

COMBINING FORCES

SUSTAINABILITY REPORT | 2021

MOEX

MOSCOW
EXCHANGE

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OVERVIEW OF MOSCOW EXCHANGE GROUP'S REPORTING SUITE

2021 Annual Report

The [2021 Annual Report](#) provides comprehensive information on the business model, strategic priorities, products, corporate governance system, and operational and financial results of Moscow Exchange Group for the year ended 31 December 2021.

2021 financial statements

The [2021 financial statements](#) describe Moscow Exchange Group's financial position as of 31 December 2021.

Investor presentations

The [2021 investor presentations](#) outline trends in Moscow Exchange Group's key operational and financial results, describe products and services for customers, and present the Group's position on the global market.

THE 2021 SUSTAINABILITY REPORT

102-50

In 2022, Moscow Exchange (also, the "Group") published its third sustainability report (the "Report"), which contains information on its responsible business practices in the calendar year ended 31 December 2021. It is an important tool for communicating with stakeholders.¹

The Report also provides information on the mission and strategy of Moscow Exchange, management approaches, and key events in the reporting year. It sheds light on material topics² such as responsible investment, decent working conditions, sustainable financial infrastructure, financing, and corporate governance. Likewise, it describes the position of the Group regarding climate change, discerning use of resources, charity, and other environmental and social issues.

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The Group publishes a sustainability report every year. The previous report was published in May of 2021.

102-32

This Report was approved by the Moscow Exchange Executive Board.

102-56

In 2021, FBK LLC, an independent auditor, was engaged for the first time to assure³ the qualitative and quantitative information disclosed in the Report in accordance with the GRI Standards and the SASB Security & Commodity Exchanges standard (for selected information). The auditor's report, which provides limited assurance regarding selected information, is included as an appendix to this Report.

¹ More detailed information on stakeholder groups may be found in the subsection "Genuine partnership and engagement with the community" of the sections "2021 Sustainability Performance Highlights" and "Sustainability Approaches and Procedures".

² For detailed information on material topics, see the section "MOEX Group's approach to materiality".

³ The assurance was carried out in accordance with ISAE 3000 (revised): "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".

Structure of the Report

For the convenience of the Report's users, the Group has decided to use a similar structure to that of its 2020 Sustainability Report; accordingly, there are three main sections: "2021 Sustainability Performance Highlights", "Sustainability Data", and "Sustainability Approaches and Procedures". The appendices include, "Moscow Exchange's Contribution to the UN SDGs", "Statements", "GRI Content Index", "SASB Metrics", "Independent Auditor's Report", "Glossary", and "Contact Details".

2021 Sustainability Performance Highlights

This section presents key initiatives and achievements of Moscow Exchange in 2021. These were implemented in line with the Group's Sustainability Roadmap. The section also describes measures taken to apply ESG principles in accordance with the 2024 Group Strategy. The section contains information on Moscow Exchange's plans and objectives for 2022 and in the medium term.

Sustainability Data

The section discloses the primary metrics of the company's sustainability performance in 2019, 2020, and 2021. The structure of this section corresponds to the section "2021 Sustainability Performance Highlights", as well as the section "Sustainability Approaches and Procedures".

Sustainability Approaches and Procedures

This section provides information on the approach of Moscow Exchange at the management level to key areas of sustainable development, including an overview of corporate policies, codes, procedures, and responsible departments. The information in this section supplements the section "2021 Sustainability Performance Highlights", the section "Sustainability Data", and the Moscow Exchange 2021 Annual Report.

Moscow Exchange's Contribution to the UN SDGs

The appendix contains the Group's priority UN SDGs; it also describes the key tasks, projects, metrics, and results of the Group in achieving these goals as part of its agenda.

Statements

Moscow Exchange Group supports a number of international initiatives and organizations; it shares their principles, integrating their requirements and recommendations into its activities. The "Statements" appendix outlines the Group's position on a number of vital issues, including:

- statement of Moscow Exchange Group on communication with stakeholders as part of the Sustainable Stock Exchanges initiative;
- statement of Moscow Exchange on compliance with the Principles of the UN Global Compact;
- statement of Moscow Exchange on respect for human rights and counteracting modern slavery.

GRI Content Index

This index consolidates all the GRI disclosures published in the Report, allowing for easier navigation through its sections. It also contains remarks on the disclosures.

SASB Metrics

This index includes metrics pertinent to the SASB Security & Commodity Exchanges standard.

Guidelines and standards used in preparing the Report

102-48 102-54

This Report has been prepared in accordance with the GRI Standards: Core option; however, the requirements and recommendations of other standards and guidelines were taken into account as well. These include the WFE ESG Guidance & Metrics (2018), the SASB Security & Commodity Exchanges standard (2018), and the Task Force on Climate-related Financial Disclosures (2017).

102-48

When preparing the 2021 Report, the Group made the following changes:

- greenhouse gas emission indicators (Scopes 2 and 3) were recalculated, as the Group has revised its approach to estimating indirect greenhouse gas emissions;
- the disclosure of quantitative HR data was brought into line with the GRI Standards; the Group now breaks down information by age group: younger than 30 years old, 30–50, and over 50;
- the approach to calculating the average hours of training per year per employee was brought into line with the GRI Standards; the indicator was recalculated based on the total number of employees at the end of the year, and not on the number of employees who received training;
- the approach to calculating the percentage of new employee hires and turnover by age group and gender was changed: the indicator was recalculated based on the number of the corresponding category at year-end, and not on the total number of employees;
- the amount allocated for charity projects in 2020 was reconsidered;
- the approach to calculating energy intensity was revised (as of 2021, the sum of total energy consumed is factored in, not only electricity);
- the approach to calculating and disclosing indicators related to the right of employees to parental leave, as well as to the wages of starting-grade employees, was brought into line with the GRI standards.

Reporting boundaries

102-45

The reporting boundaries include the following entities of Moscow Exchange Group: Moscow Exchange, the National Settlement Depository (NSD), and the National Clearing Centre (NCC). A full list of the Group's entities and changes to the composition of the Group can be found on page 5 of the [2021 Annual Report, p. 5](#) and in the [2021 IFRS Consolidated Financial Statements, p. 16](#).

102-1 102-5

In this Report, "Moscow Exchange" and "MOEX" mean the organization whose full corporate name as stated in its Articles of Association is Public Joint-Stock Company Moscow Exchange MICEX-RTS¹. "Moscow Exchange Group", or simply the "Group", means the pool of companies that are part of Moscow Exchange Group, which fall within the scope of this Report.

Information about shareholders who own five or more percent of MOEX capital is included in the subsection "Advanced governance and responsible business practices" of the section "2021 Sustainability Performance Highlights" of the current report.

The boundaries of the indicators are indicated in the section "Sustainability Data". Any information that pertains to different configurations of subsidiaries is accompanied by appropriate disclaimers.

The reporting information is disclosed within two reporting perimeters:

- the first perimeter comprises information pertinent to Moscow Exchange, NSD, and NCC;
- the second perimeter comprises information pertinent to Moscow Exchange.

MOEX GROUP'S APPROACH TO MATERIALITY

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Determining material topics for the Report is an essential part of preparing non-financial statements as per the GRI Standards. The purpose of this procedure is to study and identify the economic, environmental, and social issues that are most impacted by Moscow Exchange's activities and are most important to stakeholders.

According to established practice, material topics are analyzed annually, and stakeholders are surveyed once every two years. The material topics identified through the stakeholder survey carried out by Moscow Exchange in 2020 apply to this Report as well.

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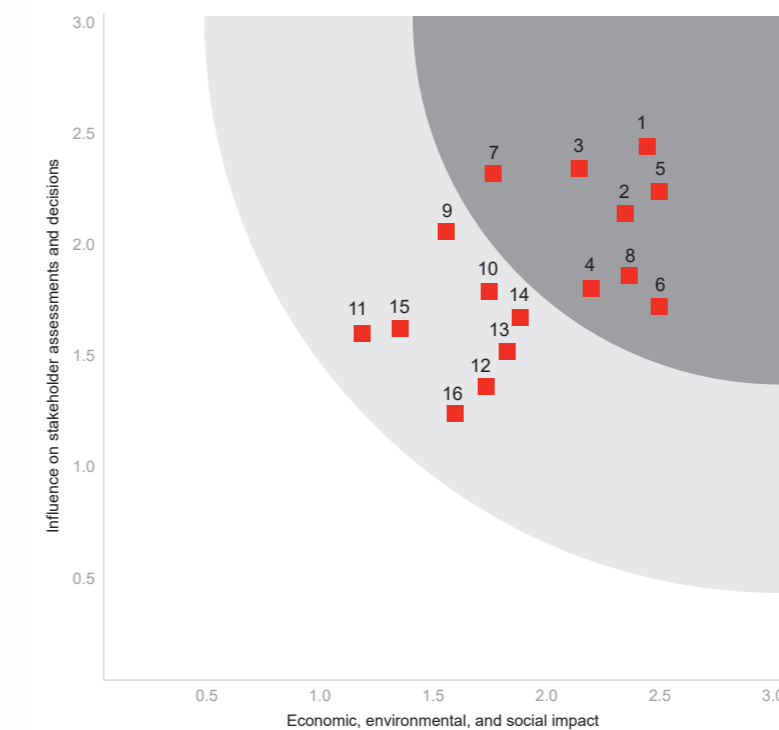
In 2020, Moscow Exchange made a comprehensive assessment of material topics, taking into consideration the opinions of key stakeholders. As a result of this

assessment, 16 topics were identified; their significance was then evaluated according to the following criteria:

- the significance of Moscow Exchange's impact on economic, environmental and social aspects of the topic in question (the X axis of the matrix of material topics);
- the significance of the topic for stakeholders, based on an evaluation of Moscow Exchange's impact on stakeholders' activities (the Y axis of the matrix of material topics);
- the availability of recommendations on disclosing such topics from leading associations, such as the World Federation of Exchanges (WFE) and the Sustainable Stock Exchanges (SSE) Initiative, which represent the interests of the professional community of stock exchanges.

Based on this analysis, the Group prepared a list of eight topics that it deemed material and mandatory for disclosure. Information on other topics has also been disclosed selectively.

Matrix of material topics in 2021



¹ The form of ownership is mixed Russian ownership with partial federal ownership—code 41 per the Russian National Classifier of Forms of Ownership (OKFS).

Material topics

	GRI	SASB
1. Improving the quality of ESG information disclosed by issuing companies and raising awareness of sustainable development trends ¹	GRI 103: Management Approach (2016)	FN-EX-410a.3 FN-EX-410a.4
2. Transparent functioning of markets and development of fair competition	GRI 103: Management Approach (2016) GRI 206: Anti-competitive Behavior (2016)	FN-EX-410a.3 FN-EX-410a.4 FN-EX-510a.1
3. Enhancing the financial literacy of the public	GRI 103: Management Approach (2016)	–
4. Development of new financial instruments for responsible investing	GRI 103: Management Approach (2016)	FN-EX-410a.4
5. Development of exchange infrastructure to expand the local investor base	GRI 103: Management Approach (2016)	FN-EX-000.A FN-EX-000.B FN-EX-410a.2
6. Participation in working groups and regulatory initiatives	GRI 102: General Disclosures (2016) GRI 103: Management Approach (2016) GRI 415: Public Policy (2016)	–
7. Decent working conditions and development of employee skills	GRI 103: Management Approach (2016) GRI 202: Market Presence (2016) GRI 401: Employment (2016) GRI 402: Labor/Management Relations (2016) GRI 403: Occupational Health and Safety (2018) GRI 404: Training and Education (2016) GRI 405: Diversity and Equal Opportunity (2016) GRI 406: Non-discrimination (2016)	–
8. Financial infrastructure support	GRI 102: General Disclosures (2016) GRI 103: Management Approach (2016) GRI 418: Customer Privacy (2016)	FN-EX-410a.1 FN-EX-550a.1 FN-EX-550a.2 FN-EX-410a.2 FN-EX-550a.3

¹ In accordance with clause 2.5.3 of the section "Disclosure of material topics" of the GRI Standards, due to the absence of thematic indicators for a number of material topics, the approach to management and other applicable details will be disclosed in respect of the following material topics: "Improving the quality of ESG information disclosed by issuing companies and raising awareness of sustainable development trends", "Enhancing the financial literacy of the public", "Development of new financial instruments for responsible investing", and "Development of exchange infrastructure to expand the local investor base".

	GRI	SASB
Other non-material topics that can be disclosed selectively		
9. Structure of corporate governance	GRI 102: General Disclosures (2016) GRI 419: Socioeconomic Compliance (2016)	–
10. Prevention of corruption and money laundering	GRI 205: Anti-corruption (2016) GRI 415: Public Policy (2016)	FN-EX-510a.1 FN-EX-510a.2
11. Maintenance of a balanced personnel structure and respect for human rights	GRI 102: General Disclosures (2016) GRI 401: Employment (2016) GRI 405: Diversity and Equal Opportunity (2016) GRI 406: Non-discrimination (2016) GRI 408: Child Labor (2016) GRI 409: Forced or Compulsory Labor (2016) GRI 412: Human Rights Assessment (2016)	–
12. Access to funding for innovative companies	–	–
13. Opportunities for growth and access to funding for small and medium-sized enterprises	–	–
14. Development of a responsible supply chain for MOEX	GRI 204: Procurement Practices (2016) GRI 408: Child Labor (2016) GRI 409: Forced or Compulsory Labor (2016)	–
15. Reduction of negative environmental impact	GRI 302: Energy (2016) GRI 303: Water and Effluents (2018) GRI 305: Emissions (2016) GRI 306: Waste (2020) GRI 307: Environmental Compliance (2016)	–
16. Sponsorship and charity	GRI 201: Economic Performance (2016) GRI 203: Indirect Economic Impacts (2016) GRI 413: Local Communities (2016)	–

2021

SUSTAINABILITY PERFORMANCE

HIGHLIGHTS

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STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

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We are issuing our third sustainability report in challenging times, marked by great uncertainty and change in the economy and financial markets. However, we believe it is important to continue our dialogue with investors, issuing companies, regulators, and the general public.

To reaffirm our commitment to sustainability, we would like to acquaint you with some of our accomplishments in this area.

Despite the ongoing hardships caused by the COVID-19 pandemic, in 2021 the global and Russian economies recovered, and capital markets activity bounced back as well. I am proud to say that the Group's strategy has proved to be viable and flexible—without abandoning our sustainability principles. Our key objectives under these circumstances are to promote investment activities, thereby ensuring economic stability in Russia. We also aim to support all financial market players while maintaining people's well-being. Our efforts to expand our services and the range of exchange-traded instruments have been directed precisely at these tasks.

Although the equity capital markets remained volatile, six IPOs and 12 SPOs were still held on Moscow Exchange in 2021, with a value of over RUB 500 billion (+96% on 2020). On top of that, in aggregate, the value of all transactions on all markets of Moscow Exchange exceeded RUB 1 quadrillion for the first time in history.

The influx of private investors to the stock market continued in 2021. We launched Investor's Way, a new training course for novice traders. It sheds light on nuances of navigating the stock market in a concise, comprehensible manner. Over 100,000 people underwent training at the Moscow Exchange School, whose experts created more than 100 training courses. We feel a responsibility for people's future, so we consider financial education to be one of the most socially significant aspects of our sustainability agenda. We want to make sure that the risks taken by investors match their risk profile.

Moscow Exchange's IT systems remained highly available to all participants, with a record-setting 100% uptime in 2021. We also extended trading hours, enhancing the availability and quality of all our services.

As millions of private investors join the market, issuers must pay closer attention to the social and environmental footprint of their activities. In many ways, this trend is shaped by Moscow Exchange. We do our best to adapt international best practices and pass on knowledge to Russian market participants and issuers. In pursuit of these goals, in 2021 our Guide for Issuers: How to Comply with Best Practices in Sustainability was released. It is bound to help Russian issuers align themselves with the ESG agenda.

We create conditions that encourage investors to adhere to responsible investment strategies. In 2021, we stepped up efforts to develop the targeted securities segment (green and social bonds in the Sustainability Sector), giving investors the opportunity to direct their capital to solving real environmental and social problems. As a result, by the end of 2021 over RUB 190 billion in securities were being traded in the segment, which is almost eight times more than in 2020.

For "new economy" companies, including many SMEs and innovative start-ups, getting support to establish themselves is crucial. In this regard, we continued to implement projects in the Growth sector and the Innovation and Investment Sector.

In the Growth sector, the number of SMEs increased (in 2021, 47 bond issues of 28 companies were being traded), and securities worth RUB 7.9 billion were placed. This attests that the indicators set out in the national project Small and Medium-Sized Entrepreneurship and Support for Individual Entrepreneurial Initiatives have been achieved. The volume of securities traded in the Innovation Sector totaled over RUB 300 billion.

In 2021, the Supervisory Board decided that Moscow Exchange should take part in shaping the Russian carbon trading market. The global climate-regulation process remains relevant for Russia, and we intend to be active participants. To this end, we are developing a system for monitoring greenhouse gas emissions by the Group's companies. In 2021, we prepared maps of climate risks and opportunities, which will be used to develop new climate-related projects.

Our report describes our approach to managing our social and environmental footprint and to developing corporate governance. In 2020, we integrated ESG goals and initiatives into the Group's 2024 Strategy. In 2021, we took the next step and came up with a Roadmap for meeting these goals.

One of the key projects on this Roadmap is switching all offices and data centers to green contracts; in 2021, the main offices of Moscow Exchange, the National Clearing Center, and the National Settlement Depository in Moscow already started procuring energy generated at Ulyanovsk Wind Farm 2. In the coming years, Moscow Exchange plans to convert all of its facilities with the highest energy consumption to renewable sources.

In the reporting year, we worked to strengthen the risk management, internal audit, and compliance control systems of the Group's companies. Particular attention was paid to establishing competency centers and transitioning to a flexible office working system. We also developed the Tax Strategy of Moscow Exchange Group.

Adherence to the principles of sustainability helps our companies implement the Group's strategy, allowing us fulfil our role in the Russian economy by ensuring the transparency and stability of financial markets. While we may need to somewhat adjust our initial plans to implement our core ESG initiatives, we intend to keep pursuing them.

I would like to thank our staff, business partners, and all stakeholders for their participation, efforts, and support in 2021. Together, we strengthen the business of Moscow Exchange Group and continue to create long-term value for a wide range of stakeholders.

Chief Executive Officer
 Public Joint-Stock Company Moscow Exchange MICEX-RTS

Yury Denisov

INTEGRATING ESG PRINCIPLES INTO THE 2024 GROUP STRATEGY

MISSION AND PRIORITIES OF THE 2024 STRATEGY

In 2021, Moscow Exchange Group continued to implement its 2024 Group Strategy, which was approved by the Supervisory Board in 2019. The Strategy identifies two areas of responsibility for the Group and three areas of development, which correspond to the Group's mission and vision.

The Group's mission is to bring trust, efficiency, and innovation to financial markets, as well as to help companies and the public achieve sustainable prosperity.

The Group's vision is to be the leading platform for the Russian financial market, providing reliable access to all traded asset classes, and to meet a wide range of clients' financial needs.

Priorities of the 2024 Group Strategy



Consistently implementing the 2024 Group Strategy will enable Moscow Exchange Group to increase its customer base, promote the development of financial markets, increase the availability of financial services for issuers and investors, stimulate uptake of best practices, and ensure that Moscow Exchange's business model remains highly efficient and profitable.

In 2021, the 2024 Group Strategy was amended to include new provisions on implementing ESG projects, safeguarding cybersecurity infrastructure, and expanding international activities. These changes did not affect the Group's development priorities. The Group

plans to deepen markets by introducing initiatives in the Sustainability and Growth sectors.

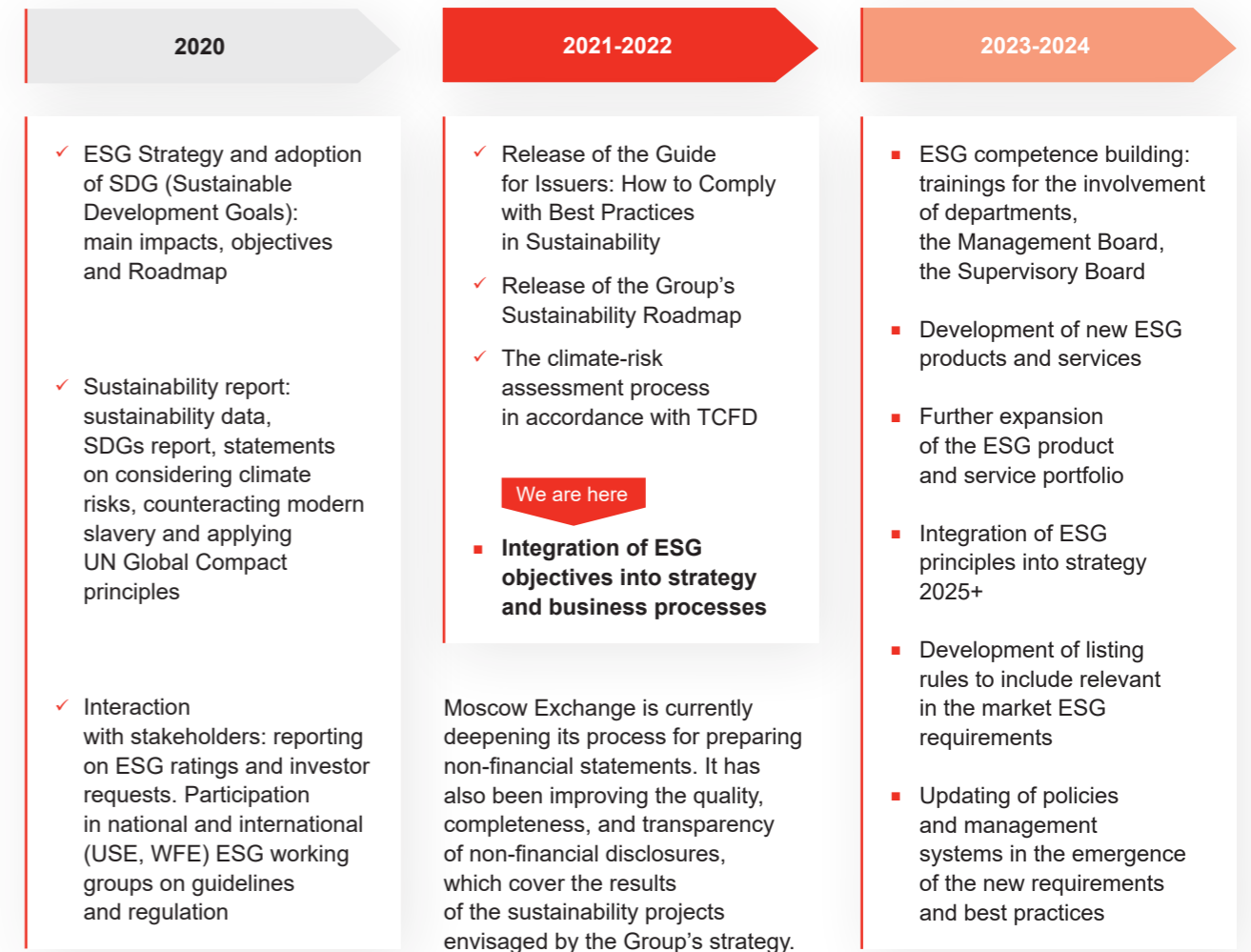
The Group realizes that its strategic plans will be impacted by the complex geopolitical situation unfolding in H1 2022; however, it intends to continue implementing the key projects of its Sustainability Roadmap.

Detailed information on the progress that the Group has made in implementing its 2024 Development Strategy is published in the 2021 Annual Report.

THE ROLE OF THE SUSTAINABLE DEVELOPMENT AGENDA IN THE 2024 GROUP STRATEGY

Since 2020, Moscow Exchange Group has been actively integrating ESG and sustainable development principles into strategic planning, corporate governance, risk

management, personnel management, and other areas of its activities.



MOSCOW EXCHANGE'S SUSTAINABILITY ROADMAP

In 2021, the Group developed a Sustainability Roadmap (the "Roadmap"). This document presents the main activities of the Group's companies in the field of sustainable development, describes key projects and indicators for quantifying their performance, and clarifies which business units are responsible for implementing certain projects.

The Roadmap includes a phased action plan for the medium term. Development areas have also been identified.

All planned activities and projects were completed by the end of 2021. Information is presented in the subsection "Key indicators".

Major ESG projects included in the 2024 Group Strategy¹

G	<p>Improving financial literacy of the public and novice investors</p> <p>Providing private investors with better access to financial services, including through the Financial Services personal finance platform</p> <p>Implementing long-term community engagement projects</p>
R	<p>Expanding the range of stock exchange products and services that address environmental and social problems</p> <p>Improving access to financing for small and medium-sized enterprises (SMEs)</p> <p>Informing issuers and other financial market participants about trends in reporting and significant ESG issues and risks</p>
E	<p>Training and developing diverse employee competencies</p> <p>Building a healthy corporate culture based on the principles of diversity and equal opportunity</p>
A	<p>Strengthening a culture of compliance with legal and corporate ethics in the Group's companies; promoting this topic among clients</p> <p>Implementing and promoting international standards of corporate governance based on the ESG principles</p>
T	<p>Ensuring business continuity and risk resilience at the Group's companies</p>

¹ Given the difficult geopolitical situation, plans for implementing some projects may need to be adjusted, although the Group's companies intend to proceed with key initiatives in each of the ESG strategy areas.

KEY NON-FINANCIAL PERFORMANCE INDICATORS

Each year, Moscow Exchange sets values for key performance indicators (KPIs), which are approved by the Supervisory Board. The KPIs for 2021 included:

- developing new products and services.

As of year-end, all established KPIs have been achieved.

- The Group's clients were offered new products and services that ease access to financial markets, including in the retail segment. Trading hours on the FX, Derivative, and Equity Markets were extended; new OTC services were offered on the FX Market; new instruments

were launched on the Equity and Derivatives Markets; and 27 new partner financial organizations were involved in a project to provide private financial services. The Group's project to expand carbon accounting and trading infrastructure will broaden the range of offers available to market participants.

Specific, quantifiable goals are set for the members of the Executive Board, as well as for all other employees of Moscow Exchange. Achievement of these goals impacts the compensation received by employees and management.

MEDIUM-TERM ACTION PLAN

Based on the Roadmap, Moscow Exchange has made the following plans² in the field of sustainable development and ESG initiatives:

- continue to integrate ESG objectives into business processes;
- develop the competencies of employees and managers in ESG and sustainable development;

- develop new ESG products and services;
- continue to integrate climate risks into the risk management system;
- continue to improve the quality of non-financial disclosures.

² Given the complex geopolitical situation, implementation of the plans will largely depend on the capabilities of the Group companies, as well as on the demand for the listed products and services on the part of customers and market participants. At the same time, the Group intends to make every effort to implement the steps and plans outlined in the Roadmap.

KEY INDICATORS

Moscow Exchange Group is the largest exchange in Russia, as well as Central and Eastern Europe, in terms of the trade volume¹ of its main asset classes;

it also has the largest stock market capitalization. It plays a key role in the development of the Russian financial sector.

Moscow Exchange Group compared with other exchanges worldwide:

11th

by trading volume on the Derivatives Market

15th

by market capitalization

26th

by trading volume on the Equity Market

SCOPE OF ACTIVITIES

102-2

Moscow Exchange Group provides a full range of trading and post-trading services in five markets (Equity, Bond, FX, Money, Commodity, and Derivatives) to individuals and legal entities. Securities of companies from all sectors of the economy are represented on Moscow Exchange.

