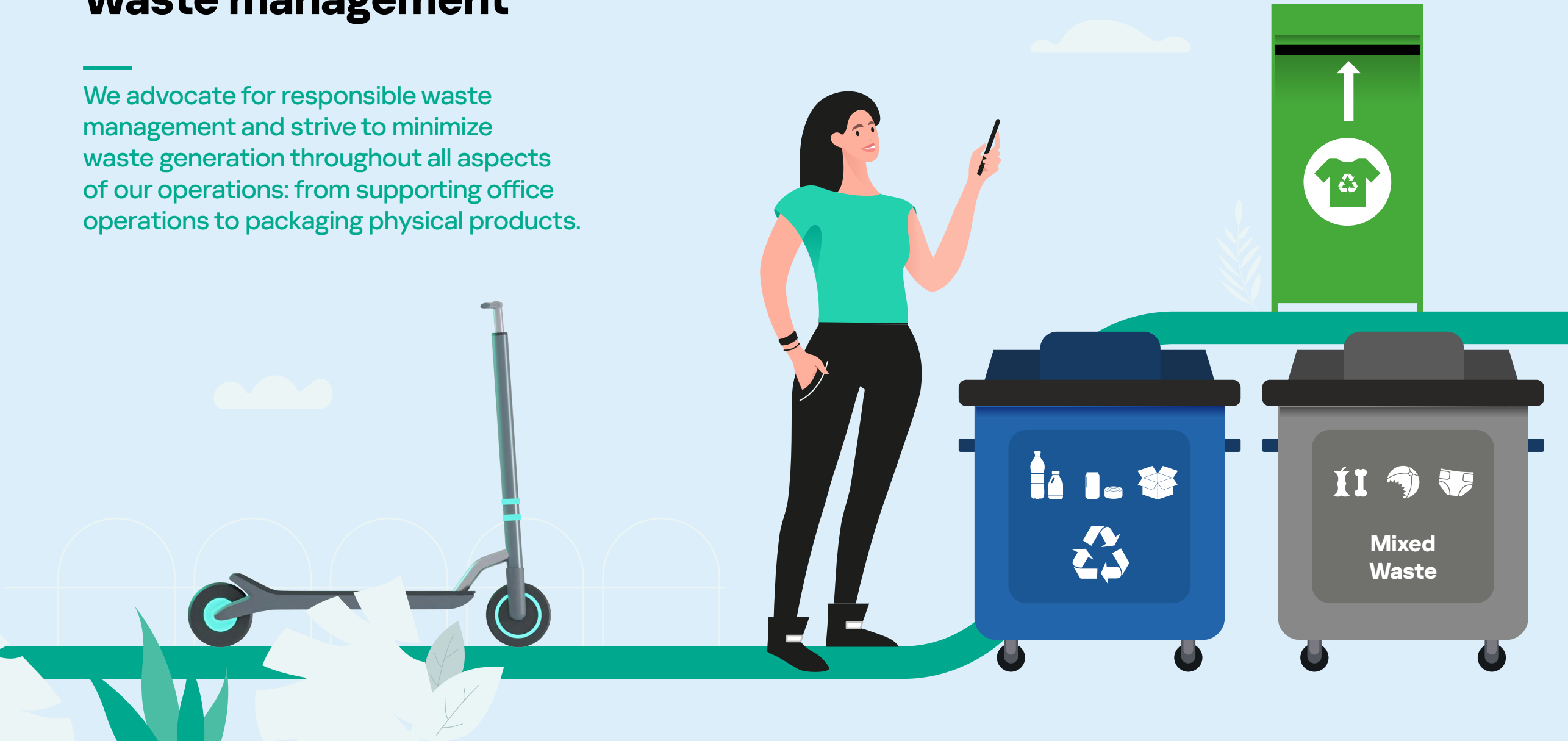


Waste management

We advocate for responsible waste management and strive to minimize waste generation throughout all aspects of our operations: from supporting office operations to packaging physical products.



How we mitigate the impact of product releases on physical media

GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-6

Much of the world's waste comes from the packaging of actual goods. To minimize such waste, we are decreasing the number of products distributed on physical media and transitioning to online license sales. During the reporting period, the share of boxes in Kaspersky's B2C channel sales decreased (11% to 7%). The share of ESD (Electronic Software Distribution) and POSA¹ cards in global sales is approaching 40% and will continue to grow in the future. The best results in the sale of ESD have been seen in such regions as Russia and Latin America.

Kaspersky's products on physical media come in a variety of formats:

- **Boxes** (boxes with a CD containing the product)
- **Leaflets and check cards** (information materials intended for use directly at the store)
- **POSA cards** (thin cardboard cards for electronic product delivery)

Regrettably, we currently are unable to entirely discontinue the distribution of products on physical media, since some customers traditionally prefer to purchase CDs or DVDs, and in some regions, for example in African countries, due to a lack of stable access to the Internet. For such products, we have introduced compact packaging with the lowest possible plastic

content. It is marked with international recycling codes to enable customers to dispose of it responsibly in their respective countries. Kaspersky complies with legal requirements related to the import and disposal of packaging in all its sales regions: it pays environmental fees, as well as collects and provides regulators with the necessary data on packaging and its disposal.

In addition, we are reducing the amount of plastic in the production of souvenirs and company merchandise and switching to the use of recyclable and eco-friendly materials.

The overall decline in the sale of physical goods and growth in digital distribution is a global trend, with pace varying depending on the region.

Reactivation, a process when users return to our retail store to purchase a new license a year later after buying it, accounts for 30% of B2C channel sales revenue. Each year the B2C digital retention from the B2C channel sales revenue amounts to 7%, as users make an online purchase a year after buying in our retail store.

