakeholders that there is a process in place for managing environmental protection, industrial safety, occupational safety and health protection of personnel;

ensuring that information related to the activities of MC Delo and the Delo Group in the field of industrial safety, labor protection and environmental protection is generally available to the public and stakeholders by publishing annual reports on sustainable development of the key companies of the Delo Group; active engagement with stakeholders, providing information in various formats by channels accessible and selected by reference to the preferences of stakeholders.

4. Impact management

4.1. Direct impact management

We seek to comply with the principles of environmental protection and rational use of natural and energy resources, and to implement best practices.

We are guided by the need to minimize adverse impacts on the environment (including water consumption, water discharge, impact on biodiversity, reduction of waste generation and emissions of pollutants, greenhouse gases, rate of impact on the climate system as a whole).

We seek to develop and improve environmental management, including through creation and implementation of carbon management system.

We strive to direct efforts towards implementation of environmental principles in the activities and services rendered in order to implement the concept of responsible investment to spread a positive impact on the environment.

4.2. Indirect impact management.

We seek to implement projects that contribute to formation of green economy based on the principles of sustainable development.

We support scientific research and implementation of innovative projects aimed at improving energy efficiency, the use of renewable energy sources;

We strive to manage the environmental aspects of our contractors and expect contractors to comply with the applicable requirements of environmental legislation, as well as best practices in this area.

5. Directions of our activities in the framework of minimizing adverse impacts of office space on the environment

5.1. We seek to reduce waste and resources consumed:

- we reduce the use of paper in business processes and the number of paper documents;

- we are introducing separate waste collection in the offices of the Delo Group companies: we strive to supply each office of the Delo Group companies with bins for separate waste collection by main types: paper, plastic, glass, used batteries; we send paper, cartridges, used equipment, office garbage and batteries for recycling, depending on capabilities of a particular region of presence;

- we transfer non-hazardous waste for burial at special landfills.

5.2. We strive to reduce the amount of energy consumed, wherefore we are working upon energy efficiency of our offices and servers.

5.3. We use equipment of high energy efficiency class - not lower than "A", which eliminates irrational consumption of energy resources.

5.4. We turn off all personal computers and office equipment during non-working hours.

6. Scope of the Policy

6.1. The policy is binding upon all employees of the Delo Group in planning and carrying out their activities in terms of engagement with stakeholders, development of internal regulatory documents (policies, regulations, methodologies, etc.), dissemination of information and other types of communication, engaging in their labor activities.

6.2. The policy applies to all ongoing investment projects of MC Delo.

6.3. Delo Group companies can develop their own internal documents based on the uniform provisions of this Policy subject to assessment of materiality of identified areas and tasks, applicable corporate governance standards and legislation.

6.4. In order to effectively inform and clarify the provisions of the Policy using best practices that take account of preferential use of digital communication channels and work by all interested parties, MC Delo, as well as the affiliated companies of MC Delo organize learning programs and trainings, as well as the creation of visualized version of the Policy ("redesign") aimed at simplifying perception and increasing motivation for compliance by employees with the Policy provisions. Visualized versions of the Policy ("redesign") of MC Delo and its affiliated companies are approved by the authorized management bodies of the respective companies and are posted on the official websites of the respective companies on the Internet information and telecommunications network.

7. Responsibility

7.1. Employees of MC Delo may be held liable for failure to fulfill or improper fulfillment of the provisions of this Policy in accordance with the procedure established by the legislation of the Russian Federation.

7.2. Responsible specialists of companies controlled by MC Delo are responsible for failure to comply with the requirements of applicable environmental legislation.

7.3. In case of establishing any facts of intentional non-compliance with the provisions of this Policy by contractors of MC Delo, these actions may be perceived as unfriendly policy towards MC Delo followed by relevant conclusions, inter alia, by decision to terminate business relationship.

8. Monitoring and amendments to the Policy

8.1. Director for Sustainable Development of MC Delo shall be in charge of coordination of issues related to implementation of this Policy.

8.2. Responsible specialists of companies controlled by MC Delo are responsible for control over compliance with the requirements of applicable environmental legislation.

8.3. This Policy necessitates development of regulations for interaction of services (departments) on environmental issues of the Delo Group with the Department of Sustainable Development of MC Delo through organization of information exchange and application of approval procedures in the course of preparing and publishing non-financial reports, as well as engagement with stakeholders and for the purposes of ensuring compliance with corporate standards to serve the interests of the Delo Group.

8.4. The data provided in the Policy is effective at the time of approval. The Policy may be updated and revised in case of any changes, as well as when updating strategic documents, but at least once every three years.

8.5. The management of MC Delo arranges for development and implementation of action plan to review and change the Policy at the suggestion of the Director for Sustainable Development, if it is identified that some provisions of the Policy or related procedures of MC Delo are insufficient or in case of any changes to the requirements of the applicable legislation.
