



**ГАЗПРОМБАНК**

**Gazprombank (Joint Stock Company)  
Bank GPB (JSC)**

**APPROVED**

by Resolution of the Management  
Board of Bank GPB (JSC)

dated 9 June 2021  
(Minutes No. 23)

# **Bank GPB (JSC) DEDICATED POLICY on Environmental Responsibility**

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## 1. General Provisions

1.1. This Dedicated Policy establishes that the Bank’s mission is to incorporate environmental standards into its operations when financing projects and clients, and to apply risk and impact management mechanisms in this area. The Bank voluntarily commits to contribute in all of its activities to reducing negative impact on the environment, and to increase its own contribution to the global Sustainable Development agenda.

1.2. A list of terms and abbreviations is given in Attachment 1.

1.3. In its activities, the Bank is guided by the goals and objectives set forth in the Sustainable Development Policy. The Bank also states that it adheres to the Principles for Responsible Banking.

1.4. This Dedicated Policy is binding on all employees of the Bank. Subsidiary Financial Institutions of the Bank shall be guided in their activities by the provisions of this Dedicated Policy. Non-resident Subsidiary Financial Institutions of the Bank shall be guided by this Dedicated Policy to the extent not inconsistent with the law of their country of incorporation. For other organizations of the Bank Group, this Dedicated Policy is of non-binding nature.

1.5. This Dedicated Policy is a public document and is adopted in furtherance of the Sustainable Development Policy.

## 2. Dedicated Policy Objectives

The Bank’s objectives to help support and accelerate the major economic and lifestyle changes needed to sustainably use natural resources and reduce the negative impact on the environment, in accordance with the UN General Assembly Declaration “Transforming Our World: The 2030 Agenda for Sustainable Development,” adopted by United Nations General Assembly Resolution No. 70/1 of September 25, 2015, are:

2.1. Ensuring the availability and rational use of water resources and, above all, investing in improving water quality and increasing recycling and safe reuse of wastewater, ensuring integrated water resource management, including transboundary cooperation, ensuring protection and restoration of water-related ecosystems.

2.2. Ensuring universal access to affordable, reliable, sustainable and modern sources of energy and, above all, encouraging investment in energy infrastructure, clean energy technologies, energy efficiency, and advanced, cleaner fossil fuel technologies.

2.3. Ensuring the openness, safety, resilience and environmental sustainability of cities and human settlements and, above all, investments in environmentally sustainable transportation systems, recycling and disposal of municipal and other waste, and the construction of sustainable buildings using local materials and energy-efficient technologies.

2.4. Ensuring the transition to sustainable consumption and production patterns and, above all, investing in the transition to sustainable consumption and production patterns, the use of natural resources, and encouraging measures to prevent, reduce, recycle and reuse waste.

2.5. Taking urgent action to combat climate change and its effects and, above all, investing in the transition to a less carbon-intensive economy with green jobs and investing in sustainable solutions.

2.6. Conservation and sustainable use of the oceans, seas, and marine resources for Sustainable Development and, above all, investing in the prevention and substantial reduction of all marine pollution, and in the rational use, protection and restoration of marine and coastal ecosystems and fish stocks.

2.7. Protecting and restoring terrestrial ecosystems and promoting their sustainable use, sustainable forest management, combating desertification, halting and reversing land degradation, and halting biodiversity loss.

## 3. Dedicated Policy Principles

In order to achieve its goals in the field of sustainable use of natural resources and reducing the negative impact on the environment, the Bank in its activities adheres to the principles set forth by the United Nations Environment Programme Finance Initiative (UNEP FI):

3.1. Consistency of the Bank’s policies with the needs and goals of society. Ensuring

consistency of business strategy (including operating activities, lending and investment policies, etc.) with the main factors of Sustainable Development, implying the Bank's environmental, social and corporate responsibility.

3.2. Assessment of the Bank's impact on the environment and people. The Bank is committed to continuously improve the positive impact on nature, society and people and to reduce the negative impact and Environmental Risks of its products and services.

3.3. Consistency of the client policy with the Sustainable Development Goals. The Bank assumes the obligation to work responsibly with clients, continuously improving the level of financial literacy of individuals and encouraging the economic activity of legal entities aimed at achieving Sustainable Development and prosperity for current and future generations of people.

3.4. Consistency of the shareholder policy with the Sustainable Development Goals. The Bank responsibly engages and collaborates with shareholders and other stakeholders to achieve Sustainable Development and prosperity for current and future generations of people.