102-4 102-3 102-6

The Group operates in Russia, and it has a single customer service center located in Moscow. Moscow Exchange also owns a 13.1% stake in the Kazakhstan Stock Exchange (KASE).

102-1 102-2 102-5 102-6

Moscow Exchange Group includes Public Joint-Stock Company Moscow Exchange MICEX-RTS, which operates the only multifunctional exchange platform

in Russia for trading in equities, money market instruments, derivatives, foreign currencies, precious metals, and other assets². Moscow Exchange PJSC provides trading opportunities for equities, bonds, derivatives, currencies, money market instruments, and commodities³. In 2021, about 6,000 local and 1,000 global instruments, including ESG instruments, were traded on Moscow Exchange.

At the end of 2021, Moscow Exchange achieved record operating and financial results. This can be attributed to several factors: an influx of private investors, a more active primary market, extended trading hours, and the launch of new products and services.

In 2021, there were six initial public offerings (IPOs), including three placements that were exclusive to Moscow Exchange. A secondary public offering (SPO) was carried out by 11 companies, the total value of which was more than RUB 500 billion.

102-7

Scope of activities and operational indicators

RUB

1,009.6

trillion

trading volume in the markets served

+6.6%

compared to 2020 (RUB 947.2 trillion)

RUB

54.9

billion

operating income

+12.9%

compared to 2020 (RUB 48.6 billion)

RUB

6.1

trillion

total assets

+24.5%

compared to 2020 (RUB 4.9 trillion)

Share of Moscow Exchange Group on the local market against OTC (off-exchange trading)

44%

with respect to trading in FX instruments

82%

with respect to repo transactions

90%

with respect to equity and bond instruments

63%

with respect to derivative financial instruments

CUSTOMERS AND MARKETS

In 2021, international investors and Russian retail investors were most active on the Equity and Derivatives Markets, while Russian banks and brokerage organizations were most active on other markets.

In the reporting year, private investors' activity reached a historic high: more than two million people executed transactions each month (+136% on 2020). The share of private investors (Russian retail investors) in equity trading reached 40%; in bonds trading the corresponding figure was 10%, in the FX Market — 5%, and in the Derivatives Market — 43%.

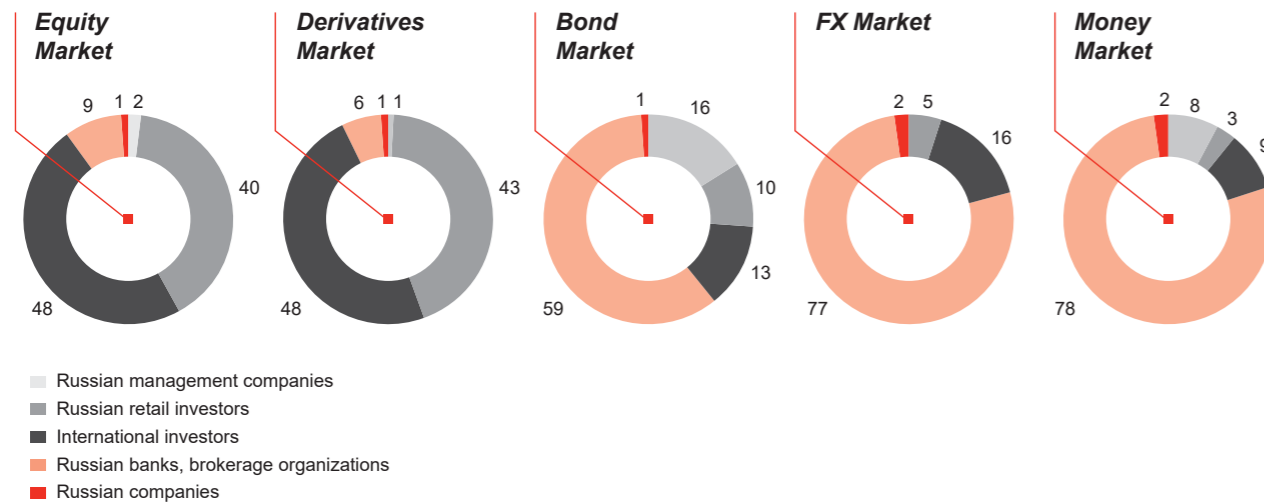
¹ Hereinafter, the "Group" means Moscow Exchange Group, whereas "Moscow Exchange PJSC", "Moscow Exchange", and "Exchange" mean Public Joint-Stock Company Moscow Exchange MICEX-RTS.

² The Group also comprises the following non-banking organizations: a central depository (NCO National Settlement Depository JSC, or "NSD"); a clearing center (National Clearing Center JSC, or "NCC"), which performs the functions of a central counterparty on the markets; and other entities. Moscow Exchange PJSC owns 100% of the shares in NCC and 99.997% of the shares in NSD. In 2021, Moscow Exchange PJSC acquired INGURU, a leading platform for selecting insurance and banking products (the asset consists of two separate legal entities: Insveb and Disovers). Moscow Exchange also increased its share in OTC FX, the trading platform of Bierbaumpro AG. The key asset of Bierbaumpro AG is NTPro. A list of other Group entities is provided in the 2021 Annual Report (p. 5) and in the financial statements (Note 4).

³ For more information on the business model, see the 2021 Annual Report (pp. 6-7).

Structure of trading volume by market and customer type in 2021, %

102-7 102-6

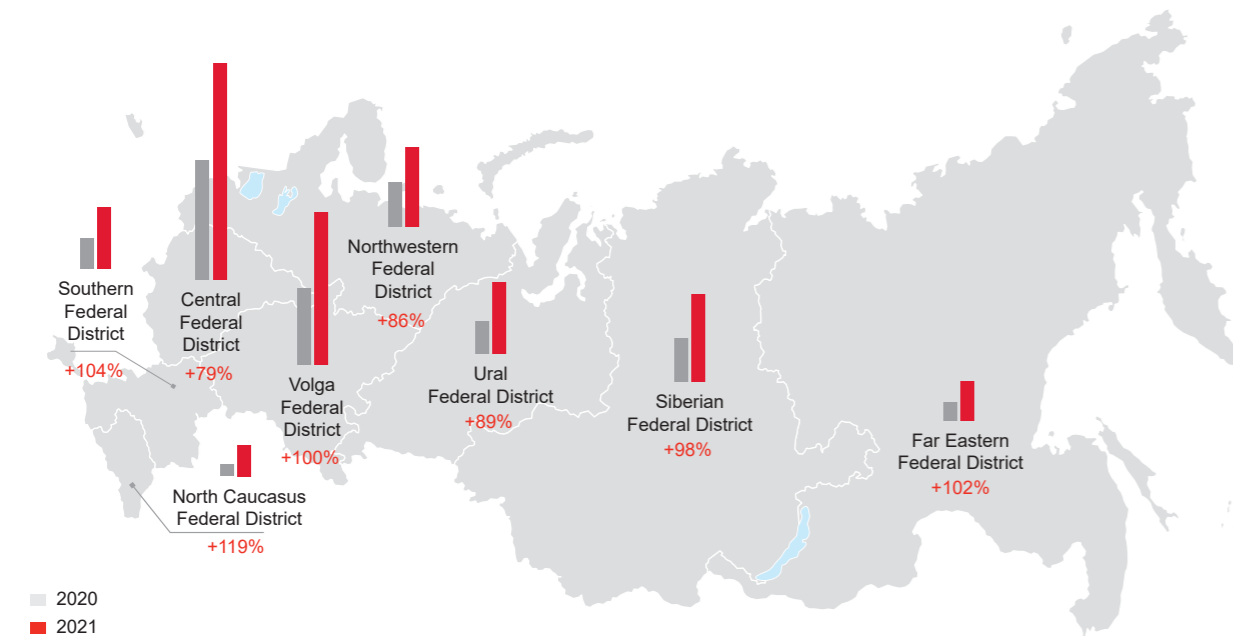


During the reporting period, the public's attention to financial market instruments continued to grow. The number of individuals with brokerage accounts with Moscow Exchange increased by 8 million in 2021, reaching a record 16.8 million people. The number of unique clients in the trading system exceeded 16 million people (about 10% of the population of Russia), of which more than one million are active clients. The number of individual investment accounts

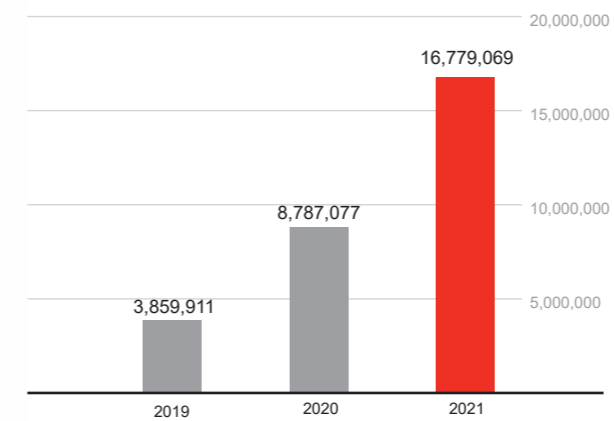
increased by 1.5 million, amounting to about 4.9 million accounts.

16.8 million individuals have brokerage accounts
+91% on 2020

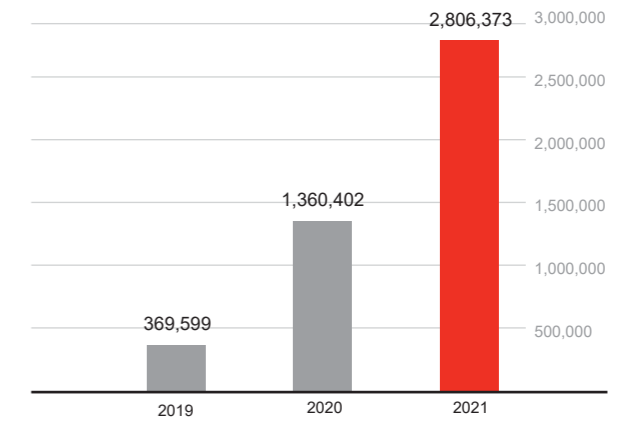
Growth trends in the number of individuals with Moscow Exchange accounts, by region



Number of unique clients on the stock market as of the end of December each year, people



Number of registered individuals who used two or more Moscow Exchange markets as of the end of December each year, people



TRADING VOLUME AND NUMBER OF TRANSACTIONS

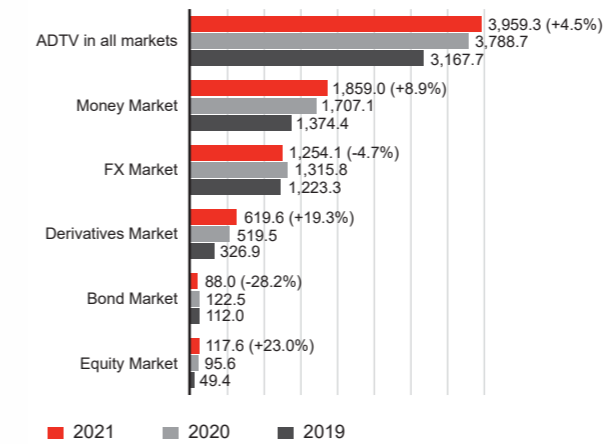
102-7 FN-EX-000.B

The average daily trading volume (ADTV) on all markets in 2021 increased by 4.5% compared to 2020, amounting to RUB 3.9 trillion. The highest growth was in the Derivatives Market (+19.3%) and the Equity Market (+23.0%).

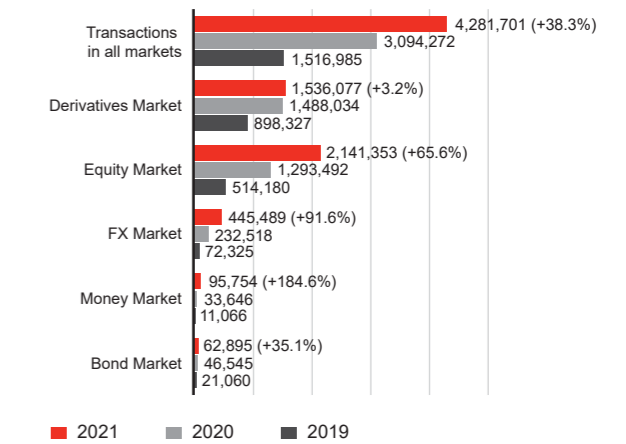
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The average daily number of transactions on all markets in 2021 exceeded 4 million (+38.3% compared to 2020). The highest growth was seen in the Money (+184.6%), FX (+91.6%), and Equity Markets (+65.6%).

ADTV by market, including placements, RUB billion



Daily average number of transactions, by market



In 2021, the total trading volume on Moscow Exchange's markets reached a historic high, surpassing the RUB 1 quadrillion mark for the first time (+6.6% compared to 2020).

2021

2021 SUSTAINABILITY MILESTONES



CLIMATE AGENDA

For the 2019, 2020, and 2021 metrics, see the subsection "Resource efficiency and environmental impact" of the section "Sustainability Data".

103-1

Every year, an increasing number of countries and companies strive to account for and reduce greenhouse gas emissions, and their actions are becoming more focused. The participants of COP26 reached certain agreements, including on Article 6 of the Paris Agreement, which defines how international carbon markets should operate. These agreements may lead to changes in national law and affect the business environment and financial flows of financial institutions and companies.

Moscow Exchange strives to mitigate climate change in two ways: through compliance with best global practices in accounting for and reducing greenhouse gas emissions and through responsible investing mechanisms that encourage issuers and financial market participants to invest in the implementation of climate action initiatives. For Moscow Exchange's foreign activities under the climate agenda, see the subsection "Responsible investing and sustainable growth".

This subsection describes Moscow Exchange Group's approaches to climate risk management, as well as its activities and initiatives to reduce the greenhouse gas emissions from its operations in line with the TCFD's recommendations.

GOVERNANCE

TCFD 103-2

The Group's general ESG strategy covers the management of climate risks and opportunities. Identifying and assessing climate risks and opportunities and integrating such processes into the activities of the Group companies are part of Moscow Exchange's Sustainability Roadmap. In implementing the Roadmap, the Group companies and management bodies get a better understanding of the climate agenda and the tasks faced by the Group.

Moscow Exchange Group works to improve its business processes with due regard for climate risks and introduce new operating models. This approach facilitates the taking of more weighted strategic decisions in planning out the Group's activities.

The Supervisory Board and the Risk Management Committee consider climate risks and opportunities, analyzing the quality of their management and the effectiveness of the Group companies' activities. Members of the Supervisory Board participate in climate

Climate risks and opportunities management goals:

- build resilience to climate risks;
- take full advantage of climate change;
- contribute to achieving the Paris Agreement objectives.

risk management by preparing instructions for the Group companies and ensuring that the climate agenda is included in the Group's medium-term and long-term strategy. Members of the Executive Board oversee the Group's climate risk management plans and actions.

Moscow Exchange is guided by the following key international documents:

- UN Framework Convention on Climate Change, and the Paris Agreement dated 12 December 2015;
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)¹.

STRATEGY AND SCENARIO ANALYSIS

TCFD 103-2

In 2020–2021, Moscow Exchange analyzed the Group's exposure to climate risks, including those related to products and services provided. Moscow Exchange assessed its interactions with customers, partners, and suppliers in this context. To analyze possible options, quantitative and qualitative methods of risk assessment were employed, including scenario analysis. Moscow Exchange also identified new opportunities for the Group's companies and financial market participants associated with the transition to a lower-carbon global economy.

The scenario analysis revealed:

- low-impact risks that emerged in the previous two years;
- medium- and high-impact risks that emerged over the previous 20 years.

The calculations used scenario terms of the IPCC and the International Energy Agency (RCP 2.6 and IEA 2DS)², supplemented by Group-specific criteria.

For each climate risk scenario, Moscow Exchange develops measures to mitigate the adverse impact of its activities on the climate and increase the Group's ability to adapt to climate change, changes in the regulatory environment, and cater to the market's appetite for responsible investing.

Following the analysis, heat maps of risks and opportunities were prepared³.

Moscow Exchange Group's strategic action plan for climate risk management includes the following key areas:

- enhancing the understanding of climate risks;
- regularly assessing climate risks (including physical and transition risks) and formulating actions to manage these risks in the short, medium, and long term;
- integrating climate risks into Moscow Exchange's risk map and embedding them into the general risk management processes;
- disclosing information about (a) climate risk identification and assessment processes; (b) the appropriateness of scenarios related to climate change; (c) key climate risks and, where applicable, their impact on financial performance; and (d) measures taken to adapt to climate change;
- collaborating with regulators, industry associations, and international financial institutions to share best practices for managing climate risks.

The Group believes that this approach is in line with its business strategy, as it will foster a more stable and effective financial system and the achievement of greenhouse gas emissions reduction targets.

¹ The Task Force operates under the Financial Stability Board and provides recommendations on the voluntary disclosure of risks posed by global climate change.

² IPCC stands for the Intergovernmental Panel on Climate Change. The IPCC has worked out four scenarios of the future evolution of anthropogenic greenhouse gas emissions, of which RCP 2.6 (the most favorable scenario) assumes that by 2065 the annual average air temperature will have increased by no more than 1.6C. The IEA's 2DS presents a strategy for limiting the global temperature increase to 2C.

³ As at the date of the report, the risk and opportunity heat maps are under review and pending approval by Moscow Exchange management.

RISK MANAGEMENT

TCFD 201-2

Moscow Exchange Group admits that climate change poses risks to business continuity that may have long-term economic, environmental, and social implications for many sectors of the global economy, society, and the companies of the Group.

As part of its risk management system, the Group regularly identifies and assesses business risks in terms of their likelihood and expected financial losses. Moscow

Exchange continuously monitors the legal environment and introduces international best practices to identify and assess climate risks and incorporate climate-related disclosures in its reporting.

Under the business continuity management system, a list of climate risks is compiled and factored in to strategic and financial planning. Moscow Exchange regularly assesses the impact of climate risks on trade and investment portfolios.

Key processes of the climate risk management system:

- compilation of a list of risks and opportunities, categorized and prioritized;
- assessment of the likelihood and impact of the risks identified;
- scenario analysis of risks and opportunities;
- updating the heat map of risks;
- monitoring the implementation of risk mitigation measures.

In line with the TCFD's recommendations, Moscow Exchange distinguishes two main types of climate risks:

- physical risks: risks of extreme weather events, natural and man-made disasters;
- transition risks: risks associated with the transition to a lower-carbon economy.

Physical risks involve potentially significant damage to premises and infrastructure, and harm to employees of the Group, its customers and partners, disrupting their businesses and resulting in financial losses that may prove critical.

Transition risks are divided into policy and legal, technology, market, and reputation risks. Each type may have significant financial implications for the Group's business.

Moscow Exchange has divided its climate risks into five types: market, policy and legal, reputational, physical, and technology, and estimates their probability and the expected losses (see the table below for a more detailed description).

Climate risks of Moscow Exchange Group

Climate risks	Impact	Probability of small-magnitude risk	Probability of large-magnitude risk	Response to risk or risk mitigation measures
Physical risks				
<i>Acute risks</i>				
Floods, snowfalls	Changes in precipitation and extreme variability in weather patterns, including floods with destruction of roads, bridges, power lines, buildings, and other infrastructure, resulting in loss of life or injuries and leading to business shutdown	Low	Low	Disaster recovery strategies include: <ul style="list-style-type: none"> ■ reconfiguration of systems using hardware that remains stable, enabling restoration of communications after a critical failure; ■ availability and configuration of hot backups to restore major infrastructure applications; ■ mirroring and cold backup of affected location and data recovery.
Freezing rain	Power failures (ice-covered power lines become extremely heavy, causing line supports, insulators, and lines to break). Traffic delays due to icy roads. Potential loss of life or injuries	Moderate	Low	
Hurricanes, storms	Destruction of power lines, residential buildings, and other infrastructure, with loss of life or injuries and leading to business shutdown. Traffic delays	High	Low	
Forest fires	Destruction of property. Release of hazardous chemicals due to wildfires has a significant adverse impact on human health	High	Low	Employee relocation plan will be rolled out in the event of forest fire emergencies
<i>Chronic risks</i>				
Extremely hot weather	Adverse impact on employee health and operability of equipment. Lower productivity	Moderate	Low	Providing a comfortable workplace environment: workplaces in air-conditioned offices will be offered to employees working from home without air-conditioning
Extremely cold weather	Adverse impact on employee health and operability of equipment, resulting in slowdown or shutdown of operations	Low	Low	Providing a comfortable workplace environment: employees working in the office will be permitted to stay at home. Employee relocation plan will be rolled out if extremely cold weather is followed by a central heating shutdown

Climate risks	Impact	Probability of small-magnitude risk	Probability of large-magnitude risk	Response to risk or risk mitigation measures
Transition risks				
<i>Policy and legal risks</i>				
High power costs	Energy prices rising faster than inflation as a result of abrupt transition to zero-carbon power generation	Moderate	Moderate	Wider use of energy-efficient equipment
Enhanced emissions-reporting obligations	Additional financial and labor costs to collect information and report greenhouse gas emissions and their reduction	Moderate	High	Establishing carbon reporting procedures, participating in national and international carbon reporting initiatives. Engaging consultants for carbon reporting
Inaccurate emissions disclosures	Fines and reputational damage: this is a developing area with new rules and disclosure standards, such as the TCFD's Recommendations or the EU SFDR, including at the national level (Russia supports the implementation of new climate-related reporting rules along with requirements introduced this year)	Low	Low	
Introduction of fines for non-compliance with requirements on greenhouse gas emissions	Increased operating costs (higher compliance costs, increased insurance premiums)	Low	Low	
Higher exposure to litigation	Increased legal costs and expenses, including from court-imposed fines	Low	Low	
New requirements for greenhouse gas emissions disclosures hindering placement of securities	Additional costs for maintaining a dedicated database of greenhouse gas emissions and preparing reports. Additional equity placement requirements	Low	Low	Establishing carbon reporting procedures, participating in national and international carbon-reporting initiatives. Engaging consultants for carbon reporting
Lack of clear regulatory targets for carbon emissions	Multiple possible interpretations of laws and regulations. Increased risk of non-compliance	Low	Low	

Climate risks	Impact	Probability of small-magnitude risk	Probability of large-magnitude risk	Response to risk or risk mitigation measures
Technology risks				
Costs of transition to lower-emissions technology	Failed investments in new technologies. Costs of setting up new business processes. Increased costs for transitioning to lower-emissions technology	Low	Low	Options for hedging financial risks associated with depreciation of assets
Power outages and emergencies due to low system resilience	Temporary power outages due to insufficient power storage capacity and lack of upgraded power grid services (resulting from a rapid and widespread transition to renewable energy sources). Power outages are expected to become more common at some point during the transition to lower-carbon technologies	Low	Low	Recovery strategies for a prolonged power outage at a single location include: <ul style="list-style-type: none"> reconfiguration of systems using hardware that remains stable, enabling restoration if communications after a critical failure; availability and configuration of hot backups to restore major infrastructure applications; mirroring and cold backup of affected location and data recovery.
Failed investments in new lower-carbon technologies	Reduced demand for products and services	Low	Low	Options for hedging financial risks related to investment in high-risk lower-carbon technologies
Market risks				
Change in investor behavior (increased demand for ESG products and sustainable investment)	Shifts in consumer preferences. Reduced demand for services not meeting climate goals due to changes in investor behavior	Low	Low	Introduction of ESG requirements for issuers and control over their implementation
Lower energy prices as a result of energy transition	Reduced revenue of issuers due to lower demand for fossil fuels	Low	Low	Options for hedging financial risks associated with depreciation of assets
Reduced demand for raw materials	Higher bankruptcy rate among issuers	Low	Low	
Increased tax expenses of issuers	Changes in the terms of carbon taxation, including increased tax rates, may lead to increased tax costs for issuers	Low	Low	

Climate risks	Impact	Probability of small-magnitude risk	Probability of large-magnitude risk	Response to risk or risk mitigation measures
Increased power and heating prices due to transition to zero-carbon energy sources	Increased office maintenance costs	Low	Low	Switching employees to remote working in winter
New regulations limiting greenhouse gas emissions	Increased costs due to the implementation of emissions purification technologies. Decreased production due to the introduction of emissions targets	Low	Low	Establishing carbon reporting procedures, participating in national and international carbon reporting initiatives. Engaging consultants for carbon reporting
Share of green energy in the total power costs of companies is not regulated	Lack of a clear vision on the share of green energy may hinder the growth of the carbon market	Low	Low	Partnership development with issuers
Reputational risks				
Increased concerns or negative feedback of stakeholders regarding Moscow Exchange's ESG policy	Lower demand for services and negative impact on workforce management and planning (hiring and retention), resulting in revenue decrease	Low	Low	Establishing carbon reporting procedures. Participating in national and international initiatives, including carbon reporting initiatives.
Reduced revenue from decreased demand for services	Increased stakeholder concerns over issuers' compliance with emissions standards or negative stakeholder feedback. Reduced investor interest due to uncertain market signals	Low	Low	Engaging consultants for carbon reporting
Lower investor interest	Reduction in capital availability for issuers	Low	Low	Options for hedging financial risks associated with depreciation of assets

Our analysis of climate risks also revealed opportunities that the Group may want to explore and implement as new projects or initiatives.

Energy source	Resource efficiency	Products and services	Markets	Resilience
Reduction in power and heat consumption	Use of more efficient modes of transport	Development of new products (green bonds, ETFs)	Development of a sustainable supply chain policy and a new environmental policy	Market participant training and education
Transition to environmentally friendly or lower-carbon energy sources	Hybrid and remote work formats (work-from-home policy)	Launch of new services (climate indices, training for financial market participants)	Public sector incentives to increase market participation (tax exemptions or regulatory incentives)	Participation in renewable energy programs and adoption of energy efficiency measures
New technologies	Recycling	New technologies	Partnerships with other markets	Public recognition of contribution to environmental protection
Remote or hybrid work formats	Reduced water consumption	Development and/or support of low-emission goods and services	Attracting international investment by meeting global disclosure standards	
Contributing to the development of a regulated carbon market in Russia		Emergence and evolution of new industries related to alternative energy sources	Launch of green certificates of the carbon market (NCE)	
			Government incentives (tax exemptions)	
			Attracting investment by meeting global environmental protection requirements	

METRICS AND TARGETS

TCFD

Currently, Moscow Exchange is developing greenhouse gas emissions targets and metrics to assess its progress

against the targets. The approval of climate targets and metrics is scheduled for 2022.

PLANS FOR 2022

In 2022, Moscow Exchange will continue integrating climate risks into the company's unified risk management system to accomplish the following objectives:

- introduce new risk management tools, including with scenario analysis functionality;
- integrate climate risks into the risk map and continuously monitor their characteristics;

- train employees with a focus on predicting likely events and threats;
- ensure business continuity and agility of the Group.

The Group is committed to accomplishing these objectives despite the potential impact of the global geopolitical situation on their timing.

MOEX GROUP'S FOCUS AREAS: 'GREAT'

GENUINE PARTNERSHIP AND ENGAGEMENT WITH THE COMMUNITY

Performance indicators for 2019, 2020, and 2021 are disclosed in the subsection "Genuine partnership and engagement with the community" of the section "Sustainability Data." Information on major policies, procedures, and responsible departments is given in the subsection "Genuine partnership and engagement with the community" of the section "Sustainability Approaches and Procedures."

Moscow Exchange is an active participant in working groups and initiatives that deal with sustainable development.