In steering the Retail to Subscription project, we are of course consulting with all stakeholders, including our distributors, and working on incentive programs to bring success.

56%

Boxes

44%

ESD & POSA

Our contribution to reducing sales of physical goods

We encourage customers to buy digital products

During the reporting period, we launched the Retail to Subscription project. It encourages retail customers to create a My Kaspersky account and subscribe online to our new portfolio. Online subscriptions mean customers will buy fewer boxed versions of our products, and we will produce less packaging – greatly helping the environment.

What was the result?

Our customers can register on the My Kaspersky portal and receive an electronic subscription to the new product line through our website. We are currently focused on creating new and improved customer experiences to encourage users to choose the digital route. For example, we are upgrading our technology to make paying online easier, and introducing highly attractive pricing for digital-only customers.

¹ Point-of-Sales Activation.

How we save paper

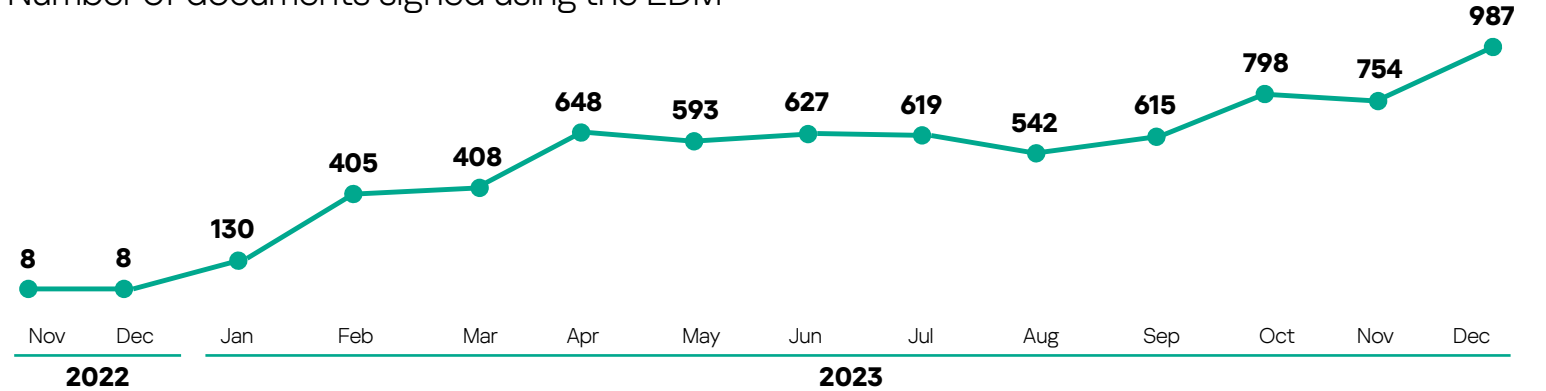


We are dedicated to minimizing the quantity of our printed informational and promotional materials, and we actively recycle outdated posters, signs, banners, and photo panels used for our internal events.

In November 2022, we implemented an electronic document management (EDM) system for our interactions with external contractors, allowing both us and our partners to substantially decrease paper usage. As of December 31, 2023, the number of counterparties using the electronic document exchange system with our Company was up to 498 (versus two in 2021).

In 2023, we conducted an audit of our infrastructure jointly with our vendors to increase its stability and speed, made changes to the interface of the EDM platform to make it easier to use, switched to interaction with third-party operators and began integrating the platform with the internal contract portal. This will help us further expand EDM and increase the number of partners using it in our joint work.

Number of documents signed using the EDM



New counterparties connected to the EDM



How we manage waste

Office operations account for a significant portion of the Company's waste. To reduce the amount of waste, we give preference to high-quality materials with a long service life.

Our Moscow office has posters with infographics about separate waste collection and has installed containers for the separate collection of paper, plastic, glass, metal and mixed waste. Additionally, new containers equipped with compartments for waste paper, plastic caps, batteries, rechargeable batteries and electronic cigarettes were installed in the printer rooms in 2023.

Kaspersky entrusts the daily removal, transportation, recycling and disposal of waste to specialized companies. All contractors, including waste disposal companies, are checked for compliance with legal requirements.

Hazard class I and III waste are partially decontaminated before being sent for burial or disposal.

Waste generation¹, tons

Waste class	Total waste generated			Waste sent for recycling, reuse or other forms of recovery			Waste sent for burial or disposal		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Class I									
extremely hazardous, non-degradable: pesticides, asbestos and devices containing mercury	0.068	0.072	0.098	0	0	0	0.068	0.072	0.098
Class II									
highly hazardous, takes over ten years to decompose: insecticides, fungicides, lead, arsenic, batteries and pyrotechnics	0	0	0	0	0	0	0	0	0
Class III									
moderately hazardous, takes three to ten years to decompose: herbicides, paints and varnishes, detergents, shampoos, deodorants, and mobile phones	0.926	0	0.728	0	0	0	0.926	0	0.728
Class IV									
low-hazard, takes up to three years to decompose: nitrogen fertilizers, fiberboard, chipboard, plastic film, mirrors, rubber gloves and shoes, disposable tableware and household appliances	172.4	224.7	219.4	8.14	0	0	164.26	224.7	219.4
Class V									
virtually non-hazardous, takes up to three years to decompose: food, natural fabrics and products made thereof, paper and cardboard products	3.1	4.8	5.4	0	0	0	3.1	4.8	5.4

¹ Includes waste from the Moscow office, including the data center, as well as waste from business operations.