3.5. Responsible governance. The Bank is committed to shaping its governance policies and corporate culture so that they are fully consistent with the concept of Responsible Banking.

3.6. Transparency and accountability. The Bank undertakes to conduct periodic audits of its activities and to post non-financial Sustainable Development reports in the public domain.

#### **4. Main Participants, Their Rights and Obligations**

4.1. The executive bodies of the Bank shall approve:

4.1.1. This Dedicated Policy and amendments hereto.

4.1.2. Other internal regulations that form a unified approach to the Bank's Environmental Responsibility, including the decision on the Bank's adherence to certain international initiatives.

4.2. Council for Sustainable Development:

4.2.1. Exercises overall coordination of the Bank's activities in the field of Sustainable Development (including Environmental Responsibility).

4.2.2. Prepares proposals for the approval of this Dedicated Policy, as well as on the advisability of updating it.

4.2.3. Decisions of the Council for Sustainable Development adopted in accordance with the powers and competence of the Council for Sustainable Development shall be binding on the autonomous structural units, branches and employees of the Bank.

4.3. Environmental Projects Center:

4.3.1. Coordinates the work of the Bank's autonomous structural units on issues of Environmental Responsibility and information aggregation on the environmental aspect of the Bank's activities.

4.3.2. Updates the Dedicated Policy and other internal regulations that determine the unified approach to the Bank's Environmental Responsibility.

4.3.3. Provides methodological support of the tools and procedures formulated in this Dedicated Policy.

4.3.4. Coordinates activities aimed at the development of Environmental Responsibility culture in the Bank.

#### **5. Risk Management**

Risk management in the area of Environmental Responsibility is carried out as part of the Bank's general corporate risk management system. Climate and Environmental Risks are integrated into the Bank's overall risk management system.

#### **6. Obligations of the Bank<sup>1</sup>**

6.1. The Bank aims at reducing its own environmental impact by means of:

6.1.1. Creation of the most comfortable and safe environment for employees and mitigation of

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<sup>1</sup> The Bank's quantitative and qualitative KPI in the area of Environmental Responsibility to be disclosed as part of the Bank's unified sustainability reporting are given in Attachment 2.

environmental impacts through the implementation of the Green Office concept.

6.1.2. Focusing its procurement activity on the selection of suppliers and contractors who officially declare the principles of Environmental Responsibility and adhere to high environmental standards, under otherwise equal conditions, taking into account the requirements established by the Bank's internal regulations.

6.2. The Bank, due to the specifics of its own (office) activities, does not carry out:

6.2.1. Emissions of greenhouse gases, ozone-depleting substances or other pollutants in excess of anthropogenic levels related to the physiological needs of Bank employees.

6.2.2. Wastewater discharge.

6.2.3. Liquid waste spillage.

6.2.4. Transportation of hazardous waste.

6.2.5. Impacts on biodiversity.

6.3. The Bank aims at financing projects that allow rational use of natural resources, reduce the negative impact on the environment and can bring significant environmental benefits. Particular attention is paid to the projects:

6.3.1. Included in the National Project "Ecology" or one of the international or regional environmental programs.

6.3.2. Aimed at the disposal and recycling of waste (utility, industrial and medical), production of biodegradable materials.

6.3.3. In the field of renewable energy and low-carbon fuels (including natural gas and nuclear power).

6.3.4. In the field of energy and resource efficiency, water supply and sanitation, creation and modernization of infrastructure for the production of environmentally friendly construction materials.

6.3.5. Aimed at the modernization of existing production facilities in order to reduce the negative environmental impact or the launch of new production facilities with a low negative environmental impact based on the Best Available Technologies.

6.3.6. In the field of transport and industrial engineering using environmentally friendly energy sources and non-motorized transport.

6.3.7. In the construction and modernization of transport infrastructure that helps reduce greenhouse gas emissions.

6.3.8. In the field of conservation, restoration, development of biodiversity, forests, land and special protected natural areas.

6.3.9. Aimed at the development of organic (ecological) and biodynamic agricultural production.

6.4. The Bank strives to ensure that its investments contribute to the effective implementation of relevant principles and norms of national and international law concerning environmental protection. The Bank does not provide or significantly limits the financing of projects in the following areas:

6.4.1. Manufacture of, or trade in, any goods or conducting any activities that are illegal under the national law of the project state or international treaties, or that are subject to prohibition.

6.4.2. Marine fisheries with drift nets over 2.5 km in length.

6.4.3. Transportation of oil or other hazardous substances by tankers that do not meet the requirements of the UN International Maritime Organization (IMO).