Moscow Exchange is a member of **5** government working groups

and **2** global initiatives: Ring the Bell for Gender Equality and Ring the Bell for Financial Literacy

Over **300** financial literacy activities were held in 2021

RUB **92.5** million was invested in charity projects and sponsorship in 2021 (compared to RUB 160.7 million¹ in 2020).

Over **3,500**² people received support thanks to the Group's charitable activities.

Moscow Exchange Group is cognizant of its responsibility to catalyze positive change in society and create benefits for the public. By uniting financial market participants (novice and professional investors, issuing companies, financial analysts) and other stakeholders, exchanges help mobilize capital, seek out new opportunities for economic growth, and solve global problems. Moscow Exchange helps create social value by supporting charity organizations, children and youth, and wider society.

This subsection describes the Group's major programs, which are aimed at various stakeholders. They include educational and partner projects and charitable and voluntary corporate initiatives. Moscow Exchange Group advocates for financial literacy and strives to support socially vulnerable groups. Throughout its history, it has consistently worked to support its community and taken various actions for the benefit of the market and the public, and to protect the environment.

Moscow Exchange Group's objectives and the UN Sustainable Development Goals

- SDG 4.3 Improve the financial literacy of the public
- SDG 5.5 Contribute to ensuring equal opportunities for women in business
- SDG 12.6 Develop corporate volunteering and charity activities, integrate corresponding information into the reporting cycle
- SDG 12.6, 12.8 Improve the quality and quantity of ESG information disclosed by issuers
- SDG 12.6, 13.3 Raise companies' awareness of sustainability trends, standards, and practices
- SDG 17.16, 17.17 Expand partnerships for sustainable development with various institutions to spread knowledge and experience in order to achieve the Sustainable Development Goals

Major highlights in 2021

Moscow Exchange Group's efforts to improve financial literacy

203-2 413-1

The Group is expanding its involvement in projects to develop the financial market by attracting new participants and improving their financial literacy. Moscow Exchange's educational programs have different formats, and most are designed for novice investors. In 2021, the inflow of retail investors to the Moscow Exchange platform continued. New participants have shown to be especially active in terms of the amount of investment and their share in the total number of deals. Given the high volatility of financial markets, Moscow Exchange's educational initiatives and training activities have taken on considerable social significance.

In the reporting period, over 300 financial literacy improvement activities were held, reaching some 1,031,000 people.

In 2021, Moscow Exchange, together with the Central Bank of Russia and the Association for Financial Literacy Improvement, introduced an educational program for novice investors at the Exchange Forum. It will become a key program of Moscow Exchange for fostering an investment culture in Russia. Educational materials

include podcasts, quizzes, video clips, and meetings with professional financial market participants, who will give talks about their experience and work strategies. The program will be based on the standard course "The Investor's Path", while the full course will be available on the Moscow Exchange School's website.

The reporting year also saw further implementation of educational and awareness-raising programs at Moscow Exchange³. All programs are constantly being improved based on analyses of students' behavior and their feedback.

In October 2021, Moscow Exchange participated in Ring the Bell for Financial Literacy, an annual initiative. This program comprises unified activities, workshops, and webinars that raise awareness of the importance of financial literacy for people's lives. In 2021, 78 stock exchanges from all over the world joined the initiative.

In the reporting year, an educational course for parents, [Financial Literacy for Children](#), was launched. Its goal is to help parents raise children who are financially literate.

Aside from its own educational programs, in 2021 Moscow Exchange continued its partner projects with the Central Bank of Russia:

- Organized the fourth [All-Russian Online Test on Financial Literacy](#) for the public and the business community. Traditionally, anyone interested can take part in the event, and there is a special category for small and medium-sized enterprises. In the reporting year, there were opportunities for both individual and group participation.
- Participated in All-Russian Financial Literacy Week and continued to be an active member of the Expert Board on Financial Literacy under the Central Bank of Russia, as well as in the working groups of the Association for the Development of Financial Literacy.
- Participated in the [Literate Investor](#) project, which provides online financial literacy lessons to adults, students, secondary school pupils, professional educational organizations, orphans and children without parental care. About 1,000 schools joined the project, and over 20,000 pupils attended webinars.
- Held the MOEX Home Talks, a series of online meetings where representatives of Moscow Exchange, together with the heads of major companies and other important market figures, discussed the principles of building a business in uncertain economic times, as well as the development prospects of the Russian economy and new opportunities for individual investors. Recordings of the meetings are available on Moscow Exchange's [website](#) and on its [official YouTube channel](#).

¹ In 2020, an additional RUB 100 million was allocated to combat COVID-19. These costs are specific, and they are not included in the standard list of funds allocated to charity.

² These include the beneficiaries of charities, students of the New Economic School who received scholarships, and employees of the MEPhI National Research Nuclear University, who were granted a salary bonus. Beneficiaries under Moscow Exchange's research and educational activities are not included in this metric.

³ Detailed information is provided in the section "Sustainability Approaches and Procedures."

Moscow Exchange Group's promotion of gender equality

Moscow Exchange Group believes that pursuing gender equality is necessary to create an inclusive culture within the company and in society at large.

In 2021, as part of the Ring the Bell for Gender Equality initiative, which aims to promote rights and opportunities for women, 104 stock exchanges all over the world, including Moscow Exchange, held activities dedicated to International Women's Day.

Gender equality issues are included in the [Sustainable Development Guide for Issuers](#) compiled in 2021. Maintaining sociocultural diversity among personnel is included on the list of recommended ESG initiatives for issuers; the list also recommends analyzing gender equality and equal opportunities as part of the maturity assessment procedure.

Charity and sponsorship

203-1 203-2 413-1

Moscow Exchange's charity activities aim to address important social problems in those areas where it has strong competencies and/or strategic interests. It also sponsors external projects to strengthen relationships with customer groups and the professional and business communities, developing the financial market of the Russian Federation.

In 2021, the Group adopted several new documents governing charity and sponsorship activities: the Moscow Exchange Sponsorship Regulation, the Regulation on the Moscow Exchange Sponsorship Committee, and the Regulation on the National Settlement Depository Charity Commission.

Under the 2022 Action Plan, the Charity Policy and the Regulation on the Charitable Policy Committee

were updated and approved. These regulations align with the Group's business priorities and the 2024 Group Strategy.

In 2021, the Group continued its cooperation with a number of charitable foundations and organizations, specifically on projects involving assistance to orphans and children with serious illnesses. Through the National Settlement Depository's collaboration with charitable foundations such as Penetrating the Heart, BELA. Butterfly Children, Volunteers Helping Orphans, Fulfilling Dreams, Podari Zhizn, Wonderland, and Big Change, targeted aid was provided to 10 of these foundations' beneficiaries. Financing was also provided to train volunteers and support the work of childcare professionals and psychologists. At a New Year's charitable event gifts were given to 1,031 children under the care of these foundations.

Funds allocated to the Podari Zhizn foundation were used to purchase 465 medical masks and 50 SARS-CoV-2 antigen tests through. A total of 400 children and young adults received aid.

In cooperation with the Vera Hospice Charity Fund, 568 patients received aid. Furthermore, its hotline for terminally ill people—8 (800) 700 84 36—took 1,492¹ calls from Russia. The Group supported the foundation through regular aid projects:

- Dedmorozim Autonomous Nonprofit Organization. The organization provides annual support for 148 orphans and children suffering from terminal illnesses in Perm and the Perm Region.
- Some 200 children at the Regional Children's Hospital in Yekaterinburg received aid.
- The Blacksmith Lobov House of Mercy. Located in the Yaroslavl Region, this organization provides palliative care for people suffering from terminal illnesses.

Aid was also provided to 43 WWII veterans.

The Group also supported several educational institutions. Salary bonuses were provided to seven individuals working at the MEPhI National Research Nuclear University. The Group also cooperated with the New Economic School in the following ways:

- Awarded scholarships; eight students were recipients.
- Held joint activities; Anna Obizhayeva, a Moscow Exchange professor, took part in NES Points Online as part of the topic GameStop. The lecture was viewed more than 1,300² times. The professor also covered this topic in a column in RBC that was read by over 19,300 people.

- Developed the popular science portal GURU at the New Economic School; in January–March 2022, 50 publications in Russian and English were uploaded in various formats. They were viewed² over 50,000 times by over 20,000 visitors, 93% of whom were new visitors.
- Promoted science education through Economy by Ear audio lectures. Season five's lectures were listened to about 145,000 times².

The Group also held a Donor Day and organized two events (in December and June) to collect gifts for orphanages for New Year's and Children's Day.

Main charity partners of Moscow Exchange Group in 2021:

- Vera Hospice Charity Fund
- Nikitsky Club of Scientists and Entrepreneurs
- Podari Zhizn Charitable Foundation
- MEPhI National Research Nuclear University
- New Economic School
- Association of Banks of Russia
- Development Foundation of the Pushkin State Museum of Fine Arts
- Journal of the New Economic Association (Autonomous Nonprofit Organization)
- Touching the Heart Charitable Foundation
- Our Children Charitable Foundation
- BELA. Butterfly Children Charitable Foundation
- Volunteers Helping Orphans Charitable Foundation
- Danilovtsy Volunteer Movement
- Yelizavetinsky Orphanage
- Fulfilling the Dream Charitable Foundation
- Wonderland Charitable Foundation
- Big Change Charitable Foundation
- United League LLC

Sponsorship budget structure in 2021, %

Areas	%
Education and science	49.5
Community engagement	36.4
Sports and healthy lifestyle	14.1

Charity program structure and coverage in 2021, %

Areas	Donor structure	Cost structure by areas
Science, education and improvement of the financial literacy of the public	0.4	54.7
Support for veterans	1.2	9.2
Healthcare, rehabilitation, and care for people with disabilities and those affected by COVID-19	69.4	30.1
Other	29	6

¹ As of December 2021.

² As of 1 April 2022.

In addition to charity support, the Group also sponsors various activities. To better organize its efforts in this area, in 2021 Moscow Exchange approved the Regulation on Sponsorship and Financing of External Projects by Moscow Exchange, as well as the Regulation on the Moscow Exchange Sponsorship Committee.

In 2021, Moscow Exchange Group allocated

RUB 34.9 million for charity projects.

As a result, aid was provided to over

3,500 children and adults in need.

A further

RUB 57.6 million was allocated to sponsorship initiatives.

Interaction with stakeholders

Interaction with the regulatory authorities on sustainable development issues

102-12

In 2021, Moscow Exchange Group participated in five working groups tackling sustainable development issues:

- the Central Bank of Russia Working Group on Financial Instruments;
- the Central Bank of Russia Working Group on Corporate Governance and Information Disclosure;
- the Central Bank of Russia Working Group on Carbon Regulation;
- the Interdepartmental Working Group on Development of Investment Activities and Raising Extra-Budgetary Funds for Sustainable Development Projects (chaired by Russian Minister of Economic Development Maxim Reshetnikov);
- the Expert Council on Sustainable Development and Green Financing of the Subcommittee for Sustainable Development and Green Financing¹.

The Moscow Exchange Council and user committees

The Moscow Exchange Council is the main permanent consultative and advisory body that oversees interaction with market participants. The Council was created to ensure fair relations between all financial market participants and to improve Moscow Exchange's activities in this area, as well as to seek out a balance of interests between shareholders and customers of Moscow Exchange (traders, financial brokers, investors, end users of exchange services).

In 2021, the Council had 25 members,² who were approved by the Moscow Exchange Supervisory Board. Andrey Zvezdochkin, General Director of ATON Investment Company, was elected chairman of the Moscow Exchange Council.

In 2021, the Moscow Exchange Council held four meetings at which 13 issues pertinent to stakeholders were raised, including the level of satisfaction of Moscow Exchange customers (for details, see the 2021 Annual Report, p. 56).

In 2021, the Group calculated its first-ever Customer Satisfaction Index (CSI) by interviewing market participants and customers. The Group interviewed 208 customers, and the resulting score was 8.8 out of 10. This high score attests to the effectiveness of the Group's efforts to improve its interaction with stakeholders.

A working group consisting of Moscow Exchange, the National Settlement Depository, and the National Clearing Center—together with Magram Market Research—developed the methodology and interviewed respondents. The methodology involved sending online questionnaires to a list of the Group's contacts, after which a satisfaction index was calculated based on the customer service scores received. By ascertaining the level of satisfaction and getting customers to rate the importance of individual service components, the Group can determine priority areas to focus on in further developing customer service. Moscow Exchange Group plans to calculate the CSI on an annual basis.

There are 24 user committees operating under Moscow Exchange and the National Settlement Depository. These committees discuss issues that affect all aspects of the exchange's activities, including regulation of public circulation and issuance of securities, corporate governance, technology, and other matters. In 2021, the user committees held over 100 meetings.

International organizations and initiatives³

102-13

Over the years, the Group has cooperated actively with international financial organizations to study global best practices and share experience.

In 2021, Moscow Exchange actively stepped up its collaborative efforts with foreign exchanges. Aside from its ongoing cooperation with Chinese financial institutions in the Equity, FX, and Bullion Markets, Moscow Exchange also built stronger business relationships with the Qatar Stock Exchange, Tashkent Stock Exchange, and Uzbek Commodity Exchange.

In 2021, an agreement on cooperation with the Qatar Stock Exchange was adopted at the 24th St. Petersburg International Economic Forum to strengthen mutual business ties.

In November 2021, at the 2nd International Financial and Banking Forum of CIS Member States in Tashkent, Uzbekistan, a cooperation agreement was signed with the Tashkent Stock Exchange. This collaboration aims to develop stock exchange tools and open up new markets. Moscow Exchange will also share its experience organizing foreign securities trading. As a joint program, the two exchanges will seek to establish trading links by cross-listing securities included in the trading floors' quotation lists.

In November, Moscow Exchange also signed a memorandum of cooperation with the Uzbek Commodity Exchange. The exchanges also launched a project to trade in non-deliverable forwards for liquefied gas and cement using the Russian trading floor's technologies.

- Moscow Exchange Group is a member of the Sustainability Working Group of the World Federation of Exchanges (WFE)⁴. The Group actively participates in discussions on objectives and material aspects of priority areas of sustainable development, as well as on best practices for implementing recommended approaches, in order to make sustainability an integral part of the business.

- Moscow Exchange Group also organized an event as part of the international Ring the Bell for Gender Equality initiative.
- The Group participates in the UN Sustainable Stock Exchanges (SSE) global initiative, a unified platform for studying how exchanges, in collaboration with investors, companies (issuers), regulators, politicians, and competent international organizations, can improve work practices to increase sustainability and facilitate responsible investing, including financing of the UN Sustainable Development Goals.

Partnership with institutions of higher education

203-1 203-2 413-1

Moscow Exchange Group collaborates with a number of Russian universities on an ongoing basis. It organizes field-specific contests and conferences to develop students' financial market knowledge and skills.

To raise awareness and promote its brand among students, the Group participates annually in career fairs⁵. It also publishes job vacancies in such institutions' career groups⁶. In 2021, the Group took part in the I Am a Professional academic competition for students; a "career marathon" was organized for Economics majors, as well as a student conference on financial markets, held in conjunction with the Higher School of Economics⁷.

In 2021, the Group actively promoted cooperation with the IT community by holding specialized meetups, developing IT Community, and participating in the case championship Challengel IT Cup.

Some activities are held annually as part of Moscow Exchange's cooperation with institutions of higher education. Since 2020, Moscow Exchange Group has been awarding scholarships to students and professors of the New Economic School. Thanks to this support, talented students and teachers can focus on their research work and realize their potential. In 2021, eight students of the New Economic School received scholarships.

Every year, students undergo internships at the Group's companies, with the best interns being offered jobs. In 2021, 14 of the 67 interns were hired.

¹ The Expert Council was set up to replace the Working Group on Legislative and Regulatory Support for Building a System of Standardization and Verification of Green Financial Instruments (under the Financial Market Committee of the State Duma), which was abolished in September 2021. In 2021, no meetings of the working group were held.

² A list of the members of the Moscow Exchange Council can be found on the [website](#).

³ Detailed information on initiatives and partner relationships with international organizations can be found in the section "Sustainability Approaches and Procedures."

⁴ As of 31 December 2021.

⁵ At the following higher educational institutions: the MEPhI National Research Nuclear University, and the New Economic School.

⁶ At the following higher educational institutions: the MEPhI National Research Nuclear University, the New Economic School, Lomonosov Moscow State University, the Financial University, the Higher School of Economics, and the National Research University "Moscow Power Engineering Institute".

⁷ A third joint conference, MOEX Progress: Development of the Russian Financial Market, was held on 26 May 2021.

- Moscow Exchange offers three paid internship programs for senior students: MOEX Start, MOEX Study & Work, and MOEX Future Leaders. Students of the Higher School of Economics, the Financial University, and the MEPhI National Research Nuclear University are offered places in practical training and internship programs under contract.
- The National Settlement Depository and the National Clearing Center offer paid internships for senior students and graduates of technical and economic universities through two programs: NSD Perspective and NSD Start.

The Novosibirsk Region Governor's Cup for On-exchange Financial Market is held annually for Russian students. The competition offers participants the chance to acquaint themselves with stock exchange tools, try their hand at trading strategies, practice building an investment portfolio, and gain experience investing in financial markets. It includes two stages, and the winners are determined based on the total income they earn from their transactions on financial markets.

The Group holds educational lectures for students. In 2021, a series of lectures on financial markets

was given to postgraduate students. Group employees also give lectures and hold seminars on financial risk management at St. Petersburg School of Economics and Management.

Support for political parties and organizations

415-1

Moscow Exchange Group maintains a neutral position when it comes to political and religious activities, but it does not impinge upon its employees' right to choose their own views, nor does it prevent them from pursuing such activities at their own cost and as private individuals. In 2021, the Group did not make any donations to political organizations.

Plans for 2022

Under Moscow Exchange School, a project for individual investors, the Group plans to train 150,000 new investors through the accredited course "The Investor's Path", as well as other courses.

Moscow Exchange Group also promotes modern corporate reporting requirements, thereby contributing significantly to more transparent markets. The Exchange has developed infrastructure to foster a local investor base, and it provides access to funding for innovative companies, as well as small and medium-sized enterprises.

FN-EX-410a.3 103-2

- Moscow Exchange requires issuers to disclose the following information that may affect stock prices:
- changes related to the company's financial health;
 - major corporate transactions, including restructurings, mergers, and acquisitions;
 - changes to the management team;
 - positive or negative material information on issuers' products and services;
 - legal or regulatory changes affecting the company's ability to conduct business.

The grounds for suspending trading in securities are set out in the [Listing Rules of Moscow Exchange, pp. 76–77](#). The decision to suspend trading in securities is made by Moscow Exchange on the basis of an expert opinion issued by the Listing Department. Moscow Exchange contributes significantly to increased transparency of disclosures through its requirements for issuers.

103-3

As part of the work of the Bond Issuers Committee and user committees, Moscow Exchange performs regular analyses of feedback from customers and market participants about new ESG products; it also works to increase their awareness on such topics.

This subsection covers the key responsible investment instruments of Moscow Exchange and its educational programs for market participants.

Moscow Exchange Group's objectives and the UN Sustainable Development Goals

- SDG 8.3, 9.3 Increase growth opportunities and access to financial markets for small and medium-sized enterprises
- SDG 8.10 Develop financial infrastructure for better access to capital markets, promote the development of a local investor base
- SDG 9.1 Increase access to financial services for retail investors
- SDG 9.b Increase growth opportunities and access to financial markets for companies that develop innovative products
- SDG 12.6, 12.8 Improve the quality and quantity of ESG information disclosed by issuers
- SDG 12.6, 13.3 Develop instruments to promote responsible investment

Major highlights in 2021

Sustainability sector

103-1

In 2019, Moscow Exchange Group established the Sustainability sector to help issuers raise funds for projects that comply with the UN SDGs and national projects of the Russian Federation. The Sustainability sector consists of four segments: green bonds, social bonds, sustainability bonds (as of 2021), and a segment for national and adaptation projects. For more details on the Sustainability sector and its core listing rules, see the section "Sustainability Approaches and Procedures".

In 2021, the Group expanded its offerings of sustainability-related products and services for issuers and investors committed to sustainable development strategies.

RESPONSIBLE INVESTING AND SUSTAINABLE GROWTH

For comprehensive performance metrics for 2019, 2020 and 2021, see the subsection "Responsible investing and sustainable growth" of the section "Sustainability Data" For the key policies, procedures, and responsible departments, see the subsection "Responsible investing and sustainable growth" of the section "Sustainability Approaches and Procedures".

Exchanges contribute significantly to raising capital for improving sustainability. They also play an important role in creating financing facilities to help modernize the economy in line with climate goals.

As a member of the Sustainable Stock Exchanges (SSE) initiative, Moscow Exchange works hard to develop sought-after financial ESG instruments and promote them among Russian companies, investors, and financial institutions. Moscow Exchange is striving to create a new market segment for environmentally and socially significant projects that are appealing for issuers and investors.

Moscow Exchange promotes responsible investment both as a company and as a provider of financial infrastructure, recognizing that the generation of long-term sustainable returns is dependent on well-governed social, environmental, and economic systems.

RUB **193** billion
 in total bonds outstanding
 in the Sustainability sector
 (versus 23.9 billion in 2020)

RUB **7.9** billion
 worth of bonds placed by SMEs
 in the Growth sector
 (versus 6.4 billion in 2020)

> RUB **335** billion
 worth of securities traded in the Innovation
 and Investment Market sector
 (versus 280 billion in 2020)

A Russian carbon trading market is currently under development.

FN-EX-410a.4

A new edition of the [Listing Rules](#) of Moscow Exchange came into force on 21 May 2021. According to the rules, the Sustainability sector can include sub-federal and municipal bonds issued to raise funds for environmental projects and socially significant initiatives.

On 28 December 2021, the [Listing Rules](#) of Moscow Exchange were once again revised in line with regulatory changes of the Central Bank of Russia. The Listing Rules have been brought into conformity with new provisions of the Securities Issuance Standards.

103-2

The following changes have been made in the Sustainability sector.

- a new segment, Sustainability Bonds, has been added to help raise funds for both environmental and social projects;
- the National Projects segment has been renamed the National and Adaptation Projects segment. It will include bonds to raise funds for projects compliant with the [VEB.RF Taxonomy](#) goals.

FN-EX-410a.4

- provisions have been made for an independent external compliance audits of issuers' projects and policies' with the Russian Green Finance Guidelines and the [VEB.RF Taxonomy](#);
- Moscow Exchange is exploring the possibility making ESG disclosures mandatory for issuers.

RUB **193** billion
in total bonds outstanding
in the Sustainability sector

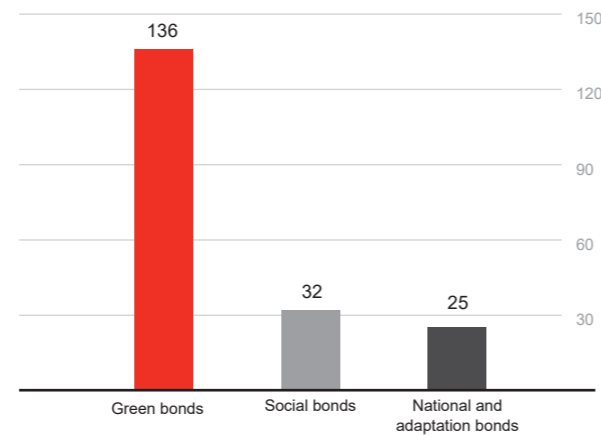
RUB **169.4** billion
of bonds placed in the Sustainability sector
in 2021

First-ever issue of adaptation bonds
in Russia

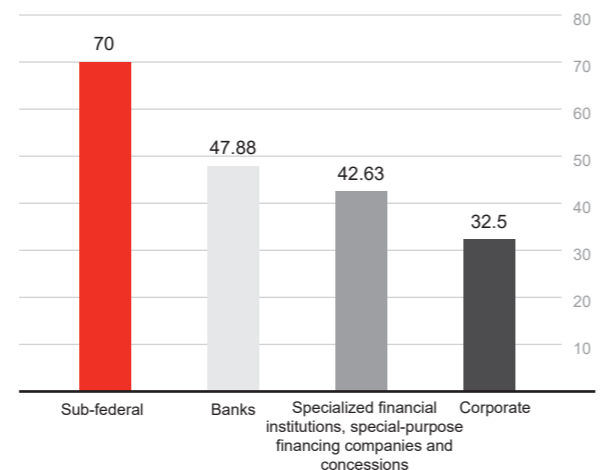
As of 31 December 2021, there were 22 issues of ESG bonds by 13 issuers in the Sustainability sector, 10 of which were issued in 2021 (five issues of green bonds, two issues of social bonds, and three issues in the national and adaptation projects segment, including the first-ever issue of adaptation bonds in Russia). In total, compared to 2020, the value of bonds traded was up by a factor of 14.7, amounting to RUB 169.4 billion, with green bonds accounting for the largest share.

According to NSD, financial market participants invested RUB 152 billion in ESG bonds in 2021, and, as of the end of the year, held securities worth RUB 175.4 billion on their accounts.

Sustainability sector structure by bond type as of the end of 2021, RUB billion



Sector structure by issuer type as of the end of 2021, RUB billion



Building a market for trading in carbon units

In 2021, Moscow Exchange and a major Russian bank agreed to implement a joint project to build the Russian carbon trading market. The Supervisory Board of Moscow Exchange approved it.

103-1

The project is vital for fulfilling Russia's obligations under the Paris Agreement and keeping exporters competitive. The transition to a lower-carbon economy requires an intermediate adaptation stage, with climate-related projects as an instrument for regulating emissions. These projects aim to establish trading in carbon units to help harmonize economic relations between commodity market participants, subject to agreements being reached at international level to set out the rules for the new market mechanisms.

103-2

[Federal Law No. 296-FZ dated 2 July 2021 "On Limiting Greenhouse Gas Emissions"](#) calls for the creation of a carbon unit registry whose operator is authorized by the Russian Government.

After studying the issue, the Ministry of Economic Development proposed the creation of an operator for the carbon unit registry with the participation of Moscow Exchange. The corresponding infrastructure is being developed based on an existing legal entity, Kontur JSC.

As a partial operator of the carbon unit registry, Moscow Exchange's tasks will include:

- supporting processes on the operator's platform;
- participating in the development of methodological and regulatory documents governing the relevant processes, and interacting with customers of the registry, public authorities, and international organizations;
- drafting proposals for participation in the organization of carbon unit trading and implementing such proposals together with other parties.

In cooperation with other interested parties, Moscow Exchange plans to build a regulatory framework and a system of requirements for the sale of GHG emission permits and green certificates.

This system is expected to reduce negative anthropogenic impacts on the climate to mitigate certain acute and chronic climate-related risks. The centralized emissions trading system may be based on limited emission allowances (cap-and-trade system) or on their specific levels (baseline-and-credit). Companies that pollute will acquire permits for emissions while also implementing initiatives for the reduction of GHG emissions. NSD may become an operator of the carbon unit registry.

ESG guidelines

103-2

To better integrate ESG principles into companies' operations, it is vital for exchanges the world over to educate and inform participants on financial and commodity markets. Moscow Exchange holds conferences and webinars, and also supports thematic partner events.

In the summer of 2021, Moscow Exchange developed and published the [ESG Disclosure Guidelines](#) for companies seeking to establish sustainable business models. These guidelines include recommendations on developing ESG strategies and improving corporate governance. They also cover practical aspects of the financial market, with a focus on responsible investment principles and ESG best practices. The Guidelines can be used to develop or improve corporate ESG strategies and promote higher-quality corporate governance and a better understanding of ESG-oriented sustainable business models. The presentation unveiling the Guidelines was attended by 361 participants.

ESG indices

103-1 FN-EX-410a.4

Moscow Exchange Group calculates and tracks Russia's first sustainability indices. This is a joint project with the Russian Union of Industrialists and Entrepreneurs (RSPP). The MOEX-RSPP ESG indices help reveal a correlation between the quality of disclosures on responsible business practices and the yield dynamics of issuers' stocks.

103-2

Each year, RSPP evaluates reports and ESG indicators of companies with considerable market capitalization operating in Russia. Moscow Exchange stock indices are based on this evaluation, as well as their derivatives, which create the basis for ESG ETFs¹. Since January 2021 Moscow Exchange has been listed on the RSPP Responsibility and Transparency Index and the Sustainability Vector Index.

Moscow Exchange's sustainability indices

- MOEX-RSPP Responsibility and Transparency Index, MRRT (calculation is based on the stock prices of 29 issuers²);
- MOEX-RSPP Sustainability Vector Index, MRSV (calculation is based on the stock prices of 26 issuers²);
- MOEX-RSPP Sustainability Vector Total Return Index (calculation base includes companies with the best sustainability indicator dynamics, taking into account reinvestment of dividends);
- MOEX-RSPP Russian Companies Sustainability Vector Index (launched in 2021);
- MOEX RSPP — RSHB Russian Corporate Eurobonds ESG Index (launched in 2021; based on the Eurobond loans of Russian corporate issuers listed on the MOEX-RSPP Sustainability Vector Index).

Number of securities listed on ESG indices

MOEX-RSPP Responsibility and Transparency Index	29
MOEX-RSPP Sustainability Vector Index	26
MOEX-RSPP Russian Companies Sustainability Vector Index	24
MOEX RSPP — RSHB Russian Corporate Eurobonds ESG Index	17

A new version of the Sustainability Vector Index, the MOEX-RSPP Russian Companies Sustainability Vector Index, was launched in 2021. The methodology factors in regulatory requirements for non-state pension funds, making it possible to invest pension savings in a basket of index-linked securities or a financial product whose underlying asset is the new indicator.

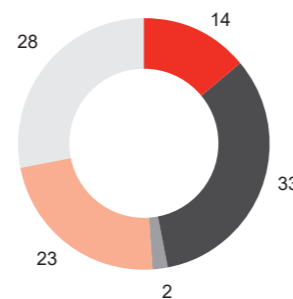
Moscow Exchange has also started calculating the RSPP-RSHB Russian Corporate Eurobonds ESG Index. This derivative index has become the basis for a new ETF managed by RSHB Asset Management.

The year 2021 saw the introduction of tighter requirements on the liquidity of securities included in sustainability stock indices: a liquidity ratio was introduced, and free float requirements were put in place (regulating the share of stocks that are publicly traded, including those available to retail investors).

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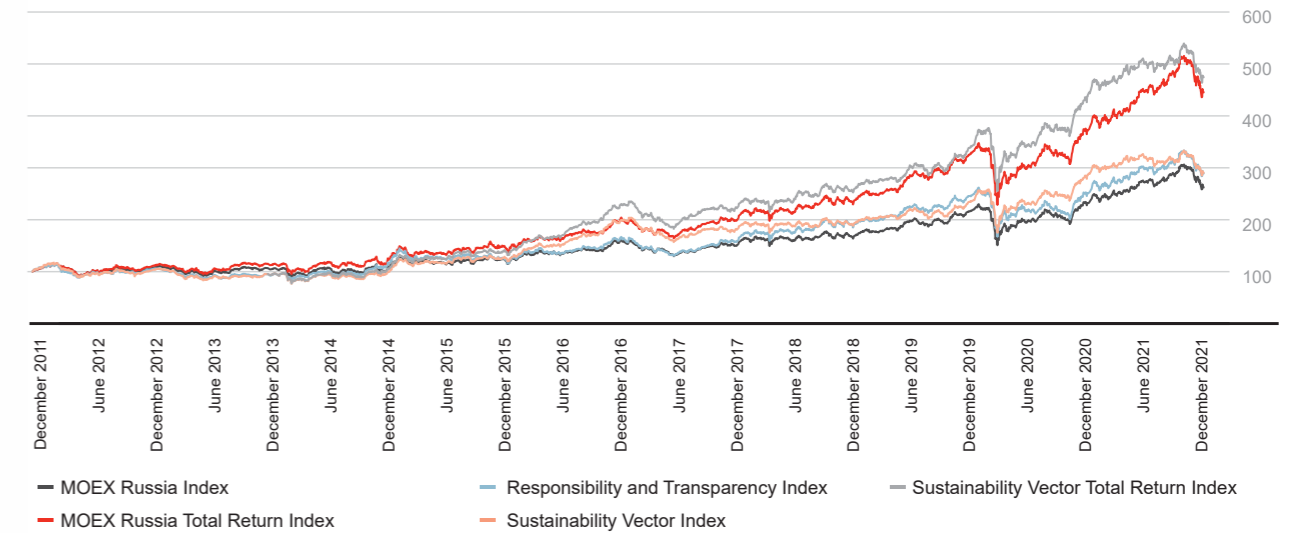
A total of 43 indicators were used to calculate the RSPP Responsibility and Transparency Index in 2021.

Indicators used in the Responsibility and Transparency Index, 2021, %

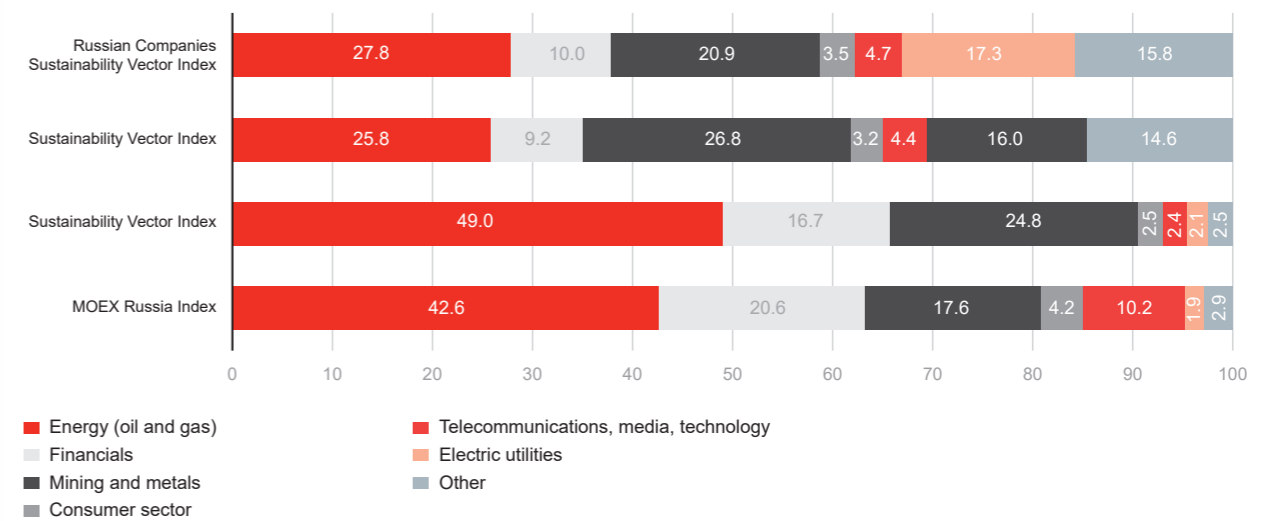


- Economic
- Social (personnel)
- Social (general public)
- Environmental
- Governance

Indices performance, 2011–2021, %



Index structure by industry in 2021, %³



ESG ETFs

The establishment of derivative indices based on the ESG indices of Moscow Exchange in 2021 led to the launch of four new ESG ETFs: ESGR ETF RSHB-MOEX-RSPP VecTR (ESGR, the second ETF managed by RSHB Asset Management LLC), SBRI ETF Responsible Invest (SBRI), WIMF ETF Russian Equity ESG (VTBF ETF) and TSST ETF TINKOFF ESG LEADERS (TSST).

The new ETF of RSHB was awarded "First Exchange-Traded Fund in the ESG Segment" at the Investfunds Awards. The award is given to companies that show outstanding results in the collective investment market.

¹ "ETF" means Exchange-Traded Fund.
² Data is provided as of 31 December 2021.

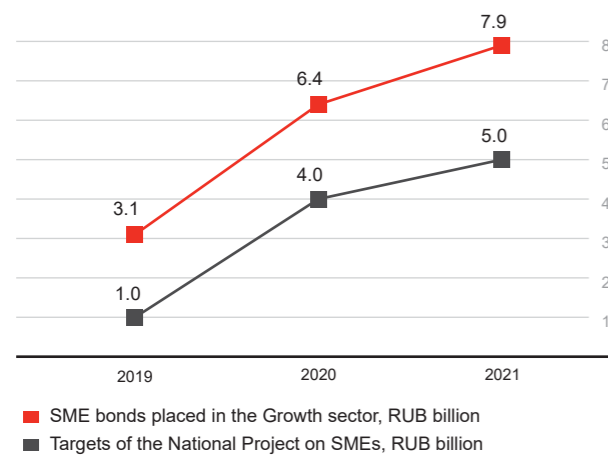
³ Data is provided as of 31 December 2021.

Growth sector

103-2

In 2021, MOEX Group extended access to funds for small and medium-sized enterprises (SMEs) in the Growth sector, thereby facilitating their growth. The number of SMEs included in the Growth sector and the volume of offerings grew, reaching the targets of the national project "Small and Medium-Sized Enterprises and Support of Individual Entrepreneurship Initiatives".

SME bonds placed in the Growth sector, 2019–2021



The Growth sector of Moscow Exchange¹ was created for public offerings and for circulating the securities of promising small and medium-sized enterprises (for a detailed description of the sector and its listing rules, see the section "Sustainability Approaches and Procedures").

To be included in the Growth sector, bonds need a credit rating of at least BB- on the Russian scale. In view of the current situation, until 1 October 2022 Moscow Exchange has decided to use the credit ratings

of the issuer, bond issue, or guarantor (endorser), assigned as of 1 February 2022.

As of 31 December 2021, 47 bond issues of 28 SMEs were traded in the sector. The total volume of SME bond placements amounted to RUB 7.9 billion, which RUB 2.9 billion above the target under the national project.

To subsidize listing preparations, 16 issuers received RUB 24.65 million in pre-listing subsidies, and 20 transactions received coupon-interest income subsidies totaling RUB 128.3 million.

103-2

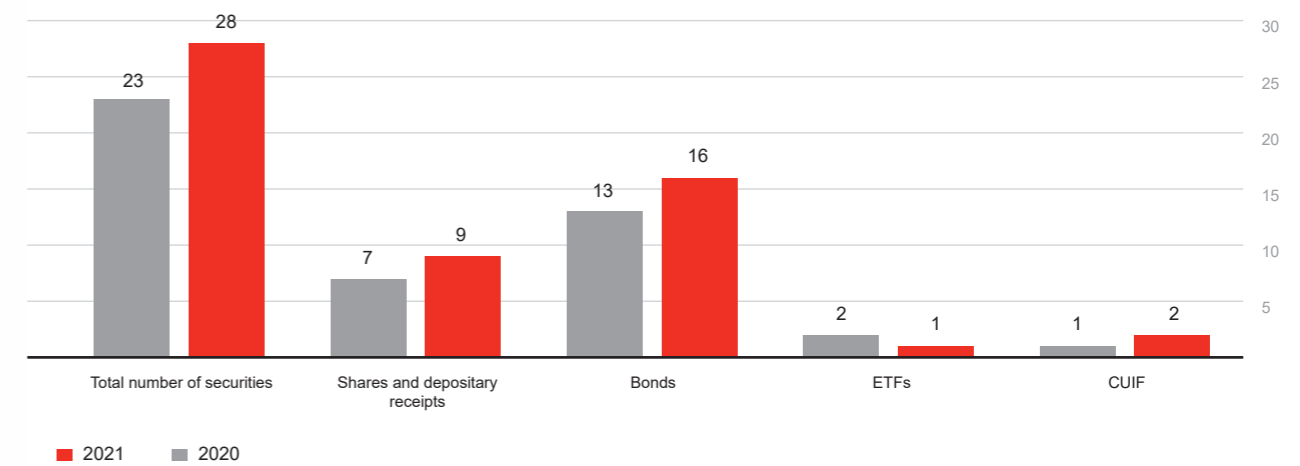
As a COVID-19-related support measure, Moscow Exchange Group has improved accessibility to the bond market for SMEs by waiving charges for listing bonds for flotations of up to RUB 400 million. In 2021, the grace period was extended up to 31 December 2022.

Innovation and Investment Market

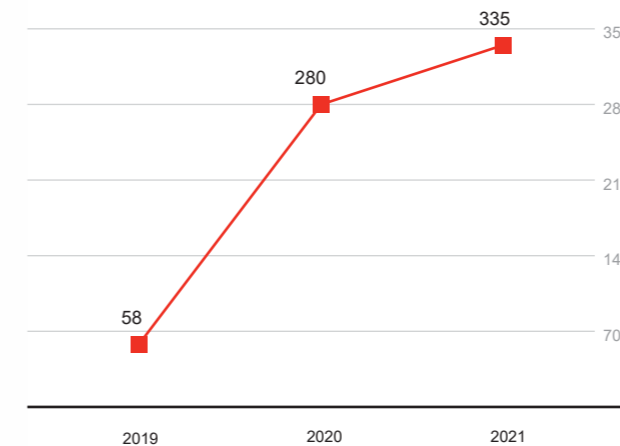
Moscow Exchange contributes to the development of the innovation market by easing access to the financial market for high-tech companies. Moscow Exchange's goal is to attract investment to innovative companies using its exchange mechanisms and through cooperation with development institutions.

By the end of 2021, 28 securities were being traded on the Innovation and Investment Market (IIM) sector, including seven shares, two global depository receipts (GDRs), 16 bonds, one exchange-traded fund (ETF), and two closed-end unit investment funds (CUIF). The total capitalization of the sector amounted to about RUB 460 billion. The trading volume exceeded RUB 300 billion (+20% YoY). IIM issuers include companies from the following industries: biotech and medical technologies, internet and media, IT and telecommunications, and innovative technologies. In 2021, nine new securities were offered on the IIM.

Number of IIM securities by type, 2020-2021



Trading volume in the IIM Sector, RUB billion



To encourage high-tech companies to list on the stock exchange, the following types of government support are available:

- tax relief on income from the sale or other disposal of shares and bonds of Russian entities, and of investment units that are securities from the high-tech (innovative) sector of the economy, provided that they have been continuously owned by the taxpayer for at least one year prior to the date of their sale (effective until 31 December 2022);
- as part of the initiative "Takeoff – From Startup to IPO", approved by the Russian Government

in 2022, small innovative enterprises will be eligible for grant support to co-finance innovative projects, with the grants to be provided by Federal State Institution Foundation for Assistance to Small Innovative Enterprises in Science and Technology. Each grant is capped at RUB 25 million; part of that amount may be spent on listing (legal support fees, investment banking services, marketing, and other services).

Outlook for 2022

In 2022, the Group plans to keep improving its responsible financing practices:

- continue to develop the Sustainability sector by issuing new types of bonds; create platforms for ESG market data; extend the ESG index family; improve the non-financial reporting practices of issuers;
- launch a carbon trading system;
- host more educational events for issuers and market participants to share knowledge and experience in ESG management and responsible investment;
- improve the Group's own ESG practices and sustainability reporting system;
- meet KPIs under the national SME projects in terms of the size of securities offerings;
- boost the IIM Sector through the "Takeoff — From Startup to IPO" government initiative.

¹ In cooperation with the Central Bank of Russia, the Ministry of Economic Development of the Russian Federation, SME Corporation, and SME Bank JSC.

ENVIRONMENT OF RESPECT AND EMPOWERMENT

- Best Employer in Finance & Investments according to [Changellenge 2021](#)
- 58% increase in the annual average number of training hours per employee compared to 2020
- 43% of the Group's headcount are women, which is comparable with other exchanges¹

Building a comfortable, fair, and encouraging work environment is an overriding priority of Moscow Exchange Group. Over the past several years, Moscow Exchange has put considerable efforts into building a culture of respect and trust in the workplace and increasing employee satisfaction and engagement. Today, the Group continues to take part in dynamic activities to that end.

Care for our employees has been a key focus area of Moscow Exchange throughout 2021, which is reflected in the Sustainability Roadmap. Priority areas include pursuing gender equality, encouraging a healthy work-life balance, increasing the flexibility of the working environment, and ensuring the physical and emotional well-being of staff. The Group's management seeks new approaches to developing expertise, managing the agenda, and setting ambitious and quantifiable objectives.

Moscow Exchange Group's objectives and the UN Sustainable Development Goals

- SDG 4.4 Develop employees' professional and technical skills
- SDG 4.7 Train employees to effectively manage sustainability within the Group
- SDG 5.5 Ensure gender equality in the Group
- SDG 8.5, 8.6, 8.7, 8.8 Ensure decent working conditions for employees

For 2019, 2020, and 2021 metrics, see the subsection "Environment of respect and empowerment" of the section "Sustainability Data". For key policies, procedures, and departments, see the relevant subsection of the section "Sustainability Approaches and Procedures".

This subsection describes the activities and initiatives of Moscow Exchange Group as it seeks to provide good working conditions, create a safe and comfortable workplace, and uphold the basic principles of fostering a culture of development and equal opportunity. The Group places particular emphasis on training and professional development, including increasing employee awareness of sustainability issues.

2021 highlights

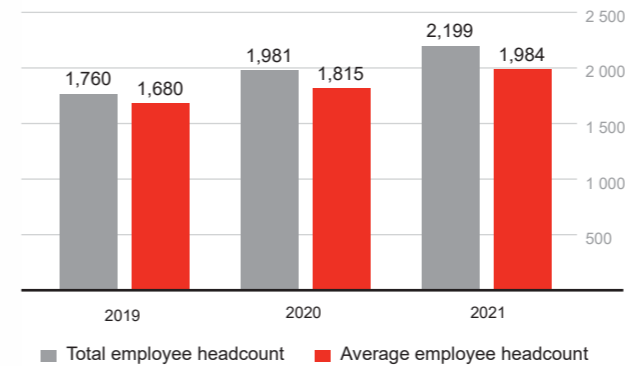
In 2021, Moscow Exchange Group was highly ranked in the [Changellenge Best Company Award 2021](#), a rating of employers among the most active demographic—students and graduates of Russia's top 30 universities:

- #1 employer in Finance & Investments;
- #34 of the top 100 companies for starting a career, according to students majoring in Business;
- a top 50 company for starting a career, according to students majoring in IT;
- one of the best employers, according to students of the Financial University and top universities of the Urals and Siberia.

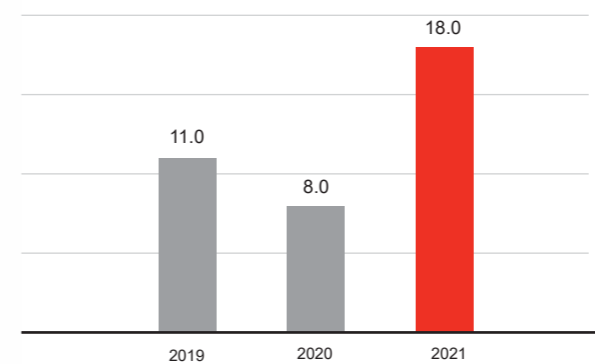
Furthermore, in 2021, Oleg Vyugin, Chairman of the Moscow Exchange Supervisory Board, won "Best Independent Director", and was also ranked third in the annual "Top 1,000 Russian Managers" rating compiled by the Russian Managers Association and Kommersant Publishing House.

102-8

Total employee headcount at Moscow Exchange Group, people

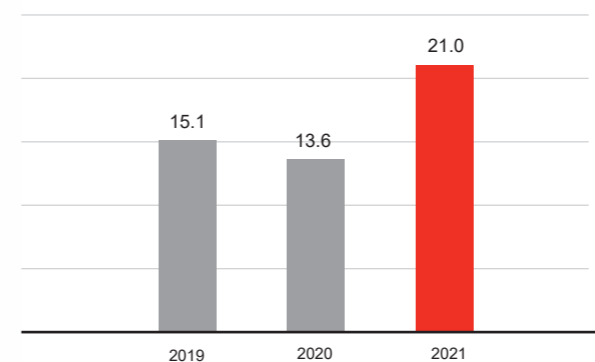


Employee turnover, %



401-1

Employee turnover², %



In 2021, Moscow Exchange Group launched a project to introduce HR electronic document management (EDM). The project is scheduled to be implemented in 2022.

Employee engagement and efficiency

The total employee headcount at Moscow Exchange Group increased by 11% in 2021. Employee turnover³ was 18%. The growth of this indicator in 2021 can be attributed to changes in the situation surrounding the COVID-19 pandemic, which caused employee turnover to drop in 2020, only to rise again in 2021. The Group did not make any staff cuts in the reporting year or over the past three years.

After reviewing the reasons why employees quit, the Group takes appropriate steps to reduce employee turnover. To this end, Moscow Exchange monitors employee engagement. In 2020, the Supervisory Board approved a new long-term incentive program for 2023 to 2025 with a view to retaining key personnel and ensuring they are focused on the long-term development of the business of the entire Group. The Group also implements a long-term incentive program for key IT professionals, under which part of the employees' variable remuneration consists of phantom shares⁴.

Every year, the Group conducts a comprehensive study of employee⁵ engagement. In 2021, 86% of the staff took part. Polling yielded the following results:

- engagement – 86.2%;
- loyalty – 81.4%;
- satisfaction – 87.9%.

Key areas of development were identified through the survey. In order to create a plan to enhance the efficiency of operations, the Group organized focus groups, identifying critical areas for employees, such as HR issues, career planning, training, remuneration, and work-life balance. Relevant activities and discussions were subsequently arranged.

² This indicator was estimated using the GRI methodology. "Employee turnover" means the ratio of all employees who left the company during the reporting year to the number of employees at year end.

³ This indicator was calculated as the ratio of the number of employees who resigned voluntarily over the year to the average number of employees in the reporting year.

⁴ Phantom shares (interests) are an incentive tool for employees, whereby the employee holds a virtual share in the company and receives dividends, but does not beneficially own the share.

⁵ Detailed information is provided in the section "Sustainability Approaches and Procedures".

¹ For more details, see the subsection "Diversity and equal opportunity" of the current section.

Learning and development

Employees of Moscow Exchange have access to a large library of training materials.

404-2

Apart from compulsory training, the Group has prepared courses that teach hard and soft skills, and it conducts workshops on communications skills in the context of COVID-19 and the switch to remote working arrangements. A total of 954 employees took part in various educational programs or training sessions in 2021.

Due to the pandemic, most training materials are now available online. This has made training courses more accessible, allowing employees to take them at their own convenience.

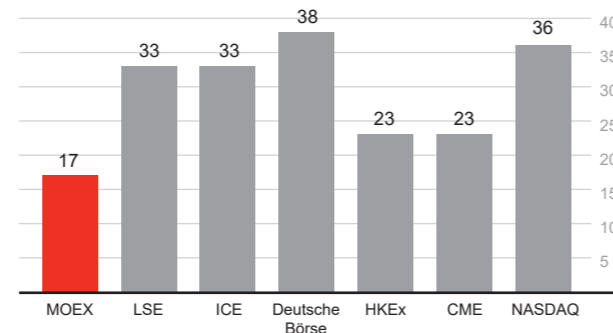
- Since 2019, the Group has been successfully implementing a mentorship program to support young specialists.
- For managers responsible for hiring, training sessions are held on a regular basis to develop their skills in interviewing candidates.
- IT teams have been further integrated into the Group: in 2021, ten teams were operating in MS Teams, and ten meetings were arranged (four of which were led by invited speakers), and a page was created on the intranet. In total, there are 394 people on the IT teams of Moscow Exchange Group.

In 2021, the Group began implementing quarterly planning, which allows it to be more flexible in its response to employee requests for training. A compulsory training course for novice managers was developed, and the Group implemented a checklist of mandatory actions by managers as part of the regular management process.

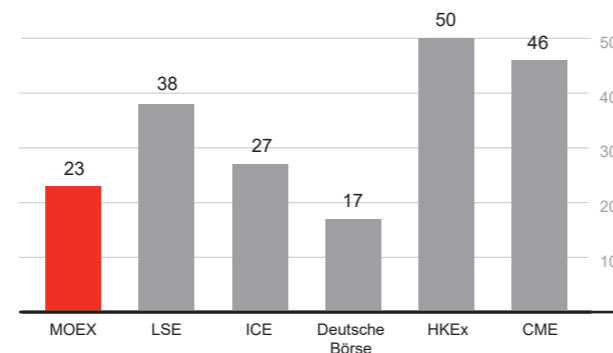
Since 2020, Moscow Exchange Group has been organizing sustainable development training for employees who work in the Group's core business areas. In 2021, it continued to offer courses on OHS, IT, anti-corruption policies and methods (including issues associated with business gifts and conflicts of interest), and risk management. The number of courses not completed by participants fell.

Diversity and equal opportunity

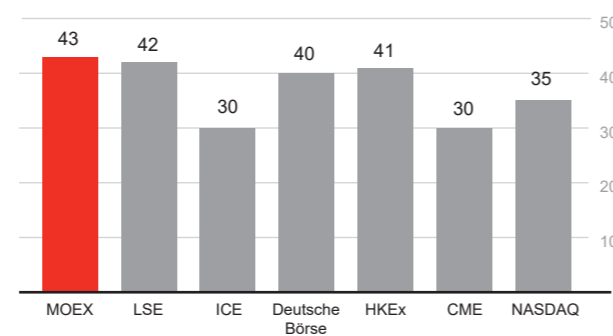
Percentage of women on the Supervisory Board¹, %



Percentage of women in senior management positions, %



Percentage of women in the total employee headcount, %



Note: LSE is the London Stock Exchange; ICE is the Intercontinental Exchange; HKEx is the Hong Kong Stock Exchange; CME is the Chicago Mercantile Exchange; NASDAQ is the National Association of Securities Dealers Automated Quotation.

Moscow Exchange Group focuses on the social and cultural diversity of its employees, providing them with equal opportunities in terms of training, career development, and social benefits. This approach leads to a more productive and comfortable work environment.

The Group follows the recommendations of the Central Bank of Russia in forming and maintaining the continuity of the Supervisory Board; including based on the principle of gender diversity.

In terms of the percentage of women among the workforce, the Group adheres to global best practices. Despite some challenges, particularly the fact that there are far fewer women in the Russian IT sector than men, the Group takes active steps to hire women in its IT departments.

202-1

Moscow Exchange Group offers competitive pay. In 2021, the average pay of entry-level specialists and workers, including bonuses, was 4.6 times higher than the minimum wage in Moscow on 1 January 2021.

In 2021, the companies of the Group started using electronic employment record books, concluding agreements on remote work, and making direct payments from the Social Insurance Fund in cases of sick leave. Due to changes in way annual performance reviews are conducted, NCC updated its Regulation on Employee Bonuses and Regulation on Corporate Social Support of Employees.

Occupational health and safety, and employee well-being

403-6 403-3

In 2021, Moscow Exchange Group strengthened its focus on preventive action to mitigate risks to employees' health and ensure their well-being during the COVID-19 pandemic. The Group complied with all instructions issued by regulatory authorities, and also took additional steps to make working at and outside the office more comfortable. For more details, see the subsection "Overview of the COVID-19 response".