6.4.4. Manufacture of, or trade in, free asbestos fibers or asbestos-containing products, as well as trading products containing polychlorinated biphenyls.

6.4.5. Manufacture of, or trade in, ozone depleting substances.

6.4.6. Manufacture of, or trade in, pesticides/herbicides and other toxic substances to be phased out.

6.4.7. Transboundary transportation of wastes prohibited by international law.

6.4.8. Trade in wild animals, plants and products obtained from them included in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

## **7. The Bank's Main Activities in the Field of Environmental Responsibility**

7.1. In its activities, the Bank is guided by the requirements of Russian and international legislation, as well as recommendations of international financial institutions in the field of environmental protection.

7.2. The Bank implements the Green Office concept, which expresses the Bank's commitment to resource conservation, energy efficiency and waste reduction and includes:

7.2.1. Resource saving:

- in terms of water conservation: installation of water meters; urgent replacement of leaking faucets; turning off the faucet when water is not in use;
- in terms of heat saving: use of thermostats;
- in terms of electric power saving: maximum use of natural light; installation of energy-saving lamps and sensors; unplugging appliances that are not in use; unplugging chargers; setting appliances to energy-saving mode; turning off air conditioners after the end of the working day; using energy-efficiency class "A", "A+" electrical equipment;
- in terms of saving paper: introduction of an electronic document management system.

7.2.2. Separate collection of solid utility waste and waste paper, collection and disposal of hazardous waste (fluorescent lamps, batteries).

7.2.3. Ensuring timely maintenance of the corporate vehicle fleet; use of vehicles whose engine emissions do not exceed established environmental standards.

7.2.4. Improving the environmental culture of the Bank employees through continuous improvement of the quality of environmental education and environmental enlightenment by disseminating environmental knowledge on environmental safety, information on the state of the environment and the use of natural resources.

7.2.5. Certain provisions of the Green Office concept presented in sub-clauses 7.2.1, 7.2.2, 7.2.3, and 7.2.4, may be additionally regulated in accordance with the established procedure by the Bank's internal regulations.

7.3. The Bank adheres to the principles of Environmental Responsibility in its procurement activities, which include:

7.3.1. The Bank's desire to cooperate with suppliers and contractors who officially declare the principles of Environmental Responsibility and supply certified products.

7.3.2. Priority purchase of goods with environmental labeling type I (GOST R ISO 14024-2000 Environmental Labels and Declarations. Environmental Labeling Type I. Principles and Procedures) or other proven environmental benefits (use of recycled materials; no harmful substances; biodegradability).

7.3.3. Priority purchase of energy-efficient household and computer equipment (energy efficiency class "A", "A+").

7.3.4. The principles of Environmental Responsibility in the course of procurement activities, presented in sub-clauses 7.3.1, 7.3.2, and 7.3.3, shall be included in the Bank's internal regulations governing procurement activities.

7.4. The Bank continuously develops financial instruments in the environmental field and, if necessary, conducts an environmental assessment of the entire set of available financial instruments for retail, corporate, and budget customers.

7.5. Commercial projects of corporate clients financed by the Bank may be subject to environmental assessment as an integral part of the project comprehensive inspections and appraisal process.

7.5.1. The assessment is made in order to decide on the possibility of financing not only on the basis of financial feasibility, but also taking into account environmental factors.

7.5.2. The degree of environmental assessment is determined individually for each project and should be appropriate to the nature and scale of the project under consideration, depending on the risks and impacts it creates.

7.5.3. The following projects are subject to environmental assessment:

- projects where the Bank's participation as a creditor or a guarantor/surety/investor is at

least RUB 700 million and/or projects where (re-)financing is arranged through the public capital markets and the term of such projects is at least one year;

- environmental projects;
- other projects for which a decision has been made to conduct an environmental assessment.

7.5.4. The decision on the environmental assessment of the project is made by the Customer Relations Unit together with the Project Owner.

7.5.5. Industry standards, assessment methods and the system of monitoring the implementation of environmental assessment are determined in accordance with the established procedure by internal regulations of the Bank.

7.6. Credit, leasing, investment and other agreements of the Bank with clients and partners under the projects may include specific provisions on compliance with all relevant requirements and legislation of the Russian Federation in the field of ecology, energy and resource saving.

7.7. Based on the results of the environmental assessment, by agreement with the client/partner, one of the financing conditions may be the inclusion of special measures to manage Environmental and Climate Risks in the agreement between the Bank and the client/partner.