In some circumstances,² employees may work from home³ or under a flexible work schedule. In accordance with the Labor Code of the Russian Federation, and at an employee's request, expectant mothers are entitled to work fewer hours, as are parents (guardians, caregivers) of children under the age of 14 or disabled children under 18 years of age, as well as employees who are helping care for a sick family member. Both women and men (at the family's discretion) are granted leave to care for children under three years of age; mothers who go back to work ahead of time are provided breaks to feed infants younger than a year-and-a-half old; an additional four paid days off per month are given to care for a disabled child.

Although the working conditions at Moscow Exchange Group do not entail any significant risks of personal injury or occupational illness, the Group strives to maintain safe working conditions and ensure the health and well-being of its employees.

403-9 403-10

Over the past three years, no incidents of work-related injuries or illnesses were recorded at any companies of the Group. Furthermore, the Group is unaware of any incidents of work-related injuries or ill health among contractors working at its sites.

¹ The metrics of Moscow Exchange Group are provided for 2021, while the metrics of other exchanges are for 2021 or 2020 to 2021, depending on the reporting period mentioned in publicly available sources (annual reports, sustainability reports, publications on corporate websites).

² Determined on a case-by-case basis for specific employees, provided it does not contravene the relevant department's work schedule.

³ This possibility was also available to employees before the COVID-19 pandemic.

Plans for 2022

Moscow Exchange will continue its efforts to maintain decent work conditions for its employees. However, given the difficult geopolitical situation, the Group is open to the possibility of adjusting its plans, including those enshrined in the Sustainability Roadmap. Nevertheless, the Group will continue working on its main initiatives planned for 2022 and beyond by adapting them to the new circumstances; the sustainability projects that are currently underway will most likely continue. The Group's management will spare no efforts to preserve jobs and the social programs of greatest importance to its employees.

As part of the Sustainability Roadmap, the Group has planned the following initiatives and activities:

- continue to promote and raise awareness of gender equality in Russia, adding corresponding provisions to the new version of the Moscow Exchange Social Policy, which is to be prepared in 2022;
- develop a program to promote inclusion of people with disabilities;
- continue to allow flexible work schedules;
- review emotional health issues experienced by employees and work towards potential solutions;
- assess risks of human rights violations.

The Group will also continue to raise awareness of the sustainability agenda among its employees, helping them develop their knowledge and skills in this area.

ADVANCED GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

Figures for 2019, 2020, and 2021 are available in the subsection "Advanced governance and responsible business practices" of the section "Key Sustainability Data". See the subsection "Advanced governance and responsible business practices" of the section "Sustainability Approaches and Procedures" for information on key policies, procedures, and responsible departments.

67%
of the members of the Supervisory Board are independent directors¹

100%
of the members of the Audit Committee and the Nomination and Remuneration Committee are independent directors

17%
of the members of the Supervisory Board of Moscow Exchange are women, which is higher than the national average²

98.3%³
of procurements come from local suppliers

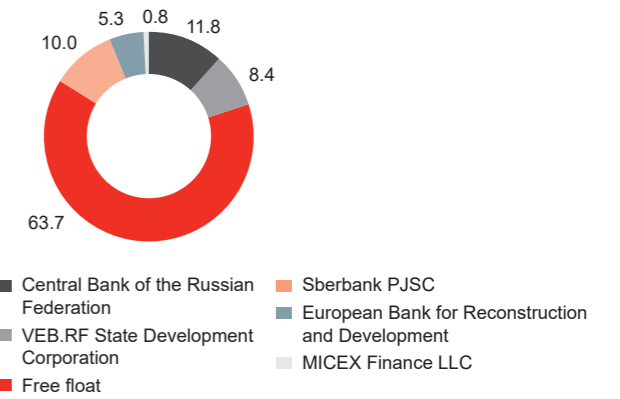
0 incidents
of corruption or violations of the Code of Professional Ethics

Moscow Exchange Group
has developed a **Tax Strategy**

Moscow Exchange Group adheres to best practices and standards in corporate governance, ethics, and business conduct. The Group is also developing a system for internal control and risk management. Sustainability principles are reflected in the activities of the Group's corporate governance bodies. The scope of issues considered at Supervisory Board meetings is expanding. Moscow Exchange continues to develop policies to regulate the management of sustainability-related issues, implementing best practices in business conduct among the Group's companies, in the supply chain, and also among issuing companies and other financial market participants.

This subsection describes the current efforts of Moscow Exchange Group to develop a compliance system, as well as projects aimed at countering corruption and ensuring compliance with principles of ethical business conduct. It also covers measures aimed at further improving corporate governance at the Group's companies.

Composition of shareholders and the structure of Moscow Exchange's authorized capital as of 31 December 2021, %⁴



Moscow Exchange Group's objectives and the UN Sustainable Development Goals:

- SDG 5.5 Ensure gender balance at the Company
- SDG 5.5 Promote gender balance in the business environment
- SDG 12.6, 13.3 Raise companies' awareness of sustainability-related trends, standards, and practices
- SDG 4.7 Ensure the Group's personnel have the competencies they need to manage sustainability issues effectively

2021 highlights

Corporate governance

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The corporate governance structure of Moscow Exchange consists of the General Shareholders Meeting, the Supervisory Board, the Executive Board, and Chairman of the Executive Board, who is the sole executive body.

General Shareholders Meeting

Moscow Exchange's share capital structure is notable for:

- the absence of a controlling shareholder or shareholders with a stake exceeding 12%;
- high amount of shares in free circulation (over 60%).

Moscow Exchange strives to balance its shareholders' interests; it performs its infrastructural function on the financial market effectively.

According to the Charter of Moscow Exchange, each share entitles the holder to one vote at the General Shareholders Meeting. See the 2021 Annual Report of Moscow Exchange and [the official website](#) for more details on the decisions made at general shareholders meetings.

¹ As of 31 December 2021.

² Based on a study by Deloitte, women accounted for 8.4% of senior management and board members in 2021.

³ Procurements from local suppliers as a share of all procurements.

⁴ Information on shareholders who own 5% or more of the Group's shares, other than those already disclosed, is not available. Information on changes to shareholder status is available [on the website](#).

Supervisory Board

In order to comply with the corporate governance requirements established by the Listing Rules, as well as to ensure the complete compliance with the Corporate Governance Code of the Central Bank of the Russian Federation, the following measures were taken in 2021¹:

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- 8 independent directors were elected to the 12-person Supervisory Board;
- compliance with the independence criteria established by the Listing Rules was confirmed for all independent directors;
- an independent director was elected chairman of the Supervisory Board;
- the Audit Committee, as well as the Nomination and Remuneration Committee, included only independent members of the Supervisory Board.

See the 2021 *Annual Report*, pp. 65–73, for the composition of the Supervisory Board, as well as for the procedures for the appointment, induction, and training of Supervisory Board members.

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In 2021, the Supervisory Board addressed the following issues:

- development of the carbon market and Moscow Exchange Group's contribution to creating infrastructure for carbon accounting and trading;
- UN SDGs that are priorities for Moscow Exchange, as well as relevant tasks and performance indicators.

The companies of the Group plan to carry out further work on these issues.

102-33

The Supervisory Board keeps abreast of critical issues through a specialized system for supporting the governing bodies' activities. Once information on critical issues is received, all Supervisory Board members are sent a special notification. In the reporting year there were no critical issues that would require the involvement of members of the Supervisory Board.

See the 2021 *Annual Report*, p. 73, for the issues considered by the Supervisory Board in 2021.

In 2021, the following committees operated under the Supervisory Board, carrying out preliminary consideration of issues and preparing decision-making recommendations:

- Strategic Planning Committee;
- Audit Committee;
- Nomination and Remuneration Committee;
- Risk Management Committee;
- Technical Policy Committee.

See the 2021 *Annual Report*, p. 65, for further information on the composition and functions of the Supervisory Board and its committees, as well as on the procedures for appointing their members.

Independent directors account for 100% of the Audit Committee.

Independent directors account for 100% of the Nomination and Remuneration Committee.

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Committees under the Supervisory Board²

Committee	Key tasks	Chairman	Members	Number of meetings
Strategic Planning Committee	Improving the efficiency of Moscow Exchange and its subsidiaries through preliminary consideration and preparation of suggestions for the Supervisory Board on the drawing-up, development, and implementation of long- and medium-term strategic plans and objectives for Moscow Exchange	Ramón Adarraga	Paul Bodart Oleg Vyugin Dmitry Ereemeev Maxim Krasnykh Oskar Hartmann	10
Audit Committee	Ensuring the effective work of the Moscow Exchange Supervisory Board in resolving issues related to control over financial and economic activities (including audit independence), verifying the absence of conflicts of interest, and evaluating the findings of audits of Moscow Exchange's financial statements	Paul Bodart	Ramón Adarraga Maria Gordon	10
Nomination and Remuneration Committee	Ensuring the effective work of the Supervisory Board in resolving issues related to the activities of Moscow Exchange and of companies under the direct or indirect control of Moscow Exchange with regard to nomination and remuneration of the members of supervisory boards and governing bodies, as well as of other key executives and members of audit committees	Alexander Izosimov	Oleg Vyugin Maria Gordon Maxim Krasnykh	13
Risk Management Committee	Participating in the improvement of the risk management system of Moscow Exchange and the Group in order to improve the reliability and efficiency of Moscow Exchange's operations	Vadim Kulik	Valery Goreglyad Sergey Lykov	12
Technical Policy Committee	Developing and improving the efficiency of Moscow Exchange and the Group by preparing recommendations and expert opinions covering technical policy and the development of IT and software for the Supervisory Board, the boards of directors (supervisory boards) of the Group's companies and their committees, and for the governing bodies of Moscow Exchange and the Group's companies	Vadim Kulik	Dmitry Ereemeev Maxim Krasnykh	6

102-30

The Supervisory Board approves risk appetite and risk management policies (including by topic), reviews reports on the risk management system, and decides on corrective measures based on those reports.

The Supervisory Board has a Risk Management Committee that also involves other companies of the Group in its activities.

¹ All data holds true as of 31 December 2021.

² As of 31 December 2021.

Remuneration of Supervisory Board members in 2021¹, RUB thousand

Supervisory Board member	Travel expenses and other payments	Total remuneration for work on the Supervisory Board and committees, accounting for indexation	Remuneration for participation in governing bodies of subsidiaries	Total amount of all payments and compensation		
				2019	2020	2021
Ramón Morales Adarraga	0	12,583	0	0	0	12,583
Paul Anne F. Bodart	0	15,280	5,770	5,820	15,569	21,050
Oleg V. Vyugin	1,850	20,510	0	17,800	24,627	22,360
Andrey F. Golikov (member of the Supervisory Board until 28 April 2021)	0	14,843	3,822	20,029	26,108	18,665
Maria V. Gordon	714	13,764	0	8,332	14,726	14,478
Valery P. Goreglyad	0	0	0	0	0	0
Dmitry N. Ereemeev	0	10,930	0	0	10,433	10,930
Bella I. Zlatkis	0	5,398	7,029	8,750	12,056	12,427
Alexander V. Izosimov	0	13,764	0	9,321	15,379	13,764
Maxim P. Krasnykh	0	12,954	0	0	0	12,954
Vadim V. Kulik	0	11,065	0	3,250	4,000	11,065
Oskar Hartmann	0	11,335	0	0	0	11,335

Evaluation of the effectiveness of the Supervisory Board and its committees

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An internal evaluation of the Supervisory Board's effectiveness took place in 2021, in the course of which its activities and those of its committees were analyzed. Priority areas for next year were identified, with a view to improving current corporate governance processes related to the performance of functions and separation of the governing bodies' powers. The evaluation was carried out on an online platform, ensuring the anonymity of the participants and giving Supervisory Board members the freedom to express significant critical comments.

In order to ensure that the responses were representative, ten directors took part in the self-evaluation procedure. Most issues were commended by the members of the Supervisory Board.

- All participants in the evaluation indicated that Supervisory Board meetings are held in an appropriate

place with a sufficient number of directors in attendance. The directors also noted the role of modern technologies in preparing materials.

- The Supervisory Board's practices in monitoring the work of the chairman and members of the Executive Board and assessing their activities was universally recognized.
- The Supervisory Board's practices in monitoring operational and financial results, approving crucial policies and procedures of the Group, and ensuring compliance with them were highly appreciated.
- The deep involvement and active participation of independent directors in meetings of the Supervisory Board, as well as their knowledge and preparedness, were confirmed.
- Regular meetings with the Group's independent auditor were confirmed. Audit reports are duly reviewed to ensure the reliability of the Group's financial statements and their timely submission to regulators.
- Compliance of the members of the Supervisory Board with the Privacy Policy was recognized unanimously.
- The work of the chairman of the Supervisory Board was commended.

The following tasks for improving the quality of corporate governance were identified during the self-evaluation:

- expand the consideration of issues related to fostering a corporate culture and ensuring compliance with the ethical principles of the Group;
- raise directors' awareness of improvements in their colleagues' skills, and improve directors' knowledge and awareness of the Group's activities;
- promote interaction between directors and mid-level executives;
- improve procedures for holding board and committee meetings.

- a variable component, including a short-term element (annual bonus) and a long-term element (remuneration under the Long-Term Incentive Program Based on Shares).

The short-term variable component depends on whether the approved KPIs have been met, including general corporate and individual indicators. In 2021, their ratio was 50/50; in 2022, in a bid to increase engagement in the Group's results, it was made 70/30. Since 2020, the corporate KPIs have become individual KPIs for the chairman of the Executive Board of Moscow Exchange, i.e., they amount to 100%.

In order to increase the responsibility of executives, the Long-Term Incentive Program was launched, granting them the right to receive shares in stages.

Remuneration of executives at Moscow Exchange

The main elements of remuneration paid to the members of the Executive Board in 2021 are:

- a guaranteed component (salary);

Composition of the Executive Board as of 31 December 2021

No.	Full name	Position
1	Yury Denisov	Chairman of the Executive Board
2	Andrey Burilov	Executive Board member – Chief Information Officer
3	Maxim Lapin ²	Executive Board member – Chief Financial Officer
4	Igor Marich	Executive Board member – Managing Director for Sales and Business Development
5	Dmitry Shcheglov	Executive Board member – Chief Operating Officer

Remuneration and compensation paid to the members of the Executive Board in 2021, RUB thousand

Type of payment	Amount of payment
Remuneration payable separately for participation in the governing body's activities	0
Salary	145,779
Bonuses	148,672
Commission fees	0
Remuneration for participation in the governing body of a subsidiary ³	–
Compensation of expenses	0
Other types of remuneration	7,457
Total	301,908

In 2021, the Supervisory Board focused on implementing and updating the following documents and policies that had been approved in 2020:

- the risk appetite indicators and thresholds for 2021;
- the new edition of the Methods for Determining Risk Appetite Benchmarks;

- the Internal Audit Development Strategy;
- the Regulation on the Principles and Parameters of the Long-term Incentive Program Based on Shares;
- the new edition of the Information Policy.

¹ As of 31 December 2021.

² Left the post on 17 December 2021.

³ Members of the executive bodies of Moscow Exchange are not paid remuneration for their work on the governing bodies of other companies of the Group.

Reliability of information on issuers

Moscow Exchange's stance is consistent with international practice regarding the public disclosure of information by listed companies; financial, production, and ESG data; and changes that may affect share prices.

See the subsection "Responsible investing and sustainable growth" for details on requirements for issuers to disclose information that could affect the value of shares.

103-2

In 2021, Moscow Exchange updated its [Listing Rules](#), which define the conditions and procedures for placement on the financial platform, the rules for delisting various types of securities, and other important details.

According to this document, the inclusion of securities on the quotation list is subject to the following requirements:

- compliance of the securities with the current legislation of the Russian Federation, including regulatory acts of the Central Bank of Russia;
- assumption by the issuer of the obligation to disclose information in accordance with the requirements of the Law on the Securities Market and other legal acts of the Russian Federation, including regulations of the Central Bank of Russia.

Moscow Exchange conducts a review of securities for which applications have been submitted, checking issuers' compliance against Moscow Exchange's listing requirements. When preparing an expert opinion, the Listing Department considers official documents received by Moscow Exchange, information disclosed or submitted by the issuer, and messages posted on the websites of competent (regulatory) government authorities and organizations (self-regulated organizations, settlement depository, ratings agencies, organizations specializing in expert review of environmental and social projects, etc.). It may also consider information from the media and other sources.

Moscow Exchange monitors the compliance of market participants' activities with the listing requirements. Should a violation of these requirements be detected, Moscow Exchange reserves the right to set a deadline to rectify it or to delist the securities.

NCC is guided by the [Rules of Clearing](#) on the stock market, the deposit market, and the loan market.

In 2021, the Central Bank of Russia published an information letter containing recommendations on disclosure by public joint-stock companies of non-financial information about their activities: companies are recommended to voluntarily disclose information on sustainability and ESG factors—including corporate governance — as well as environmental and social performance. Moscow Exchange supports the initiatives of the Central Bank of Russia.

Compliance system

Compliance¹ is a crucial aspect of good corporate governance. The Group has built a compliance management system with developed business processes, procedures, corporate policies, and local regulations; risk assessments are carried out regularly (at least once a year) in all compliance areas.

The development of a corporate compliance culture and a unified approach to compliance risk management became an important area of corporate governance in 2021.

In 2021, Moscow Exchange was one of the first organizations in Russia to successfully pass an independent audit and receive a [certificate](#) confirming compliance of its corporate compliance system² with ISO 37301:2021 Compliance Management System. The audit covered the following areas:

- anti-corruption;
- countering the legalization (laundering) of the proceeds of crime and the financing of terrorism;
- countering the misuse of inside information and market manipulation;
- settlement of conflicts of interest;
- exerting internal control over organized trading and activities as a financial platform operator;
- monitoring compliance with the tax legislation, including international legislation (CRS, FATCA³), and with economic restrictions.

The compliance activities of Moscow Exchange Group are organized into two areas: internal and external:

- internal compliance involves ensuring that the activities of the Group's companies comply with mandatory and voluntary requirements;
- external compliance consists of two aspects: 1) formalization of compliance requirements for issuers and bidders, and 2) informing market participants of best practices.

External compliance activities

In 2021, the Group implemented projects and held events for financial market participants in order to improve the quality of compliance with regulations and risk assessments.

- Under a joint initiative, the Central Bank of Russia, SRO, and Moscow Exchange Group developed a [Code of Good Conduct](#) for participants in trading and clearing by the Group. The draft document was discussed with traders. A mechanism for accepting the code and a communications channel for receiving and reviewing reports (the internal "SpeakUp!" intranet portal and compliance [hotline](#)) were created.
- The conference [Compliance: Biggest Trends of 2021](#) was held for market participants. Trends and modern compliance techniques—designed to improve the quality of regulatory risk management—were reviewed at the event.
- Together with Deloitte, Moscow Exchange conducted and published the study [AML/CFT. Survey of Market Participants](#). The aim of the project was to identify major problems in developing the AML/CFT⁴ function in financial institutions. Issues covered include the organization of the AML/CFT function, proper client verification, compliance with sanctions requirements, transaction monitoring, and more.
- A [case study competition](#) on business ethics, compliance, and sustainability was organized, with Moscow Exchange acting as sponsor. Participants were asked to describe a real-life situation involving decision-making amid an ethical and managerial dilemma. The winning cases may be used by universities in their management and economics programs, as well as by companies in training their staff.
- The compilation [Typology of Unfair Practices in the Securities Market](#) was prepared in conjunction with NAUFOR⁵. The compilation contains descriptions of unfair and illegal actions when performing transactions involving financial instruments, and mechanisms designed to identify them.

The Group's compliance practices

In accordance with the "Three Lines of Defense" model, the Supervisory Board of Moscow Exchange approves the Code of Professional Ethics, reviews reports, and assists in developing the ethics function. The managing director for compliance and business

ethics is responsible for ethics and compliance-related issues; he/she is directly subordinate to the chairman of the Executive Board of Moscow Exchange.

The leader of the compliance function may take part in meetings of Moscow Exchange's management bodies and committees, in risk assessments of new processes and products, and in procurement procedures.

A self-assessment of Moscow Exchange's compliance system is carried out twice a year; external audits are carried out as part of the annual audit.

Failure by employees to comply with the Code of Professional Ethics and to complete mandatory compliance training affects the results of their annual evaluation.

The Group adheres to the open-door principle: employees are always welcome to ask for clarification, submit questions, or use the compliance portal. Moscow Exchange has developed an initiative to designate active employees who are interested in self-development and refinement of the Company's compliance procedures 'Compliance Ambassadors'. They attend training sessions on topics related to compliance culture, and their initiatives in the field of compliance and ethical behavior are reviewed and may be accepted.

The Group has designed technological solutions, including a communications channel (the anonymous SpeakUp! hotline—Moscow Exchange own creation) that can be used to report possible instances of corruption or violations of ethical business conduct and law. All employees are welcome to submit anonymous reports via the hotline and receive a response (applicants are sent a link to a web page where they can check the reaction of the Group's companies). Moscow Exchange Group adheres to the principle of non-retaliation against employees who report problems.

In addition to the internal channel for employees, the Group has set up an external one for reports of corruption-related issues. Interested parties are welcome to use the [hotline](#) on the Moscow Exchange website. The number of reports received is reflected in the regular Sustainability Reports. NSD also runs a compliance hotline similar to SpeakUp! which complements the latter.

¹ The compliance system is designed for monitoring and managing risks of non-compliance with legislation, regulatory acts, principles of voluntary industry associations, and corporate policies and regulations. It also covers compliance with corporate ethics, anti-corruption measures, human rights, and other aspects of corporate conduct.

² The certificate is valid until 2024.

³ CRS: Common Reporting Standard; FATCA: Foreign Account Tax Compliance Act.

⁴ AML/CFT: anti-money laundering and combating the financing of terrorism.

⁵ NAUFOR: National Association of Securities Market Participants.

In 2021, 40 reports¹ were received, including seven on possible professional ethics violations. There were no reports of corruption. All reports regarding potential compliance violations are investigated, and corrective action is taken whenever necessary.

The rest of the reports were general in nature and contained information about new and possibly unfair practices on financial markets, as well as suggestions for improving processes at companies of the Group. All appeals were processed by the Internal Control and Compliance Department; replies were sent within five business days.

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In 2021, no lawsuits (pending or completed during the reporting period) regarding anti-competitive behavior or violation of antitrust legislation were filed against any companies of Moscow Exchange Group. There have been no confirmed cases of business ethics violations or corruption-related violations over the past three years.

Business ethics and anti-corruption

Corporate ethics and anti-corruption measures are important elements of the compliance system, and they are included in Moscow Exchange's Compliance Program. These measures are constantly being improved in order to enhance the efficiency of operational processes, including by preparing reliable reporting, ensuring compliance with applicable laws, and developing a culture of trust in relations with employees and counterparties.

In 2021, a new Code of Professional Ethics² based on an analysis of Russian and international best practices was approved. The document contains a number of new provisions and principles, some of which pertain to the sustainability agenda. All employees could take part in its preparation; 97% of Moscow Exchange's employees voted in favor of the new version of the code. The code is published on the website of Moscow Exchange in Russian and English.

The Group's companies have zero tolerance for corruption in any form. Approaches to anti-corruption management at the Group are set out in top-level documents and internal policies and regulations; they are also implemented in certain key regulations of the Group's companies (such as the Regulation on Procurement). The main documents dealing with anti-corruption measures include the following:

- internal control rules to ensure AML/CFT compliance by the operator of the platform, as well as to prevent, detect, and suppress the misuse of inside information;
- the Anti-corruption Policy;
- the new edition of the rules for reporting violations and abuses.

The Group adheres to the principles of staff involvement in achieving zero tolerance of corruption, avoiding conflicts of interest, and ensuring that actions and procedures are proportional to the level of risks identified during periodic risk assessments.

The Anti-corruption Policy is publicly available; all partners and counterparties are informed of the Group's stance and the availability of the corruption hotline. Counterparties undergo mandatory checks whenever procurement exceeds RUB 800,000. Compliance experts are involved in negotiating contracts that may entail corruption risks, including at the procurement stage, as well as in sponsorship and charitable activities.

In 2021, the Anti-corruption Policy of NCC was updated. The main changes included drafting more detailed anti-corruption principles, making the provisions on gifts and representation expenses more transparent, adding requirements applicable to charity and sponsorship, adding a new section on informing and training employees, creating a mechanism for reporting corruption-related violations via the SpeakUp! hotline, and accounting for organizational changes in NCC internal control system.

205-1 205-3

The companies of the Group monitor the effectiveness of and control over anti-corruption procedures. Self-assessments of the quality of corruption risk management are carried out regularly; reports are compiled for the Executive Board and the Audit Committee under the Supervisory Board of Moscow Exchange. Corruption risk assessments are conducted at all of the Group's companies. In 2021, no incidents of corruption or violations of the Code of Professional Ethics were registered. No significant corruption risks were identified, either.

205-2

Training and raising awareness of anti-corruption policies and methods, as well as the Code of Professional Ethics

	Moscow Exchange	NCC	NSD
Raising awareness of existing anti-corruption policies and methods, as well as the Code of Professional Ethics, %			
Members of the Executive Board and the Supervisory Board	100	100	100
Employees	100	100	100
Business partners	100 (anti-corruption clauses are included in contracts with business partners) ¹		
Training in anti-corruption policies and methods, including matters related to business gifts and conflicts of interest², number/%			
Employees	1 188/92	263/91	640/103
Senior executives (members of the Executive Board)	2/50	3/100	6/100
Leaders of functional departments	156/60	70/117	92/86
Specialists	1,030/101	190/85	520/104

All employees are required to read and accept the anti-corruption rules (through the electronic document management system, by affixing an electronic signature). Their awareness of the topic is then maintained through mandatory training sessions and briefings, as well as during events organized for the annual Compliance Day. Training is also provided on sanctions-related issues and compliance with tax legislation in regards to money laundering, countering terrorism, and other elements of compliance.

A range of training methods is used to keep personnel informed, including tests of varying complexity, depending on the employee's position and level, newsletters reminding employees of corporate rules and tools (including the hotline), and relevant news.

102-12

In 2021, Moscow Exchange signed the Anti-corruption Charter of Russian Business, thus indicating its willingness to follow the principles enshrined in it.

In 2021, a training course and an interactive film covering anti-corruption issues were created. The Group aims to raise awareness of the need for training in anti-corruption policies and methods by increasing the share of employees who have undergone training.

Approach to taxation

The Group's tax strategy was developed in 2021 and approved in 2022. The strategy sets out the Group's approach to taxation. Also in 2021, a number of data management measures were taken to automate inspections and tax payments.

See the section "Sustainability Approaches and Procedures" for detailed information on taxation issues.

¹ Data for Moscow Exchange and NCC.

² The document was reviewed by the Executive Board and approved by the Supervisory Board in March 2021.

³ For procurements in excess of RUB 800,000. Suppliers that have entered into contracts for lesser amounts can study the publicly available Anti-corruption Policy themselves.

⁴ The number of specialists who underwent training in anti-corruption policies and techniques includes Moscow Exchange employees who left the company in 2021. For that reason, the share of specialists exceeded 100%.

Interaction with suppliers

102-9

The Group's companies have transparent conditions for suppliers and contractors who wish to participate in the procurement process through bids and transactions. Guided by internal regulations such as the regulations on procurement, the Group's companies guarantee the fulfilment of their contractual obligations.

102-10

The development of the Supplier/Counterparty Code of Business Conduct for the companies of Moscow Exchange Group began in 2021 in a bid to improve the business environment and reduce risks in the supply chain. It sets out principles of responsible business conduct which Moscow Exchange expects counterparties to comply with and which are to be taken into account when making procurements. The code is to be adopted in 2022.

Also in 2021, blocking criteria for evaluating counterparties in the main procurement areas were standardized in order to minimize the risk of conflicts of interest. In accordance with the updated Regulation on Procurement, Moscow Exchange tightened financial risk control over suppliers (in particular, subcontractor checks were introduced).

Structure of the Group's procurements in 2021 by area, %

Area	Share
Procurements, total	100%
IT	85%
Administrative	8%
Consulting and insurance services	4%
Marketing and PR, including:	2%
Security	1%
HR	0.12%

204-1

In 2021, contracts worth RUB 6.9 billion were concluded for the supply of products and services, RUB 3.3 billion of which was for goods and RUB 3.6 billion of which was for services. The total number of suppliers exceeded 240 organizations (up from 220 in 2020); 98.3% of all procurements were from Russian suppliers¹.

Plans for 2022

The following corporate governance tasks have been set for 2022:

- conduct an independent assessment of the Supervisory Board's effectiveness;
- determine a pool of successors for the members of the Supervisory Board;
- formalize the Group's management system.

To expand the scope of work and assist employees in the area of compliance, the Group's companies have set the following objectives:

- implement initiatives in accordance with the Compliance Roadmap;
- take measures to develop risk and compliance culture.

To implement ESG principles throughout the supply chain, Moscow Exchange Group is planning to take the following actions:

- approve the Supplier Code of Business Conduct and introduce a procedure for signing a document (or a form) confirming that counterparties are familiar with Moscow Exchange's requirements;
- continue improving the planning, consolidation, and automation of procurement procedures for Moscow Exchange Group.

The Group's plans for 2021 and the coming years in the areas of internal audit, business ethics, and anti-corruption include continuous work on the Compliance Roadmap, which envisages improving procedures and automating compliance-related risk management processes.

TRUSTED AND RESILIENT MARKET INFRASTRUCTURE

For data from 2019, 2020 and 2021, see the subsection "Trusted and resilient market infrastructure" of the section "Sustainability Data". For the key policies, procedures, and responsible departments, see the subsection "Trusted and resilient market infrastructure" of the section "Sustainability Approaches and Procedures".

0

Total number of data privacy incidents or breaches detected

0

Number of significant market disruptions

0

IT system malfunctions

100%

high availability of Moscow Exchange's IT systems

103-1 FN-EX-550a.3

A market's effective functioning and appeal are determined by its infrastructure¹, which should ensure high-quality and accessible information for traders, brokers, and investors; reliable barriers to deter market manipulation and conflicts of interest; smoothly operating IT systems; and the ability to process substantial flows of information between issuers and providers of capital.

Cybersecurity² is an integral part of Moscow Exchange Group's risk management strategy and system. Measures taken to enhance information security ensure that the quality of management systems and the reliability of infrastructure are in line with global best practices.

This subsection describes measures that Moscow Exchange Group takes to ensure business continuity, including the reliability of information, data confidentiality, availability of operations, and information security.

Moscow Exchange Group's objectives and the UN Sustainable Development Goals

- SDG 9.b Ensure sustainable financial infrastructure

¹ Russian suppliers are considered local suppliers for the Group.

² Market infrastructure means payment systems, central security depositories, security settlement systems, and central counterparty and trade repositories.

³ Pursuant to the FIGI standard *Cyber Resilience for Financial Market Infrastructures*, 2019.

2021 highlights

Risk management

103-2 102-15

The overall risk management system aims to guarantee reliable infrastructure. Since 2021, Moscow Exchange Group has been implementing the 2021–2024 Risk Management System Development Strategy and Roadmap, which sets out key performance indicators, risks, and preventive actions, including those specifically aimed at information security risks.

The Group's progress towards achieving the goals and objectives established in the strategy is monitored regularly: status reports are submitted to collegial executive bodies for review. We also use KPIs to assess the effectiveness of the risk management system.

As part of the Strategy and Roadmap, Moscow Exchange has implemented an approach to determining its risk appetite. The component risks¹ carry equal weight and are deemed to be material for the Group and all its companies.

ESG risk management

102-15

The expectations and interests of the Group's stakeholders align with Moscow Exchange Group's high level of preparedness for new ESG risks and opportunities. Approaches to identifying priorities and opportunities are determined based on the company's strategic goals and objectives.

By analyzing key sustainability trends, risks, and opportunities at an early stage, the company can enhance its strategic performance. Prioritizing key economic, environmental and social issues as risks and opportunities is an integral part of Moscow Exchange Group's operations and internal processes.

In the reporting year, Moscow Exchange Group achieved all its goals and objectives. This lays a solid foundation to further develop the risk and opportunity assessment process with respect to sustainability.

201-2

Climate-related risk management

In 2021, Moscow Exchange began assessing climate-related risks and opportunities in line with TCFD recommendations.

To develop its tools for managing climate-related risk and opportunities, Moscow Exchange plans to achieve the following:

- assess climate-related risks and opportunities;
- include climate-related risks in the risk map for further monitoring;
- train staff to predict probable events and threats.

The short-term horizon (12 months) includes an annual review of transition and physical climate risks, as well as regular monitoring of the conditions and rules for identifying them. Moscow Exchange incorporates international practices for identifying and assessing climate-related risks into its operations.

The following climate-related risks were identified in the reporting period:

- transition risks, including market, reputational, political, legal, and technological risks;
- physical risks (acute and chronic).

Moscow Exchange Group is expanding its partnerships with various institutions in order to disseminate knowledge and expertise. It is developing models for identifying and assessing climate-related risks. More information on TCFD initiatives can be found in the subsection "Climate agenda".

Emerging risks are identified systematically, and the business units responsible for managing the risks detected are designated during the identification phase. For each risk, a management strategy and mitigation measures are developed in accordance with the risk management system. Each risk is controlled and monitored.

Information security

FN-EX-550a.3

Moscow Exchange Group is implementing the 2021–2024 Information Security Development Strategy. The strategy contains measures for mitigating the likelihood of actual IT threats, as well as key metrics for assessing the effectiveness of the measures taken.

The Group's companies have electronic and computer crime and personal liability insurance policies to mitigate operational and information security risks.

Robust IT infrastructure

The Group's computing facilities are in two state-of-the-art data centers (DC): DataSpace (main, Tier III compliant) and M1 (standby). In 2019, Moscow Exchange replaced the network technology stack in both the data centers and its office buildings, introduced a separate type of co-location zone network connection for high-speed FIFO links, and revised how it organizes fiber-optic links between points of presence to ensure higher data replication speeds.

In 2021, Moscow Exchange replaced its equipment with advanced and powerful virtualization stacks with a higher energy efficiency class for dedicated virtual and utility resources. It also purchased new networking equipment for its office on Spartakovskaya Street.

In July 2021, the Group launched the DevOps production and development platform, including various streamers and services. Over the year, most development pipelines were successfully unified, the target approach for CI/CD processes on Moscow Exchange was approved, and the MVP development portal was launched. These activities have resulted in simplified and unified IT processes, a stronger engineering culture, and improved reliability and stability of products developed.

Data governance activities implemented:

- an operational data quality management model to minimize risks (reputational, regulatory, operational) and improve business users' satisfaction with data services was launched;
- the target operating model for evolving data monetization tasks was approved;
- the DataOps business line was launched, and a data depersonalization platform and practices were introduced, accelerating the production of data platforms and services thanks to external teams;
- the MLOps platform was launched to reduce t2m tasks in implementing AI/ML solutions;
- data lifecycle management principles were formulated to optimize TSE and improve data efficiency.

Access to products and services

FN-EX-550a.3

Moscow Exchange provides equal, user-friendly access to its products for all types of investors and market participants.

In 2021, Moscow Exchange completed the process of connecting participants, providing a more efficient and user-friendly experience via dedicated communications channels:

- personal accounts for prospective clients were created; prospective clients can now access Moscow Exchange and NCC services;
- various directory checks and reporting functions have been automated;
- in a trading and clearing member's personal account client questionnaires are now pre-filled with information from the Unified State Register of Legal Entities.

Thanks to these innovations, clients now have a convenient and transparent tool that makes accessing Moscow Exchange's services quick and easy.

In 2022, work will continue on developing prospective clients' personal accounts. Clients will be able to sign contracts and submit applications via a single interface, which will vastly improve the client onboarding process.

Finuslugi.ru

The Group continues to develop the Finuslugi.ru personal finance platform by adding new financial service providers and expanding the product range. In the future, OFZ-N federal loan bonds, and other products from banks, asset managers, and insurance companies will become available on the platform.

In 2021, the following significant updates were made to Finuslugi.ru:

- the opening of recurring deposits was introduced;
- comprehensive vehicle insurance can now be purchased;
- consumer loans are now available;
- mortgage insurance can now be purchased;
- Bonds of the Russian regions are now available; these can be purchased exclusively through Finuslugi.ru, without opening a brokerage account;
- a new multi-product site was launched;
- instant top-up of wallets and deposits.

¹ The risk appetite of each Group company includes a breakdown of the Group's risk appetite and individual metrics reflecting the particular companies' specific risks.

Registrar of Financial Transactions

The Registrar of Financial Transactions (RFT) began operating alongside the Finuslugi.ru platform. The RFT, designed on the basis of NSD, accumulates information on all transactions made on any financial platforms. In 2021, the following milestones were achieved:

- the list of registered products was expanded;
- the "Bonds on the Marketplace" project was implemented; the first issuer was the Government Administration of the Kaliningrad Region.

Access to transactions with subfederal loan bonds

In December 2021, the Finuslugi.ru platform launched the first service for purchasing and selling subfederal loan bonds of constituent entities of the Russian Federation. Russian regions' guaranteed-income securities will only be traded on Moscow Exchange, and no brokerage account will be required to purchase them.

Not only are bonds a tool for improving the financial literacy of the public, they also facilitate ESG projects: funds raised will be used to clean up bodies of water, reclaim landfill sites, and implement urban redevelopment projects.

The Kaliningrad Region's coupon bonds are available for purchase. The coupon rate is 9% per annum, with a minimum investment amount of RUB 1,000. All the funds raised will be put towards development and improvement of the Kaliningrad Region. Investors will be able to choose a project to invest in, and they will receive a quarterly report on its implementation. Information on implementation of the project will be provided by the Kaliningrad Region.

Consumer lending service

In 2021, the Finuslugi.ru platform of Moscow Exchange launched a consumer lending service. Now, users of Finuslugi.ru can choose loans and other services offered by various banks directly in their personal account at favorable rates entirely online, without setting foot in a bank. The new service expands Finuslugi.ru's product line. Clients can choose favorable offers for deposits, consumer loans, mortgages, car loans, and car insurance; these can be opened 24/7. Such offers by SKB bank and Center-invest Bank are already available on Finuslugi.ru. The number of partner banks will grow in the future.

MOEX Treasury platform

In 2020, Moscow Exchange launched MOEX Treasury, a terminal for corporate clients with direct access to trading. MOEX Treasury allows bidders to perform transactions on Moscow Exchange markets through a single user-friendly interface, including:

- conversion and swap transactions on the FX Market;
- deposits with a central counterparty on the Money Market;
- hedging opportunities on the Derivatives Market;
- deposit auctions in the M-deposits segment.

MOEX Treasury also provides integration with bidders' personal accounts, as well as access to the Transit 2.0 system, which is an advanced platform used by banks and corporations to exchange financial messages and electronic documents. The solution is based on NSD's Electronic Data Interchange (EDI) system. In 2021, it connected 14 banks and 26 corporations.

In 2021, MOEX Treasury started developing digital financial assets in accordance with the legislation; a customer engagement initiative was also implemented which expanded the number of corporate clients relative to capital markets.

In the reporting period, Moscow Exchange acquired the OTC FX platform, NTPro. The platform offers its clients liquidity aggregation, matching and execution services across a wide range of currency instruments, and services for connecting to more than 60 providers of foreign currency liquidity. The average daily turnover of the NTPro platform in 2021 was about USD 7.5 billion. NTPro technologies expand the range of opportunities for clients of both companies, presenting them with flexible and modern NTPro trading solutions for FX transactions in conjunction with the clearing and settlement services of Moscow Exchange.

Moscow Exchange looks forward to further developing the NTPro platform in close cooperation with the existing team.

Availability of IT systems of Moscow Exchange

In 2021, the availability of the IT systems was a record-high 100%.

Extension of the trading time

In June 2020, in addition to the main trading session, Moscow Exchange launched an evening trading session that lasts from 7:00 p.m. to 11:50 p.m. for the MOEX Equity Market, increasing the total daily trading time on the Equity Market by almost five hours.

In March 2021, Moscow Exchange launched a morning trading session for the FX and Derivatives Markets which starts at 7:00 a.m. The total daily trading time increased by three hours: from 14 to 17 hours. The evening and morning sessions have improved the accessibility of the Russian financial market to all groups of investors and laid the groundwork for attracting new investors.

Extension of the trading period for the FX and Derivatives Markets makes exchange services more accessible to clients from Russia's Far East and Asian countries.

Foreign shares

Moscow Exchange lists highly reliable issuers.

In 2020, Moscow Exchange Group successfully launched trading for 55 highly liquid stocks of leading international companies. In 2021, the list of available securities was expanded each month—a total of 466 stocks and depositary receipts of well-known major companies from various countries were admitted. As of the end of 2021, a total of 521 foreign stocks and depositary receipts were added. A total of 49 new corporate Eurobonds were added. The total number of listed Eurobonds reached 115 issues. The average daily trading volume with Eurobonds in 2021 exceeded RUB 1 billion, which is 24% more than in 2020.

In 2021, trading in foreign shares was up 744% compared to 2020, amounting to RUB 726 billion.

New IT services and upgrades to trading technologies

Rapid data access and trading technologies

Moscow Exchange Group provides a robust environment where equity market participants can analyze the market and make transactions.

Trading technology upgrades

SIMBA high-speed information distribution protocol
 In October 2021, SIMBA, a new high-speed information distribution protocol for the Derivatives Market, was launched. The service allows clients to receive market signals faster. The service's high speed is delivered by new software interaction between the SIMBA gateway and the central component of the trading system, along with the high-speed segment of the network infrastructure, which is designed specifically to transmit huge amounts of data to multiple recipients in real time.

TWAP

In keeping with global FX Market trends, Moscow Exchange Group launched the TWAP algorithm¹, which enables market participants to assess the execution of their orders, comparing the price at which the order was executed at each time interval with the average price of transactions in the given period, and evenly convert a given volume over a predetermined period of time.

The TWAP algorithm helps traders avoid market impact, fight potential front-running², automate their work, and minimize operational risk. The service promotes compliance with ethical trading rules and mitigates the risk of fraud.

Spectra

The Spectra platform supports trading in futures within a negative price range and in options on such futures. A second-option pricing model and a model switch mechanism have also been introduced.

Trading access protocol for the Equity, Bond, and FX Markets

Banks, brokerages, algo-traders, and HFT-traders who place their hardware in MOEX's data center can now use the FIFO MFX Trade service to connect to the Equity, Bond, and FX Markets.

The interface operates a first in, first out (FIFO) algorithm that is strictly applied to process orders at the exchange gateway with more than 99% probability. This substantially improves the transparency and predictability of Moscow Exchange's IT infrastructure operations.

¹ TWAP (Time-Weighted Average Price) is an algorithmic trading strategy aimed at keeping the average strike price close to the weighted average price of a security over a certain period of time specified by the user.

² Front-running is an unethical practice of making a profit by dealing in securities that will soon be bought or sold by an organization.

The service aligns with global best practices and meets clients' needs using high-frequency trading strategies that respond to market events within a fraction of a microsecond.

The FIFO MFIX Trade protocol is the fastest way to place orders on Moscow Exchange's Equity, Bond, and FX Markets thanks to updated software and hardware. The dedicated network infrastructure within MOEX's co-location space also facilitates this.

FIFO MFIX Trade network infrastructure upgrade

In June 2021, Moscow Exchange upgraded the network infrastructure of its FIFO MFIX Trade service—the fastest trading protocol for Equity, Bond, and FX Markets, launched in 2020. The solution's capacity was upgraded for use by all interested market players. In response to client requests, the predictability of network infrastructure behavior and the accuracy of the TimeStamps service were upgraded as well.

Information security highlights

- no significant market disruptions that could cause a sharp drop in the market;
- no delays in the publication of market-relevant information;

- 0 cases of information system malfunction;
- 0 minutes of key information system downtime;
- RUB 0 in financial losses resulting from failures of the information security system and cybersecurity;
- no breaches involving personal data leakage or disclosure of confidential information.

Plans for 2022

In 2022, Moscow Exchange plans to:

- review and revise the current strategy;
- review the supply chain and import substitution;
- adapt the technological landscape and infrastructure to the revised strategy;
- introduce new risk management tools, including systems that incorporate machine learning and scenario analysis;
- train staff on anticipating probable events and threats;
- analyze financial and non-financial risks integrated in the risk map;
- arrange external quality assessment of the risk management system;
- audit information security in accordance with ISO 27001 and ISO 22301.

RESOURCE EFFICIENCY AND ENVIRONMENTAL IMPACT

1.46 GJ / RUB million
energy consumption rate

–3.3%
on 2020

0.4 m³ / RUB million
water consumption rate in 2021

–20%
on 2020

0.08 tonnes CO₂ / RUB million
GHG emissions

–19%
on 2020

0.005 t / RUB million
waste generation rate

no change
versus 2020

In its operations, Moscow Exchange Group adheres closely to the ESG principles, including when it comes to environmental responsibility. It commits to responsible investment principles by encouraging listed companies and traders to abide by ESG principles as well. The Group shares the environmental concerns of its stakeholders, and it strives to make a difference by minimizing any negative impact on the environment.

The primary environmental impact of the Group's companies stems from electricity consumption associated with the operation of server and computer equipment processing a significant amount of data (the data centers account for about 36% of Moscow Exchange's total electricity consumption). Generation of the electricity consumed by the Group's companies generates GHG emissions that can affect the climate. Therefore, the management of Moscow Exchange Group incorporates climate risks into its risk management system and keeps track of GHG emissions. See the subsection "Climate agenda" for details.

Other environmental impacts, including water consumption and waste generation, are mainly associated with the operation of Moscow Exchange's offices. This subsection presents measures taken to ensure sustainable water use and waste management; metrics and their values are provided in the subsection "Resource efficiency and environmental impact" of the section "Sustainability Data". Methods for managing environmental issues are described in the section "Sustainability Approaches and Procedures".

Moscow Exchange Group's objectives and the UN Sustainable Development Goals

- SDG 12.2, 12.4, 12.5, 12.6, 12.8 Responsible consumption and production
- SDG 13.1, 13.3 Climate action

2021 highlights

The Group aims to improve the efficiency of its energy and water consumption, reduce waste generation, and increase the amount of waste recycled. To achieve its objectives, the Group sets an annual goal of adhering to a zero increase in the rates of energy use, GHG emissions, water consumption, and waste generation.

302-3 305-4

2021 performance highlights¹:

- energy intensity per revenue decreased by 3.3% compared to 2020; data center energy consumption per revenue decreased by 7.3%;
- GHG emission intensity per revenue dropped by 19% compared to 2020;
- water consumption intensity per revenue dropped by 20% compared to 2020;
- waste generation intensity per revenue remained at the same level as 2020.

Energy consumption

The Group has continual measures in place to optimize electricity and heat consumption, including the following:

- switching server processors to energy-saving mode when not under load;
- turning off office lighting and climate control equipment outside office hours;
- replacing light fixtures with energy-saving LED lamps when building or renovating premises.

In 2021, Moscow Exchange Group transferred all its office buildings on Bolshoy Kislovsky Lane and Spartakovskaya Street in Moscow to green electricity produced at Ulyanovsk Wind Farm-2. Over the year, Moscow Exchange developed

a contractual arrangement that allows end consumers of electricity to purchase power from renewable sources through a commission agreement with a guaranteeing supplier (Mosenergosbyt JSC in the case of Moscow Exchange) on the wholesale electricity and capacity market. This model is unique in Russia.

302-1

In early 2022, the Group signed another commission contract for the supply of green energy to the DataSpace data processing center, where Moscow Exchange's hardware and software systems are located. In 2022, the planned supply will exceed 15.8 million kWh, or more than 90% of Moscow Exchange's electricity consumption. The use of clean and renewable energy will allow Moscow Exchange to minimize its carbon footprint in line with best practices in sustainability.

In the near future, Moscow Exchange plans to reduce its overall electricity consumption by switching to more energy-efficient network equipment.

Use of green energy will help prevent GHG emissions and reduce Scope 2 indicators.

Water consumption

Water consumption in 2021 was affected by the global pandemic and the ensuing waves of COVID-19. Due to periodic deterioration of the epidemiological situation, most employees worked remotely, which affected the levels of energy and water consumption at our office and other premises (such as the fitness club). Compared to 2020, total water consumption increased slightly, while the specific water consumption per employee in 2020–2021 remained stable.

Waste management

306-1 306-2

Waste generated by the Group's companies mainly consists of solid non-industrial waste and e-waste (see the section "Sustainability Approaches and Procedures" for more information).

In 2021, the amount of waste generated increased by 22.1%, mainly due to an increase in low-hazard waste (Hazard Class IV). In accordance with the law and the Waste Generation Standards and Waste Disposal Limits, all generated waste is transferred to specialized contractors (including 95% of waste for disposal).

The Group's companies have organized separate collection of non-industrial waste and waste paper for recycling.

Plans for 2022

According to the Sustainability Roadmap, the Group's plans include the following:

- develop the climate risk management system of the Group and improve communication with financial market participants regarding the climate agenda;
- implement annual energy efficiency measures;
- implement annual measures for waste management and sustainable water use;
- hold environmental campaigns about collecting certain types of waste.

¹ Targets for 2021 are based on 2019 performance, as 2020 performance is not comparable due to changes in operations on account of the COVID-19 pandemic.

OVERVIEW OF THE COVID-19 RESPONSE

In 2021, the intensity of the COVID-19 pandemic varied as new strains of the virus emerged.

Accordingly, Moscow Exchange Group continued to adapt to the COVID-19 pandemic, promptly

implementing appropriate measures to contend with the situation. The Group complied with decrees issued by the mayor of Moscow and the head of Russian consumer protection agency Rospotrebnadzor, which were aimed at slowing the spread of infection.

ENSURING PROCESS CONTINUITY

During the reporting year, more than 70% of the Group's employees worked remotely; staff whose presence in the office was essential worked under a hybrid format. Most corporate events were held online, including meetings, training sessions, meetups, town halls¹, festive events, and others.

The Group's experience maintaining business-process continuity in 2020 through hybrid work arrangements

served as the basis for strengthening work processes under the new format and allowed the Group to continue operating effectively. In 2021, Moscow Exchange introduced internal reporting measures for implementing the "pandemic" scenario in the business-continuity management system and for collecting statistics on the incidence rate of the disease among staff.

SUPPORT FOR THE GROUP'S EMPLOYEES

Protecting employee health

403-3 403-6

The Group rigorously adhered to health and safety rules at all its premises, including social distancing requirements, and also implemented the following measures:

- regularly disinfected premises (it introduced stricter requirements on office cleaning and sanitization in 2021);
- made mask-wearing mandatory;
- monitored employees' health;
- introduced PCR and antibody testing at Moscow Exchange offices (for employees who needed to work from the office);
- actively cooperated with medical clinics and doctors on vaccination issues.

Prevention and communication

403-5

In order to combat the pandemic and keep employees informed about issues related to COVID-19 and vaccination, in 2021 the Group organized webinars with Sergey Tsarenko, Head of Intensive Care at City Clinical Hospital No. 52. Sergey is a renowned Russian intensive care specialist and professor. Webinars were also held with Olga Zamyatina, Head of the Therapeutic Department of the MEDSI Clinical and Diagnostic Center; Olga is a general practitioner, endocrinologist, and Candidate of Medical Sciences.

The Group's intranet has a page containing current COVID-19 prevention recommendations for staff. It also sends out regular newsletters.

Vaccination Days were held at Moscow Exchange offices, and all employees of the Group were given the opportunity to be vaccinated.

Thanks to these measures, the Group did not experience a confirmed large-scale outbreak of COVID-19 among its employees in 2021.

PROTECTING THE GROUP'S INFRASTRUCTURE

In the course of 2021, there were no significant disruptions to Moscow Exchange's operations: information systems remained stable and available to clients. Measures were taken to protect traders and customers.

Support for issuers

During the reporting period, the Group continued to waive listing fees for small and medium-sized businesses placing bonds of up to RUB 400 million. It will continue this practice until the end of the year. The measure is aimed at supporting clients experiencing difficulties associated with the financial and organizational burden brought about by COVID-19.

MOSCOW EXCHANGE IN ESG INDICES AND RATINGS

Moscow Exchange is listed on leading Russian and global ESG indices and ratings that assess ESG risks, corporate governance, and management

of environmental and social issues. It receives regularly high rankings and intends to further improve its position as it implements its ESG strategy².

INDICES

- MSCI Europe and Middle East ESG Leaders Index
- FTSE4Good Emerging Index
- MOEX-RSPP Sustainability Vector Index (starting January 2021)
- MOEX-RSPP Responsibility and Transparency Index (starting January 2021)

RATINGS AND RANKINGS

- BBB on the MSCI ESG rating, position retained
- 19/155 on RAEX-Europe's ESG Ranking of Russian Companies
- 1/155 on RAEX-Europe's ESG Ranking of Russian Companies: Governance
- 1.85 points on Expert RA's ESG Transparency Rating of Russian Companies³
- 22.2 points and 208th place out of 912 companies on Sustainalytics⁴ Diversified Financials Ranking

² The rankings and ratings that follow are provided as of 31 December 2021, unless stated otherwise.

³ As of November 2021.

⁴ As of 1 June 2022.

¹ Meetups are informal meetings dedicated to discussing work issues and exchanging experience. Town halls are business meetings.

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MOEX GROUP'S FOCUS AREAS: 'GREAT'

GENUINE PARTNERSHIP AND ENGAGEMENT WITH THE COMMUNITY

Engagement and training

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter ¹
Number of unique individual customers	million people	3.9	8.8	16.8	1

203-1

Number of students participating in Moscow Exchange School for individual investors	thousand people	>74	>80	>164	1
Number of people who took part in financial literacy improvement activities	thousand people	>90	>100	>100	1
Number of participants in the student conference MOEX Progress: Development of the Russian Financial Market	people	30	35	35	2
Number of participants in professional forums and conferences organized by Moscow Exchange	thousand people	>4	>100	>140	2

Charity

203-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Number of employees who took part in financial literacy improvement activities organized by Moscow Exchange	people	-	-	17	1
Funds allocated for charity projects, total	RUB million	24.2	113.2 ^{2 3}	34.9	1
Science, education and improvement of the financial literacy of the public	RUB million	10.4	9.5	19.1	1
Support for veterans	RUB million	4.2	5.3	3.2	1
Healthcare, rehabilitation, and care for people with disabilities or COVID-19	RUB million	8.4	97.9	10.5	1

¹ The first perimeter corresponds to information pertinent to Moscow Exchange, the NSD, and the NCC; the second perimeter corresponds to information pertinent only to Moscow Exchange.

² This value has been adjusted since the 2020 Sustainability Report was published.

³ In 2020, RUB 100 million was allocated to combat COVID-19.

⁴ The "Other" category includes costs allocated to the Development Foundation of the Pushkin State Museum of Fine Arts and for the New Year's charity event.