7.8. The Bank shall be entitled to:

7.8.1. Refuse to finance or substantially limit financing of a project on environmental grounds where, for example, such project does not provide satisfactory solutions to environmental problems within a reasonable time frame in the opinion of the Bank, or where the level of residual impacts from realized Climate Risks and Environmental Risks is unacceptably high.

7.8.2. Refuse to finance or significantly limit the financing of a project for environmental reasons specified in clause 6.4.

7.9. The Bank aims at using the results of projects environmental assessment in order to form a portfolio of sustainable projects and investments.

7.10. The Bank develops and implements environmental procedures, appropriate guidelines and tools to support this Dedicated Policy and provides employees with appropriate training in the application of the requirements of this Dedicated Policy.

## **8. Disclosure and Reporting**

8.1. The Bank strives for openness and ensuring awareness of stakeholders of the results of its activities in the field of Environmental Responsibility, taking into account the requirements of legislation for protection of commercial and other types of secrets, protection of personal data, as well as the requirements for protection of confidential information in accordance with the agreements concluded by the Bank.

8.2. Disclosure of information in the area of Environmental Responsibility is carried out within the framework of the Bank's uniform Sustainable Development reporting, structured according to the principles formulated in the Sustainable Development Policy.

8.3. Disclosure of information in the field of Environmental Responsibility meets the requirements of the "Concept of Development of Public Non-Financial Reporting and Action Plan for Its Implementation", approved by order No. 876-p of the Government of the Russian Federation on 05.05.2017, and takes into account the "Recommendations of the Task Force on Climate-Related Financial Disclosures" TCFD of 15.06.2017 as far as they do not contradict the local regulation.

## **9. Final Provisions**

This Dedicated Policy shall come into effect upon the expiry of thirty (30) calendar days after its approval.

**Attachment 1**

to Bank GBP (JSC) Dedicated Policy on Environmental Responsibility approved by Resolution of the Management Board of Bank GBP (JSC)

dated \_\_\_\_\_ 2021 (Minutes No.\_\_\_\_)

**List of Terms and Abbreviations**

**Administrative Offices of the Bank** means premises and buildings of the Bank's head office in Moscow.

**Bank** means Gazprombank (Joint Stock Company), Bank GPB (JSC).

**RES** means renewable energy sources.

**Project Owner** means a structural unit of the Bank that implements the relevant project and provides banking services to the client.

**Bank Group** means an association of legal entities, which is not a legal entity, and where several legal entities are under control or significant influence of the Bank.

**Subsidiary Financial Institutions of the Bank** means credit and non-credit financial institutions in respect of which the Bank is able to determine decisions made by such institutions by virtue of the prevailing participation in their authorized capitals, or in accordance with the agreement concluded between them, or otherwise.

**Green Office** means an ecological concept of a modern, comfortable and safe space for people, which rationally uses its own resources, thus contributing to the preservation of the planet for future generations. In accordance with paragraph 2.3. of the Information Letter of the Bank of Russia No. ИИ -06-28/111 dated 15.07.2020 "On Recommendations for Implementation of Responsible Investment Principles", within the Green Office concept the Bank takes measures for rational energy consumption, water consumption, waste generation and management.

**Climate Risks** means risks caused by climate change. Climate risks include physical risks and transition risks.

**KPIs** means key performance indicators.

**MBO** means Moscow branch offices of the Bank.

**Best Available Technology** means the technology to manufacture products (goods), deliver work or render services defined on the basis of the latest achievements in science and technology and the best combination of environmental safety criteria given the technical capabilities available.

**SPNA** means Specially Protected Natural Areas.

**Responsible Banking** means the financial institution policy that sets out the requirements to the level of social and environmental risks related to the business activities of the financed companies and their investment projects and ensures monitoring of compliance with such requirements.

**Sustainable Development Policy** means "Bank GBP (JSC) Sustainable Development Policy", approved by the decision of Bank GBP (JSC) Management Board dated 16.02.2021 (Minutes No. 07).

**Principles for Responsible Banking** means the Principles for Responsible Banking of the United Nations Environment Programme Finance Initiative (UNEP FI).

**Council for Sustainable Development** means the Council for Implementation of Sustainable Development Principles in the Operations of the Bank set up by Order No. 89 dated 20.08.2020, acting on the basis of the "Regulations on the Council for Implementation of Sustainable Development Principles in the Operations of Bank GPB (JSC)" dd. 07.04.2021 No. И/48.