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Other	RUB million	1.2	0.7	2.1 ⁴	1
Number of people who received aid from charity programs, total	people	-	1,081,395	3,559	1
Science, education and improvement of the financial literacy of the public	people	-	78	15	1
Support for veterans	people	-	62	43	1
Healthcare, rehabilitation, and care for people with disabilities or COVID-19	people	-	1,081,25 ⁵	2,470	1
Other	people	-	-	1,031 ⁶	1

Sponsorship

203-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Funds allocated for sponsorship, total	RUB million	95.0	47.5	57.6	1
Community engagement	RUB million	86.0	17.4	21	1
Education and science	RUB million	0.9	22.6	28.5	1
Sports and healthy lifestyle	RUB million	8.1	7.5	8.1	1

Donations by the organization for political purposes

415-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Funds allocated for political purposes	RUB million	0	0	0	1

⁵ These people include beneficiaries of all foundations who received support during the fight against COVID-19 in 2020. The decline in the number of beneficiaries in 2021 is explained by the lower amount of charity support allocated to preventing COVID-19.

⁶ The "Other" category includes beneficiaries who are under the care of charitable foundations and received presents as a result of the New Year's charity event.

RESPONSIBLE INVESTING AND SUSTAINABLE GROWTH

Key operating indicators¹

FN-EX-000.A

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Market capitalization	RUB billion	245.5	362.5	348	2
Operating income	RUB billion	43.2	48.6	54.9	1
Dividend per share	RUB	7.70	7.93	9.45	1
Net debt/EBITDA	-	-3.2	-2.95	-2.34	2
Cost to income ratio	%	35.7	34.5	37.4	1

Market dynamics

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Trading volume on all markets	RUB trillion	798.3	947.2	1,009.6	2
Trading volume on the Equity Market	RUB trillion	12.4	23.9	30.0	2
Average daily number of transactions on the Equity Market	thousand	514.2	1,293.5	2,141.4	2
Trading volume on the Derivatives Market	RUB trillion	82.4	129.9	158.0	2
Average daily number of transactions on the Derivatives Market	thousand	898.3	1,488	1,536	2
Trading volume on the Bond Market	RUB trillion	28.2	30.6	22.4	2
Average daily number of transactions on the Bond Market	thousand	21.1	46.5	62.9	2
Trading volume on the FX Market	RUB trillion	308.3	328.9	319.8	2
Average daily number of transactions on the FX Market	thousand	72.3	232.5	445.5	2
Trading volume on the Money Market (excluding repo with GCC)	RUB trillion	346.3	426.8	474.0	2
Average daily number of transactions on the Money Market	thousand	11.1	33.6	95.8	2
Share of international investors in the total trading volume on the Equity Market	%	49	46	48	2
Share of international investors in the total trading volume on the Derivatives Market	%	49	49	48	2
Share of international investors in the total trading volume on the Bond Market	%	13	16	13	2
Share of international investors in the total trading volume on the FX Market	%	12	18	16	2
Share of international investors in the total trading volume on the Money Market	%	13	11	9	2

¹ Disclosures of Configuration 1 also include data for National Commodity Exchange JSC (NCE).

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Funds raised by corporate issuers through bond issues	RUB trillion	3.2	4.0	3.3	2
Funds raised by corporate issuers through IPO/SPO	RUB billion	455.4	260.4	513.0	2
Percentage of high-frequency trading on the Equity Market of the total trading volume	%	52	51.4	55.3	2
Percentage of high-frequency trading on the Derivatives Market of the total trading volume	%	15.2	20.4	18.1	2
Percentage of high-frequency trading on the FX Market of the total trading volume	%	59.7	61.9	66	2
Number of products developed/adapted for retail investors	number	-	2	4	2
Number of products on the personal finance platform Finuslugi.ru	number	-	2	4 ²	2

Sustainable financial instruments

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
SME bond offering volumes in the Growth sector	RUB billion	3.1	6.4	7.9	2
Number of SME issuers in the Growth sector	number	15	22	28	2
Secondary trading volumes in the Innovation and Investment Market (IIM)	RUB billion	58.0	280.0	335	2
Number of securities in the IIM	number	15	24	28	2
Capital raised in the IIM	RUB billion / USD million	-	17.5	12.5/500	2
Primary offering volumes in the Sustainability sector	RUB billion	1.9	11.5	169.4	2
Number of ESG instrument types	number	3	4	10	2
Number of bond issues in the Sustainability sector	number	6	13	22	2
Number of ESG indices	number	2	2	5	2
Number of ESG ETFs	number	-	2	6	2

² The products of Finuslugi.ru include deposits, insurance, loans and subfederal bonds.

ENVIRONMENT OF RESPECT AND EMPOWERMENT

Employee engagement and efficiency

102-7 401-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Average employee headcount	people	1,680	1,815	1,984	1
Average number of male employees	people	924	1,023	1,156	1
Average number of female employees	people	756	792	828	1
Total number of employees at year end	people	1,760	1,981	2,199	1
Total number of male employees at year end	people	932	1,093	1,246	1
Total number of female employees at year end	people	828	888	953	1
Wages and other payments to employees (including benefits)	RUB, billion	7.1	8.5	9.9	1
401-1 New employee hires, total	people	346	484	683	1
New employee hires as a percentage of the workforce¹	%	20	24	31	1
New male employee hires	people	200	320	435	1
New male employee hires as a percentage of the workforce	%	21	29	35	1
New female employee hires	people	146	164	248	1
New female employee hires as a percentage of the workforce	%	18	18	26	1
New employee hires under 30 years of age	people	147	170	255	1
New employee hires under 30 years of age as a percentage of the workforce	%	56	54	66	1
New employee hires 30 to 50 years of age	people	186	288	405	1
New employee hires 30 to 50 years of age as a percentage of the workforce	%	16	22	27	1
New employee hires over 50 years of age	people	13	26	23	1
New employee hires over 50 years of age as a percentage of the workforce	%	4	8	7	1
New employee hires who are disabled	people	0	2	0	1
Trainees	people	37	42	67	1
Trainees hired upon completion of traineeship	people	10	12	14 ²	1
Dismissed employees, total	people	265	270	460	1
Dismissed male employees	people	154	163	279	1
Dismissed female employees	people	111	107	181	1
Dismissed employees under 30 years of age	people	78	73	127	1
Dismissed employees 30 to 50 years of age	people	142	155	280	1
Dismissed employees over 50 years of age	people	45	42	53	1
Employee turnover³	%	11.1	7.9	18	1
Turnover of male employees under 30 years of age	%	2.1	1.3	3.5	1

¹ This indicator was calculated as the ratio of employees hired to the number of employees at year end.

² Trainees employed in 2021 continue their traineeship; the final number of trainee hires will be known in autumn of 2022.

³ This indicator was estimated as a ratio of number of employees dismissed at their request within a year to the average number of employees in the reporting year.

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Turnover of female employees under 30 years of age	%	1.2	0.6	1.8	1
Turnover of male employees 30 to 50 years of age	%	4	3.4	7.1	1
Turnover of female employees 30 to 50 years of age	%	2.4	1.7	4.2	1
Turnover of male employees over 50 years of age	%	0.8	0.4	0.8	1
Turnover of female employees over 50 years of age	%	0.6	0.5	0.6	1
Variance in employee turnover compared to last year (full-time employees)	p.p.	2.3	-3.4	10.1	1
Employee turnover (as per GRI methodology⁴)	%	15.1	13.6	21	1
Employee turnover (as per GRI methodology), women	%	13.4	12	19	1
Employee turnover (as per GRI methodology), men	%	16.5	14.9	22.4	1
Employee turnover (as per GRI methodology), under 30 years of age	%	29.7	23	32.9	1
Employee turnover (as per GRI methodology), 30 to 50 years of age	%	11.8	11.6	18.9	1
Employee turnover (as per GRI methodology), over 50 years of age	%	15.1	13	16.1	1
Variance in employee turnover, as per GRI methodology	p.p.	-0.9	-1.5	7.4	1
Percentage of employees who underwent a satisfaction/engagement review, total	%	-	86	85.1	1
Percentage of engaged employees	%	-	85	86.2	1
Percentage of loyal employees	%	-	84	81.4	1
Percentage of satisfied employees	%	-	87	87.9	1

102-8

Percentage of full-time employees	%	98	98	97	1
Percentage of part-time employees	%	2	2	3	1
Employees under a permanent employment contract, total	people	1,630	1,853	2,077	1
Male employees under a permanent employment contract	people	869	1,029	1,188	1
Female employees under a permanent employment contract	people	761	824	889	1
Employees under a temporary employment contract, total	people	130	128	122	1
Male employees under a temporary employment contract	people	63	64	58	1
Female employees under a temporary employment contract	people	67	64	64	1
Full-time employees, total	people	1,726	1,939	2,126	1
Full-time male employees	people	915	1,073	1,213	1
Full-time female employees	people	811	866	913	1
Part-time employees, total	people	34	42	73⁵	1
Part-time male employees	people	17	20	33	1
Part-time female employees	people	17	22	40	1
Performance of a significant portion of the Company's activities by workers who are not employees (other employees ⁶)	-	-	-	none	1

⁴ The indicator was estimated as a ratio of employees who quit, retired, died, or were dismissed within a year, to the number of employees at year-end.

⁵ The significant increase in the number of part-time employees is attributable to the consolidation of an additional provider in 2021.

⁶ Other employees include trainees, students, self-employed people, and people employed by entities other than Moscow Exchange (by suppliers, for example).

405-1

Members of the Supervisory Board, total	people	12	12	12	1
Percentage of male members of the Supervisory Board	%	83	83	83	1
Percentage of female members of the Supervisory Board	%	17	17	17	1
Percentage of members of the Supervisory Board under 30 years of age	%	0	0	0	1
Percentage of members of the Supervisory Board 30 to 50 years of age	%	42	42	42	1
Percentage of members of the Supervisory Board over 50 years of age	%	58	58	58	1
Senior executives, total	people	20	14	13	1
Male senior executives	people	13	10	10	1
Female senior executives	people	7	4	3	1
Percentage of male senior executives	%	65	71	77	1
Percentage of female senior executives	%	35	29	23	1
Percentage of senior executives under 30 years of age	%	0	0	0	1
Percentage of senior executives 30 to 50 years of age	%	70	64	54	1
Percentage of senior executives over 50 years of age	%	30	36	46	1
Functional department managers, total	people	382	408	429	1
Male functional department managers	people	231	254	273	1
Female functional department managers	people	151	154	156	1
Percentage of male functional department managers	%	60	62	64	1
Percentage of female functional department managers	%	40	38	36	1
Percentage of functional department managers under 30 years of age	%	1.8	2.9	2.8	1
Percentage of functional department managers 30 to 50 years of age	%	72.8	72.8	76.9	1
Percentage of functional department managers over 50 years of age	%	25.4	24.3	20.3	1
Functional department managers with disabilities	people	0	0	1	1
Specialists, total	people	1,327	1,544	1,742	1
Male specialists	people	657	814	948	1
Female specialists	people	670	730	794	1
Percentage of male specialists	%	50	53	54	1
Percentage of female specialists	%	50	47	46	1
Percentage of specialists under 30 years of age	%	19.3	19.8	21	1
Percentage of specialists 30 to 50 years of age	%	67.1	66.3	65	1
Percentage of specialists over 50 years of age	%	13.6	14	13	1
Specialists with disabilities	people	9	9	8	1
Workers, total	people	31	15	15	1
Percentage of male workers	%	100	100	100	1
Percentage of female workers	%	0	0	0	1
Percentage of workers under 30 years of age	%	0	0	0	1
Percentage of workers 30 to 50 years of age	%	54.8	66.7	66.7	1
Percentage of workers over 50 years of age	%	45.2	33.3	33.3	1

401-3 102-41

Total number of employees who were entitled to parental leave	people	1,680	1,815	1,984	1
▪ of which: men	people	924	1,023	1,156	1
▪ of which: women	people	756	792	828	1
Employees who took parental leave, total	people	42	30	29	1
▪ Female employees who took parental leave	people	41	30	28	1
▪ Male employees who took parental leave	people	1	0	1	1
Employees who returned to work after parental leave, total	people	34	26	20	1
▪ of which: women	people	34	26	20	1
▪ of which: men	people	0	0	0	1
Employees who returned to work after parental leave ended who were still employed 12 months after their return to work	people	21	25	14	1
▪ of which: women	people	20	25	14	1
▪ of which: men	people	1	0	0	1
Return to work rate (ratio of the total number of employees who did return to work after parental leave to the total number of employees due to return to work after taking parental leave this year)	rate	-	0.8	0.6	1
▪ of which: among women	rate	-	0.8	0.6	1
▪ of which: among men	rate	-	0	0	1
Retention rate (percentage of employees retained in the company after returning to work following a period of parental leave)	rate	0.8	0.7	0.5	1
▪ of which: among women	rate	-	0.7	0.5	1
▪ of which: among men	rate	-	0	0	1
Number of complaints received with respect to violations of employees' right to freedom of association and collective bargaining	complaints	0	0	0	1
102-41 Percentage of total employees covered by collective bargaining agreements ¹	%	0	0	0	1
Percentage of employees in trade unions	%	0	0	0	1

¹ No collective bargaining agreements are in force at any companies of the Group. During training sessions on the Code of Professional Ethics, employees are informed of their right to participate in trade unions. Employees are also made aware that if they feel this right has been violated, they use the Speak up! hotline, where their complaint will be reviewed and appropriate measures will be taken.

Learning and development

404-1 404-3

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
404-1 Hours of training, total	hours	48,683	23,993	40,812	1
Average hours of training per year per employee (as per GRI) ¹	hours	28	12	19	1
Average hours of training per year per female employee	hours	29	11	17	1
Average hours of training per year per male employee	hours	26	13	20	1
Percentage of employees who completed training, total	%	79	60	43	1
Number of training hours per male senior executive	hours	31	34	84 ²	1
Number of training hours per female senior executive	hours	66	18	50	1
Number of training hours per male functional department manager	hours	53	23	40	1
Number of training hours per female functional department manager	hours	57	26	49	1
Number of training hours per male specialist	hours	18	10	14	1
Number of training hours per female specialist	hours	23	8	10	1
Number of training hours per male worker	hours	2	0	0	1
Number of training hours per female worker	hours	0	0	0	1
Percentage of employees of the relevant departments who completed sustainability management training, out of the total number of employees	%	-	-	10	2
404-3 Percentage of employees who underwent a regular performance and career development review, total	%	100	100	100	1
Percentage of male senior executives who underwent a regular performance and career development review	%	100	100	100	1
Percentage of female senior executives who underwent a regular performance and career development review	%	100	100	100	1
Percentage of male functional department managers who underwent a regular performance and career development review	%	100	100	100	1
Percentage of female functional department managers who underwent a regular performance and career development review	%	100	100	100	1
Percentage of male specialists who underwent a regular performance and career development review	%	100	100	100	1
Percentage of female specialists who underwent a regular performance and career development review	%	100	100	100	1
Percentage of employees for whom goals have been set (under a performance appraisal)	%	100	100	100	1

¹ In this report, the average hours of training per year per employee has been calculated using the formula set out in the GRI standard: the total number of training hours is divided by the total number of employees (at year end).

² The average number of hours of training per year per male senior executive is calculated against the total number of male senior executives at year end (four people), rather than the number who actually underwent training (five people).

Diversity and equal opportunity

405-1 405-2 406-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Percentage of women out of the total number of employees	%	47	45	43	1
Percentage of women on the Supervisory Board	%	17	17	17	2
Percentage of women out of the total number of functional department managers	%	40	37	36	1
Percentage of women out of the total number of senior executives	%	35	28	23	1
Percentage of women in managerial positions in profit-generating areas of the business (front office ³)	%	-	31	31	1
Average gender pay gap: all employees	rate	-	1.39	1.33	1
Average gender pay gap: functional department managers	rate	1.17	1.16	1.15	1
Average gender pay gap: specialists	rate	1.27	1.32	1.27	1
Total number of confirmed incidents of discrimination in the reporting period	incidents	0	0	0	1
Total number of confirmed incidents of discrimination for the reporting period	incidents	0	0	0	1
202-1 Average pay of entry-level specialists and workers, including bonuses: total	RUB	82,500	85,680	94,170	1
Average pay of entry-level specialists and workers, including bonuses: males	RUB	82,000	85,260	95,700	1
Average pay of entry-level specialists and workers, including bonuses: females	RUB	83,000	88,100	85,700	1
Minimum statutory monthly pay in Moscow	RUB	20,185	20,195	20,589	1
Ratio of the average pay of entry-level specialists and workers, including bonuses, to the minimum statutory monthly pay in Moscow	rate	4.1	4.2	4.6	1
Ratio of the average pay of male entry-level specialists and workers, including bonuses, to the minimum statutory monthly pay in Moscow	rate	4.06	4.2	4.6	1
Ratio of the average pay of female entry-level specialists and workers, including bonuses, to the minimum statutory monthly pay in Moscow	rate	4.1	4.4	4.2	1
Availability of variable remuneration in the form of shares for employees, other than senior management	-	yes	yes	yes	1

³ This indicator was first calculated in 2020.

Occupational health and safety, and employee well-being

403-9 403-10

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Number of employees who completed OHS training ¹	people	374	517	360	1
Number of work-related injuries, total	incidents	0	0	0	1
Number of work-related injuries among employees	incidents	0	0	0	1
Work-related injury rate (ratio of the number of work-related injuries of employees to the total number of hours worked)	rate	0	0	0	1
Cases of work-related illness	number	0	0	0	1
Fatalities as a result of work-related illness	number	0	0	0	1
Rate of absenteeism	rate	0	0	0	1
Number of workplaces for which a special assessment of working conditions was carried out	workplaces	103	958	0	1 ²

ADVANCED GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

Direct economic value, generated and distributed

201-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Generated direct economic value: total income (revenue)	RUB million	46,148.9	50,575.1	56,059	1
Distributed direct economic value, including:	RUB million	-44,587.3	-41,875.6	-51,700.3	1
operating expenses	RUB million	-7,693.4	-7,530	-9,810.2	1
salaries and other payments to employees (including benefits)	RUB million	-7,113.9	-8,459.3	-9,881.7	1
payments to capital providers	RUB million	-20,296.6	-19,883.5	-22,559.2	1
payments to the government (taxes other than VAT and personal income tax)	RUB million	-9,459.3	-5,889.6	-9,414.3	1
community investment (GRI 203-1); gratis infrastructure and philanthropy	RUB million	-24.1	-113.2	-34.9	1
Difference between generated direct economic value and distributed economic value	RUB million	1,561.6	8,699.5	4,358.7	1 ²

¹ As pertains to GRI 403-9 and 403-10, data is only collected for employees of Moscow Exchange Group. The Group does not collect any data on work-related injuries and accidents among its business partners.

² In 2019, the assessment was carried out for NCC only, while in 2020 it was carried out for Moscow Exchange and NSD. In 2021, no special assessments were carried out.

Corporate governance

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Remuneration to the Supervisory Board members	RUB million	126.6	160.1	161.6	2
Supervisory Board member count	number	12	12	12	2
Share of independent directors on the Supervisory Board	%	58	67	67	2
Attendance by members at meetings of the Supervisory Board	%	98	98	97	2

Anti-corruption and business ethics

205-1 205-2 205-3 206-1 419-1 FN-EX-510a.1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Detected corruption cases	number	0	0	0	1
Enquiries from employees about business ethics issues	number	2	7	6	1
Amount of fines received as a result of socio-economic violations	RUB	0	0	0	1
FN-EX-510a.1 Amount of fines received as a result of antitrust violations, fraud, insider trading, market manipulation, abuse of power, or other violations of laws applicable to financial institutions	RUB	0	0	0	1
Employees trained in anti-corruption issues, including topics related to business gifts and conflicts of interest	number	725	1,084	1,188	2
Employees informed of existing anti-corruption policies	%	45	100	100	2
Units for which corruption risks were assessed	%	–	100	100	1
Lawsuits involving anticompetitive behavior and antitrust violations, pending or completed during the reporting period	number	0	0	0	1

Supply chain management

204-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
Total procurements	RUB billion	7.0	4.9	6.9	1
Total number of suppliers	number	–	220+	240+	1
Total amount of goods procured	RUB million	–	–	3.3	1
Total amount of services procured	RUB million	–	–	3.6	1
Share of procurements made from local suppliers	%	99	98.3	98.3	1
IT					
Amount of procurements	RUB thousand	–	–	5,857,075.22	1
Information services	RUB thousand	–	–	136,244.95	1
Hardware	RUB thousand	–	–	2,242,499.21	1
Software	RUB thousand	–	–	1,799,129.85	1
Software development, implementation, and revision	RUB thousand	–	–	1,548,530.62	1
Communications services	RUB thousand	–	–	130,670.60	1
Share of procurements	%	–	82.8	84.5	1
Administrative					
Amount of procurements	RUB thousand	–	–	520,708.62	1
Motor vehicles	RUB thousand	–	–	8,400	1
Procurement of fixed assets and equipment	RUB thousand	–	–	45,544.68	1
Office maintenance	RUB thousand	–	–	48,711.32	1
Construction and operation of buildings	RUB thousand	–	–	418,052.62	1
Share of procurements	%	–	3.9	7.5	1
Consulting and insurance services					
Amount of procurements	RUB thousand	–	–	272,558.08	1
Consulting and professional services	RUB thousand	–	–	184,778.08	1
Insurance	RUB thousand	–	–	87,780.00	1
Share of procurements	%	–	–	4.2	1
Marketing and PR					
Amount of procurements	RUB thousand	–	–	146,683.73	1
Events	RUB thousand	–	–	43,095.26	1
Advertising and design	RUB thousand	–	–	98,135.85	1
Gifts and printing	RUB thousand	–	–	5,452.62	1
Share of procurements	%	–	2.7	2.1	1
Security					
Amount of procurements	RUB thousand	–	–	102,508.5	1
Share of procurements	%	–	0.5	1.5	1
HR					
Amount of procurements	RUB thousand	–	–	8,487.46	1
Employee training	RUB thousand	–	–	0	1
HR management	RUB thousand	–	–	8,487.46	1
Share of procurements	%	–	10.1	0	1

TRUSTED AND RESILIENT MARKET INFRASTRUCTURE

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
FN-EX-550a.1 (1) Number of market disruptions	number	1	1	0	2
FN-EX-550a.1 (2) Total downtime of key information systems	hours	0.08	0.70	0	2
Availability of IT systems	%	99.99	99.99	100	2
Number of operational risk incidents	number	28	31	18	2
Number of privacy incidents and data breaches in the reporting year	number	0	0	0	1
418-1 Number of substantiated customer complaints concerning data privacy and information security	number	0	0	0	1
Number of substantiated government complaints concerning data privacy and information security	number	0 ¹	0	0	1
FN-EX-550a.2 (1) Number of data breaches	number	0	0	0	1
FN-EX-550a.2 (2) Percentage of data breaches involving personally identifiable information	%	0	0	0	1
FN-EX-550a.2 (3) Number of clients affected	number	0	0	0	1
Financial losses incurred as a result of malfunctions of information security and cybersecurity systems	RUB	-	0	0	1
FN-EX-410a.1 Average duration of trading pauses ² related to volatility	minutes	30	30	0	1
FN-EX-410a.1 Number of trading pauses ³ related to volatility	number	1	2	0 ⁴	1
FN-EX-410a.2 Share of trades generated by automatic trading systems including algorithmic or high-frequency trading systems in the Equity Market	%	52	51.4	55.3	1
FN-EX-410a.2 Share of trades generated by automatic trading systems including algorithmic or high-frequency trading systems in the FX Market	%	15.2	20.4	18.1	1
FN-EX-410a.2 Share of trades made by automatic trading systems including algorithmic or high-frequency trading systems in the Derivatives Market	%	59.7	61.9	66	1

¹ 0¹ means no claim with a high probability of a negative outcome.

² Since 2018, a suspension of trading lasts 30 minutes according to the updated trading rules, so the average time is always 30 minutes. After a suspension of 30 minutes, there is a transition to discrete auction mode.

³ Trading pauses may include temporary short-term (e.g., five minutes) suspensions of trading by the company due to extreme volatility.

⁴ In 2021 no trading pauses were detected.

RESOURCE EFFICIENCY AND ENVIRONMENTAL IMPACT

302-1 302-3 305-1 305-2 305-3 305-4 303-3 303-4 303-5 306-3 306-5 307-1

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
302-1 Energy consumption¹					
Electricity consumption, total	TJ	58.1	55.0	56.6	1
Electricity consumption, data centers	TJ	18.3	19.9	20.6	1
Heat consumption ²	TJ	19.2	16.7	21.6	1
Petrol and diesel fuel consumption, total	liters, thousand	77.9	52.2	58.4	1
Diesel fuel consumption	liters, thousand	7.2	5.9	8.8	1
Petrol consumption	liters, thousand	70.7	46.3	49.6	1
Petrol and diesel fuel consumption, total	TJ	2.56	1.7	1.9	1
Diesel fuel consumption	TJ	0.26	0.2	0.3	1
Petrol consumption	TJ	2.3	1.5	1.6	1
Energy consumption, total	TJ	79.9	73.4	80.1	1
302-3³ Energy intensity per revenue	GJ/RUB million of revenue	1.85	1.51	1.46	1
Electricity intensity per revenue, data centers	GJ/RUB million of revenue	0.42	0.41	0.38	1
Energy intensity per employee	GJ/person	47.56	40.44	40.37	1
GHG emissions^{4 5}					
305-1 Direct GHG emissions, Scope 1 (based on fuel consumption and coefficients pursuant to Order of the Ministry of Natural Resources and Environment of the Russian Federation No. 15-r, dated 16 April 2015)	t CO₂	233.7	119.9	132.9	1
305-1 Direct GHG emissions (based on vehicle passport characteristics), Scope 1	t CO₂	96.6	72.8	63.6	16
305-2 Indirect GHG emissions from purchased electricity (location-based), Scope 2	t CO₂	3,966.3	3,626.5	3,838.2	16
305-2 Indirect GHG emissions from electricity consumption (market-based), Scope 2	t CO₂	-	-	2,939.6	1
305-2 Indirect CO₂ emissions from purchased heat (location-based), Scope 2	t CO₂	1,188.9	1,029.2	1,331.9	16
305-2 Gross indirect CO₂ emissions from purchased electricity and heat, Scope 2	t CO₂	5,155.1	4,656.7	4,271.6	16
305-3⁶ Indirect GHG emissions, business trips by air, Scope 3	t CO₂	264.5	30.6	32.1	16
305-3 Indirect GHG emissions, business trips by rail, Scope 3⁷	t CO₂	3	0	1	1
305-3 Indirect GHG emissions from transmission of purchased electricity, Scope 3	t CO₂	380.2	381.4	373.6	1

¹ The Group does not consume energy and biofuel from renewable energy sources, nor does it sell them.

² Data on heat energy differ from the data provided in the 2020 Sustainability Report due to changes in the calculation methods.

³ Energy intensity indicators for 2019–2021 have been recalculated and provided as the sum total of energy consumed. In 2020, intensity was provided for electricity only.

⁴ The data on GHG emissions differ from the data provided in the 2020 Sustainability Report due to changes in the calculation methods.

⁵ GHG emissions for Scope 1 and Scope 2 were calculated using coefficients approved by Order of the Ministry of Natural Resources and Environment of the Russian Federation No. 300, dated 30 June 2015. To estimate emissions for Scope 2, we also used openly available data on specific fuel consumption by generation facilities of Mosenergo PJSC and the average losses in electric and heat networks of PAO MOESK and PAO MOEK for 2020–2021. Scope 1 and 2 include only CO₂ emissions.