**Sustainable Development** means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

**Financial Institution** means an economic entity that provides financial services – a credit institution, professional securities market participant, trade organizer, clearing organization, microfinance organization, credit consumer cooperative, insurance organization, insurance broker,



mutual insurance society, non-governmental pension fund, management company of investment funds, unit funds, non-governmental pension funds, specialized depository of investment funds, unit funds, non-state pension funds, a pawnshop (a financial organization supervised by the Central Bank of the Russian Federation), a leasing company (other financial institution, a financial institution not supervised by the Central Bank of the Russian Federation).

**Environmental Projects Center** means the Environmental Projects Center of the National Projects and Regional Programs Support Department.

**Environmental Responsibility** means, within the framework of this Dedicated Policy, a conscious attitude of the Bank to the regulatory and legal requirements in the field of environmental protection based on its understanding of the consequences of its economic activities for the environment and voluntarily assumed obligations and willingness to implement preventive measures to reduce (prevent) environmental damage.

**Environmental Projects** means commercial projects implemented by business entities within the framework of:

- the National Project “Ecology”;
- international obligations of the Russian Federation in the field of combating climate change and environmental protection;
- measures recorded in mandatory environmental permits (Federal Law No. 7-FZ “On Environmental Protection” dated 10.01.2002), which are taken by the business entity to maintain or reduce its impact on nature.

**Environmental Risks** means risks associated with the negative impact of the Bank’s activities (life support) on the environment. Environmental Risks are generally related to regulatory risks.

**TCFD** – The FSB Task Force on Climate-Related Financial Disclosures means the Financial Stability Board’s (FSB) Task Force on Climate-Related Financial Disclosures.

**Attachment 2**

to Bank GBP (JSC) Dedicated Policy on Environmental Responsibility approved by Resolution of the Management Board of Bank GBP (JSC)

dated \_\_\_\_\_ 2021 (Minutes No.\_\_\_\_)

**The Bank's KPIs in the Field of Environmental Responsibility  
and Monitoring Indicators**

No.	KPI name	KPI indicator	
		Basic <sup>2</sup>	Target
1.	Average annual amount of daily water consumption (m <sup>3</sup> ), including:		
1.1.	Administrative Offices of the Bank	19.21 (2019)	18.57 (2025)
1.2.	MBO and the branch network of the Bank's sales offices	20.47	17.8 (2022)
2.	Amount of funds spent to reduce water consumption (thousand rubles)	0	260 (total amount of costs to achieve the target for the amount of water consumed daily by the Administrative Offices of the Bank)
3.	Power consumption in the Bank's premises during the reporting year (kWh/m <sup>2</sup> area), including:		
3.1.	Administrative Offices of the Bank	226.32 (2019)	219.1 (2025)
3..	MBO and the branch network of the Bank's sales offices	352.56	271.48 (2022)
4.	Amount of funds spent on improving energy efficiency (thousand rubles)	943.4	14,710 (total amount of costs to achieve the target for the amount of electricity consumed daily by the Administrative Offices of the Bank)
5.	Conclusion of a contract for segregated waste collection	-	From 2022
6.	Volume of wastepaper accumulated and transferred for recycling in the reporting year (tons)	47.336	Growth of at least 10% (2025)
7.	Inclusion of environmentally responsible supply chain principles in the Bank's local internal regulations governing procurement activities	-	In 2021
8.	The Bank's product line includes products (services and financial instruments) with an environmental focus	-	From 2021
9.	Value of the project portfolio (in millions of rubles), financed by	194,700	Annual growth of at least 5% in relation to the previous reporting period

<sup>2</sup> For a number of business-related indicators, the 2019 values are taken because of the restrictions imposed in 2020 on activities in the Bank's offices due to the COVID-19 pandemic. The rest of the indicators are 2020 indicators.

No.	KPI name	KPI indicator	
		Basic <sup>2</sup>	Target
	the Bank, which allow rational use of natural resources, lead to reduction of the negative impact on the environment, are able to produce significant environmental benefits in the reporting year		

The Bank's monitoring indicators in the area of Environmental Responsibility<sup>3</sup>:

1. Generation of solid utility waste in the course of office activities in the reporting year (m<sup>3</sup>).
2. The amount of solid utility waste collected during the reporting year under the program of segregated waste collection (m<sup>3</sup>) (upon conclusion of a contract for segregated waste collection).
3. Amount of funds spent on training and environmental education of the Bank's employees in the field of Sustainable Development and Environmental Responsibility (thousand rubles).

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<sup>3</sup> These are indicators, which the Bank monitors and includes in its Sustainable Development reporting, but does not set specific targets to change them significantly. The finite KPIs achieved during the implementation of this Dedicated Policy become monitoring indicators.