⁶ To estimate emissions for Scope 3 in the business trips category, we applied the distance-based method. GHG emissions were calculated using coefficients for various types of transportation or distance, multiplied by the vehicle-specific emission factor. The emission factors were calculated according to the ICAO calculator for Moscow–St. Petersburg (flights of up to 1,500 km), Moscow–Frankfurt (flights of up to 4,500 km), and Moscow–New York (flights over 4,500 km).

⁷ The emission factor for rail transport was calculated for high-speed trains of the Sapsan type.

Indicator	Unit of measurement	2019	2020	2021	Reporting perimeter
305-3 Indirect CO₂ emissions from transmission of purchased heat, Scope 3	t CO₂	108.8	96.3	149.9	1
305-4 GHG emission intensity per revenue, Scope 1 and 2	t CO₂/RUB million of revenue	0.12	0.10	0.08	1
305-4 GHG emission intensity per employee, Scope 1 and 2	t CO₂/person	3.1	2.6	2.2	1
Gross GHG emissions (Scope 1, 2, 3)⁸	t CO₂	6,145.6	5,284.5	4,961.3	1
Water consumption⁹ and waste water disposal					
303-3 303-5 Water consumption, total	m³, thousand	25.2	22.2	24.3	1
Water consumption per revenue	m ³ /RUB million of revenue	0.6	0.5	0.4	1
Water consumption per employee ¹⁰	m ³ /person	15.0	12.2	12.2	1
303-4 Water discharge¹¹	m³, thousand	28.2	25.0	27.2	1
Waste management					
306-3 Waste generated, total	t	243.2	243.7	297.6	1
Waste generated, hazard class I	t	0.3	0.3	0.38	1
Waste generated, hazard class II	t	0.2	2.6	1.3	1
Waste generated, hazard class III	t	0.1	0.4	0.12	1
Waste generated, hazard class IV	t	196.8	207.8	266.8	1
Waste generated, hazard class V	t	45.8	32.6	29	1
Waste generation intensity per revenue	t/RUB million of revenue	0.006	0.005	0.005	1
Waste generation intensity per employee	t/person	0.14	0.12	0.15	1
306-3 Waste directed to processing^{12 13}	t	7.4	3.0	5.8	1
Waste directed to disposal	t	20.9	8.1	4	1
Waste sent for detoxification and recycling	t	3.6	5.5	4.8	1
Waste sent for storage	t	0.0	0.0	0	1
Waste sent for burial	t	216.9	227.1	283	1
Paper procured	packages, thousand	15.8	6.0	5.6	1
Paper waste generated	t	23.2	11.2	21.9	1
Environmental expenditures and investments, total	RUB thousand	4,365.3	3,127.6	4,629.6	1
Expenditures and investments for prevention of air pollution and climate change	RUB thousand	1.1	0.0	898.5 ¹⁴	1
Expenditures and investments for collection and treatment of wastewater	RUB thousand	2,765.0	1,692.2	1,973.3	1
Expenditures and investments for waste management	RUB thousand	1,487.140	773.957	1,296.795	1
Expenditures and investments for other areas of environmental protection	RUB thousand	166.0	200.0	477 ¹⁵	1
307-1 Non-compliance with environmental laws and regulations	cases	0	0	0	1

⁸ Total GHG emissions were calculated using a market-based method for indirect emissions from electricity consumption in Scope 2.

⁹ Moscow Exchange Group consumes and intakes water only from municipal networks and does not operate in regions affected by water scarcity; accordingly, the volume of water consumption is equal to water intake. The Group receives only fresh water. Fresh water means water with a total concentration of dissolved solids of no more than 1,000 mg.

¹⁰ The average number of employees was used in this calculation.

¹¹ Wastewater disposal exceeds water intake, as the calculation also takes into account water discharged through the storm drains of Moscow Exchange office buildings. Water is discharged only to municipal sources. Water means only fresh water.

¹² Processing means release of valuable components, including release of energy.

¹³ Moscow Exchange Group does not handle waste independently: it transfers it to third parties for processing, disposal, storage, detoxification and burial.

¹⁴ The surcharge for the purchase of electricity from renewable energy sources under commission agreements with Mosenergosbyt JSC and the inventory costs of stationary sources of harmful air pollutants.

¹⁵ Expenditures for development of the environmental management system and for environmental training.

APPROACHES AND PROCEDURES

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MOEX GROUP'S FOCUS AREAS: 'GREAT'

GENUINE PARTNERSHIP AND ENGAGEMENT WITH THE COMMUNITY

Financial literacy improvement activities

203-1 203-2 413-1

Improving the financial literacy of novice investors is a priority of Moscow Exchange Group's ESG strategy. By pursuing this objective, Moscow Exchange can make a significant contribution to achieving sustainability goals.

Investing is an active form of participation that professional portfolio managers, traders, and the public engage in to develop the modern economy. This includes green financial instruments, which have not only an environmental, but also a social effect. Successful ESG transformation of financial markets largely hinges on the availability of training for market participants.

In order to make investing activities more attractive for individual investors and raise their awareness of the ESG agenda, Moscow Exchange conducts specialized activities, training seminars, and competitions, as well as large-scale financial education projects. It also organizes contests to demonstrate the benefits of an informed approach to trading.

- The [Moscow Exchange School](#) has been running since 2014. The materials, video courses, and webinars published on the project's web page help novice and experienced investors understand the stock exchange and how to settle trades effectively and with confidence.
- [The Investor's Path training course](#). Moscow Exchange has developed a free training course for novice investors based on the methodology of the International Organization of Securities Commissions (IOSCO); the course is accredited by the Financial Literacy Association.
- The Invest Trial contest has been held since 2015. Participants acquire investing experience in a demo mode (without the risk of losing their own money), and the winners receive cash prizes.

- The Best Individual Investor contest has been held since 2003 and is the world's largest exchange competition for traders.
- Moscow Exchange is the general partner of [Fincontest](#), or the All-Russian Financial Markets Knowledge Contest, which has been held annually by the Financial University under the Government of the Russian Federation since 2009.
- Moscow Exchange Group supports projects of the Central Bank of Russia and the Russian Ministry of Finance to develop financial skills and awareness and improve the financial literacy of the public.

The following activities were held in 2021 to improve financial literacy:

- webinars for individual investors;
- contests and "marathons" (Investmarathon, Invest Battle Championship);
- educational programs (the Telegram channels MOEX – Moscow Exchange and Moscow Exchange School; the Money Makes Money podcast).

Key documents:

- Strategy for the Improvement of Financial Literacy in the Russian Federation, approved by the Russian Ministry of Finance on 25 September 2017

Responsible bodies:

- Strategy Department
- Business Development Department
- Corporate Communications Department
- Equities Market Department
- Bond Market Department
- Issuer Relations Department

Promoting gender balance and equality in the professional community

Moscow Exchange Group is a party to the global Ring the Bell for Gender Equality¹ initiative. Every year on the 8th of March, participating exchanges ring bells at opening or closing of trading as a gesture to promote the principles of gender equality and the empowerment of women in business, politics, and the economy. The main goal of this initiative is to urge businesses to take measures to promote sustainability goals through the empowerment of women. In particular, the role of exchanges involves promoting gender equality among companies whose shares are listed on their floors and in calling for adherence to the Women's Empowerment Principles (WEP).

Information about Moscow Exchange Group's adherence to the principle of no discrimination and gender equality in regards to its employees is provided in the subsection "Environment of respect and empowerment" of the section "2021 Sustainability Performance Highlights".

Key documents:

- Code of Professional Ethics of Moscow Exchange
- ILO Conventions No. 111 and 156
- UN Universal Declaration of Human Rights

Responsible bodies:

- Internal Control and Compliance Department
- Corporate Communications Department

Investments in communities and charity projects

203-1 203-2 413-1

Moscow Exchange's charity activities aim to address important social issues in those areas where it has strong competencies or strategic interests. It also sponsors external projects to strengthen relationships with customer groups and professional and business communities, and also to develop the Russian financial market. The Group's largest corporate donors are Moscow Exchange and the National Settlement Depository.

Moscow Exchange develops, selects, and implements charity programs and projects in accordance with its Charity Policy, which sets out the principles, priority areas, and procedures for interacting with partners. Priority areas of the charity program include:

- supporting the education and upbringing of children;
- helping disaster victims in Russia;
- supporting veterans and the elderly.

In the beginning of 2022, Moscow Exchange set new priorities for its charitable activities:

- educational initiatives for people of all ages, aimed at improving the financial, investment, and technological literacy of the public;
- support for educational institutions of all levels, educators and students (e.g., through grants and scholarships), research and popular science, and publications in the fields of finance, economics, and technology;
- assisting children, the economically disadvantaged, people who have found themselves in difficult situations (by helping them get back to an active life and find a decent job), and WWII veterans;
- programs that promote stewardship of the environment among companies and individuals; programs that protect biodiversity and encourage the development of renewable energy sources;
- programs that raise awareness among individuals and organizations of the importance of socially responsible behavior and participation in charitable activities; programs that support and develop volunteering:
 - corporate volunteering, i.e., the involvement of Group employees in charity activities, which includes cash donations by employees.

¹ This initiative is a partnership of a number of international organizations, including the UN Global Compact and the Sustainable Stock Exchange Initiative.

A Charity Committee has been established, which is responsible for planning, analyzing, and evaluating projects, as well as for issuing opinions and recommendations to the Executive Board and the Chairman of the Executive Board of Moscow Exchange when selecting applicants to participate in charity programs.

413-1

The effectiveness of charitable activities is evaluated using feedback from partners and beneficiaries, obtained through email in the form of a report from the charities involved.

Moscow Exchange cooperates with a number of reputable charitable foundations, thereby ensuring transparency and effectiveness of the allocated funds, while also increasing the number of end beneficiaries.

New projects are considered by the Charity Policy Committee based on the following criteria:

- alignment with Moscow Exchange's strategic priorities;
- significance in achieving the UN Sustainable Development Goals, national priorities, and other initiatives and partnerships in which Moscow Exchange is a member;
- the positive impact of the charity programs;
- the ability of the beneficiaries to continue to implement qualitative changes after the program's completion;
- the absence of compliance risks and negative information about the beneficiaries.

Moscow Exchange seeks to ensure that all companies of the Group act in accordance with the Charity Policy and harmonize the principles and approaches used in their charitable activities with it.

Moscow Exchange does not support organizations that discriminate based on gender, sexual orientation or nationality, nor does it participate, directly or indirectly, in financing organizations whose activities involve human rights violations, the creation or proliferation of weapons of mass destruction, or projects that pose a risk of environmental pollution.

Key documents:

- Charity Policy of Moscow Exchange
- Regulation on Sponsorship and Financing of External Projects by Moscow Exchange
- Regulation on the Charity Policy Committee
- Regulation on Sponsorship by Moscow Exchange
- Regulation on the Moscow Exchange Sponsorship Committee
- Regulation on the Charity Commission of the National Settlement Depository

Responsible bodies:

- The Charity Policy Committee of the Moscow Exchange Executive Board
- For charity programs with a budget exceeding RUB 10 million, relevant opinions, proposals, and recommendations are submitted to the Moscow Exchange Executive Board for consideration

Corporate volunteering

Volunteering is an important aspect of the corporate culture of Moscow Exchange Group: it brings staff together by fostering common values. Moscow Exchange employees can participate in partner projects as volunteers or donors.

Employee participation in charity projects is encouraged, including by the use of an internal "currency" (a description of the MEMS project is provided in the subsection "Environment of respect and empowerment" of the section "Sustainability Approaches and Procedures").

Employees receive information about charity events in the "Company News" weekly morning newsletter; they can also find about charitable activities on the special Corporate Charity page on the intranet. There, staff can apply to participate in volunteer events, make donations, or post announcements about alternative charitable projects in order to find like-minded people.

Interaction with stakeholders, partnerships, and associations

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Moscow Exchange Group actively works to build constructive dialogue with Russian and foreign investors, market participants, current and potential issuers, regulators, and professional communities. It pursues this by engaging in direct communication through advisory bodies, working groups, investment conferences, forums, and specialized training events. These efforts help attract new investors to the Group's markets, thereby expanding the client base, increasing the liquidity of financial markets, and bringing an inflow of investment to the Russian economy.

Many areas of Moscow Exchange's activities involve interacting with government authorities; these relations are supervised by the Managing Director for Interaction with Issuers and Government Authorities.

Key documents:

- AA1000 AP AccountAbility Principles
- AA100 SES AccountAbility Principles
- Regulation on the Exchange Council

Responsible bodies:

- Strategy Department
- Corporate Communications Department
- Personnel and HR Policy Department
- Chief Operating Officer (COO)
- Managing Director for Interaction with Issuers and Government Authorities
- Head of Investor Relations

The Moscow Exchange Council and user committees

The Moscow Exchange Council is the organization's main consultative and advisory body. Its objective is to elaborate strategic proposals for developing the Russian financial market and to represent trade participants and consumers of Moscow Exchange's services so that their needs can be fully taken into account. The Moscow Exchange Council is made up of members of management of leading market participants, heads of self-regulated organizations, and representatives of management companies, investment banks, and the Central Bank of Russia.

The Exchange Council has the following competencies:

- elaborating proposals and providing recommendations to the Supervisory Board on how to improve Moscow Exchange Group's development strategy;
- discussing priority projects and selecting at least one project to be used as a KPI for the management of Moscow Exchange, as well as providing relevant recommendations to the Supervisory Board or other competent management bodies;
- developing proposals to improve the exchange's infrastructure and clearing technologies, and to attract market participants from new client segments and other areas, and providing recommendations to the Supervisory Board or other competent bodies.

Moscow Exchange Group interacts with market participants via user committees. Through these committees, Moscow Exchange Group gathers feedback from clients on planned innovations to products and services, improves its exchange infrastructure, and prepares proposals for amending financial market regulations.

The user committees are advisory bodies made up of stakeholder representatives. Committee members give recommendations to management bodies of Moscow Exchange on its strategic development and operations in certain markets. The user committees and the Exchange Council were created pursuant to Federal Law No. 325-FZ "On Organized Trading".

As of 31 December 2021, Moscow Exchange had the following user committees:

- Committees created pursuant to legislative requirements¹:
 - Foreign Exchange Market Committee
 - Derivatives Market Committee
 - Repo and Securities Lending Committee
 - Stock Exchange Committee
 - Fixed-Income Securities Committee
 - Deposit Market Committee
 - Credit Market Committee
- Committees created at the initiative of Moscow Exchange:
 - Exchange Council
 - Settlements and Transaction Documentation Committee
 - Collective Investment Market Committee
 - Share Issuers Committee
 - Bond Issuers Committee
 - Primary Market Committee;
 - Index Committee
 - Debt Market Indicators Committee
 - Information Technology Committee
- Committees under the National Settlement Depository:
 - Quality and Risk Committee
 - Committee on Settlement and Depository Activities and Tariffs
 - Committee on Interaction with Registrars and Depositories
 - Central Depository Services Users Committee
 - Repository Services Users Committee

Most of the committees feature members who are professional market participants: banks, brokers, investment companies, issuers, and non-finance companies. They are appointed for a term of one year.

Members prepare proposals for amending legislation and improving the regulatory framework, and also review issues of regulation of public circulation and issuance of securities, information disclosure and corporate governance. The committees also elaborate proposals for process solutions to improve the organization of exchange trading, clearing and settlements, and the expansion of tools and services.

For the convenience of everyone involved, Moscow Exchange publishes a monthly user committee digest containing a list of issues considered at meetings of the Exchange Council and the user committees,

as well as the decisions taken. Information on the work of the committees is available to the public on the websites of [Moscow Exchange](#) and the [National Settlement Depository](#).

Sustainability initiatives and partnerships

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In keeping with its mission and corporate values, Moscow Exchange participates actively in various Russian and international organizations, associations, and voluntary initiatives.

- Moscow Exchange is a regular participant of the Ring the Bell for Financial Literacy initiative of the World Federation of Exchanges. It also participates in the global Sustainable Stock Exchanges (SSE) initiative, which was launched in 2009 at the initiative of former UN Secretary-General Ban Ki-moon. It is a partner program of the UN Conference on Trade and Development (UNCTAD), the UN Global Compact network, the UN Environment Programme Finance Initiative (UNEP FI), and the Principles of Responsible Investment (PRI).
- Moscow Exchange Group participates actively in numerous working groups on sustainable financing and responsible investing together with other market participants and regulators. One example is an initiative to encourage best practices in business ethics, compliance, and anti-corruption by the Russian Association of Business Ethics and CSR (Russian Business Ethics Network, RBEN).

Interaction with market participants and regulators

Moscow Exchange Group holds conferences, roundtable discussions, and seminars involving various partners from the corporate and public sectors. At these events, participants discuss legislative developments, IR trends, and topics pertinent to sustainability.

Key events in the field of corporate governance and investor relations include a yearly annual report competition, which is held by Moscow Exchange together with the RCB media group. The competition contributes to making public companies more transparent and disclosures more useful for investors and customers.

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Stakeholder groups, areas, and forms of interaction
Stakeholders are interviewed every two years to rank important topics and prepare sustainability reports.

The stakeholder interviews were last conducted in 2020. The next cycle of interviews is planned for 2023.

Item	Stakeholder group	Key topics for engagement	Forms of engagement
1	Legislative bodies: State Duma, Federation Council	Preparing bills for financial market regulation	Ongoing interaction with the relevant committees of the State Duma and the Federation Council Work in expert councils under the State Duma Committee on the Financial Market Preparation and provision of analytical materials on the development of the financial market Preparation and support of legislative initiatives submitted to the State Duma
2	Financial sector regulator: Central Bank of Russia	Preparing draft regulatory provisions governing the financial market and the development of corporate governance Control and oversight of financial markets, including the activities of the market operator, by the Central Bank of Russia	Interaction with the Central Bank of Russia in preparing draft legislative initiatives pertaining to development of the financial market Preparing, submitting, and supporting proposals for amendments to the Central Bank of Russia's statutory acts regulating activities of market operators, clearing organizations, and the central counterparty Participating in working groups and expert councils of the Central Bank of Russia. Regular reporting in accordance with the requirements for market operators
3	Russian government and federal government authorities: Office of the Government of the Russian Federation, Russian Ministry of Finance, Russian Ministry of Economic Development, Russian Ministry of Agriculture, Federal Antimonopoly Service, and others	Drafting federal laws and draft government decrees regulating financial market activities, developing a competitive environment in the financial and commodities markets, and developing digital technologies	Interaction with the relevant federal government authorities on an ongoing basis in drafting legislative initiatives on developing the financial and commodities markets Participation in meetings of expert councils and working groups on development of the financial market Submitting analytics and statistics at the request of federal government authorities Participation in working groups to optimize the regulatory burden on financial market participants (the "regulatory guillotine")
4	International organizations: OECD, etc.	Interacting with regard to regulation and development of financial markets Developing corporate governance practices	Participating in joint activities to share experience and to discuss issues and proposals related to regulation and development of financial markets and corporate governance
5	Development institutions: SME Corporation, VEB.RF State Corporation, Russian Direct Investment Fund	Cooperation on implementation of state development policy Attracting investments for development projects	Issuance of bonds by development institutions Cooperating on the development of the IIM, the Growth sector, and the sustainability sector

¹ Consultative and advisory bodies of Moscow Exchange created pursuant to Article 10 of Federal Law No. 325-FZ dated 21 November 2011 "On Organized Trading" and Central Bank of Russia Regulation No. 437-P dated 17 October 2014 "On Conducting Organized Trading."

Item	Stakeholder group	Key topics for engagement	Forms of engagement
6	Professional unions, associations, and councils: National Association of Stock Exchange Participants, National Finance Association, Russian Union of Industrialists and Entrepreneurs, and others	Cooperation on development of financial market regulation Improving financial literacy	Joint events for financial market participants, consultations on regulatory initiatives in the area of financial market development Support for activities to improve financial literacy
7	Moscow Exchange shareholders and investors	Corporate governance, exercise of shareholders' rights Development of the business of Moscow Exchange Group	Interaction involving the presentation of information and analytics at conferences and road shows, and through conference calls and webinars Participation by stakeholders in the exercise of their shareholder rights and in the relevant corporate governance processes
8	Market participants	Providing information on trading at Moscow Exchange, reporting on the results of trading for market participants Discussing growth areas and new tools	Participation by appropriately licensed legal entities in trading on Moscow Exchange markets. Customer service, including KYC (Know Your Customer) procedures, information on products and services, participation in user committees, and use of Moscow Exchange software
9	Customers of market participants: legal entities and individuals	Providing information on trading at Moscow Exchange, products, quotes, the trading calendar, and training	Provision by Moscow Exchange of the current list of traders, quotes, the trading calendar, products, and training for private investors Conducting activities to improve financial literacy
10	Issuers	Issuers raising capital on Moscow Exchange's markets. Ensuring issuers' compliance with listing rules	Providing direct access to the FX, Money, and Bond Markets Informing potential issuers about financing opportunities Interaction regarding disclosure by issuers Issuers' participation in user committees Joint activities
11	International partners and professional associations: WFE, FESE, FIA, SSE, foreign exchanges	Cooperating during on-exchange trading Sharing experience and best practices Promoting sustainability principles	Holding exchange forums, participating in conferences, implementing joint projects Cooperation in on-exchange trading, providing market access, sharing experience
12	News agencies and the media	Building transparent relations and providing relevant information in a timely manner Moscow Exchange Group news, listing rules, and market news Disclosure of information by issuers	Holding awareness-raising events Distributing press releases and newsletters
13	Employees	Working conditions, incentives, personnel management, and staff training processes; efficiency and cross-functional interaction	Creating conditions for the professional growth of employees, training Activities aimed at fostering engagement and furthering the corporate culture
14	Suppliers and contractors	Procurement procedures Promoting competition Developing new products and services Requirements for vendors and contractors, responsible supply chains	Creating transparent conditions for participation in the procurement process Holding tenders and concluding transactions with vendors and contractors Fulfilling contractual obligations

Enhancing the professionalism of the investor relations (IR) community

Moscow Exchange operates the MOEX IR Academy, a platform for dialogue within the IR community that encourages the exchange of opinions between professionals. It also serves as a discussion club and a center for the development of professional principles and standards in the field of IR.

In 2021, Moscow Exchange and MOEX IR Academy supported the organization of webinars on non-financial information disclosure under the TCFD climate standard for Russian businesses. Particular attention was paid to the energy, agriculture, and pulp and paper industries; disclosure of climate data for issuers was also discussed.

Moscow Exchange helped organize several webinars on responsible investment: "ESG Factors in the Strategies of Issuers and Financial Organizations: Practical Aspects of Lending, Formation of Funds, and Individual Trust Management"¹; "Development of New Market Instruments for Responsible Financing in Russia"²; "Launching a Sustainable Financing Market", "ESG Rating: Guidelines for Regions"³; "ESG Ranking Methodology. The Difference between Ranking and Rating"⁴.

In 2021, Moscow Exchange took part in 11 webinars aimed at enhancing the professionalism of the IR community through responsible investing and non-financial information disclosure. In total, 1,293 people joined the webinars.

At the end of 2021, Moscow Exchange held the first meeting of the MOEX IR Club, gathering together IR teams of various Russian issuers. The event was organized by the Issuer Relations Department.

Developing partnerships with institutions of higher education

Moscow Exchange cooperates with leading universities to ensure the availability of high-skilled, well-trained personnel for the Group and the financial industry. It also works to promote the implementation of research projects in the fields of economics and technology.

Moscow Exchange cooperates closely with the Higher School of Economics, the New Economic School, Lomonosov Moscow State University, the Financial University under the Government of the Russian Federation, Plekhanov Russian University of Economics, and the MEPhI National Research Nuclear University. Together with these institutions, Moscow Exchange conducts research on the securities market, IT, and risk management. It creates special software to train young specialists.

Through career guidance programs, students are given the chance to apply for an internship at Moscow Exchange Group in their field of interest. Group employees help them implement their projects. Information on internships at Moscow Exchange Group is published on its careers page. The Group also actively develops special educational programs where senior managers and leading specialists of the Group's companies give master classes for students. Additional information on the internship program in 2021 can be found in the section "2021 Sustainability Performance Highlights."

In 2018, with the support of Moscow Exchange, Higher School of Economics created a basic Department of Financial Market Infrastructure at the Faculty of Economics, which brings together HSE professors and employees of Moscow Exchange. Moscow Exchange also helps the Financial University run the Securities and Financial Engineering master's program. Sponsor support is provided to the Cybernetics Department of the Institute of Intelligent Cybernetic Systems at MEPhI National Research Nuclear University, which, in turn, implements the department's curricula and consults students on their diploma projects and research in the interests of Moscow Exchange.

Moscow Exchange, together with the Financial University, organizes Fincontest, a specialized knowledge contest about financial markets that was first launched several years ago. Moscow Exchange helps assess the participants' knowledge in the areas of corporate finance, securities markets, and financial analysis. It provides contestants with the chance to start their professional career.

Moscow Exchange participates in the Novosibirsk Region Governor's Cup for On-exchange Financial Market for students of Russian universities.

¹ The webinar "ESG Factors in the Issuers' and Financial Organizations' Strategies: Practical Aspects of Crediting, Formation of Funds, and Individual Trust Management" was organized by the National Rating Agency (NRA) and InfraGreen, and was held on 16 February 2021.

² The webinar "Development of New Instruments of the Responsible Financing Market in Russia" was organized by the Central Bank of Russia and held on 9 April 2021.

³ The webinar "Launching the Sustainable Financing Market, ESG Rating: Guidelines for Regions" was organized by Expert RA and held on 21 June 2021.

⁴ The webinar "ESG Ranking Methodology. The Difference between Ranking and Rating" was organized by the National Rating Agency (NRA) and held on 14 September 2021.

Participation in initiatives and associations in 2021

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Moscow Exchange Group Company	Item	Initiative/Association Title
Sustainability initiatives		
	1	UN Global Compact (support of the principles)
	2	WFE Sustainability Working Group
	3	WFE Cyber Security Working Group
	4	WFE Operational Risk Working Group
	5	UN Sustainable Stock Exchanges (SSE) initiative
	6	Ring the Bell for Gender Equality
	7	Ring the Bell for Financial Literacy
	8	CPMI-IOSCO Principles for Financial Market Infrastructure (evaluation of conformity to the principles by the Group's companies)
	9	Association for Improvement of Financial Literacy
Other significant associations and initiatives		
	1	World Federation of Exchanges (WFE)
	2	Futures Industry Association (FIA)
	3	International Association of Exchanges of Countries of the Commonwealth of Independent States (CIS)
	4	Russian National SWIFT Association (ROSSWIFT)
	5	Financial Technology Development Association
	1	European Central Securities Depositories Association
	2	Association of Eurasian Central Securities Depositories
	3	International Securities Services Association (ISSA)
	4	Russian National SWIFT Association (ROSSWIFT)
	5	Self-Regulated Organization National Finance Association (SRO NFA)
	1	Global Association of Central Counterparties
	2	European Association of CCP Clearing Houses – Central Counterparties (EACH)

RESPONSIBLE INVESTING AND SUSTAINABLE GROWTH

Global trends show that investment companies and financial institutions have been transforming their investment strategies. Issuers' commitment to the principles of sustainability is becoming an important factor in choosing recipients of investment. As a member of the Sustainable Stock Exchanges (SSE) initiative, Moscow Exchange upholds the principles of responsible investment and creates opportunities to expand sustainable practices in Russia.

Sustainability sector

103-2

In cooperation with the Ministry of Economic Development of the Russian Federation, Moscow Exchange launched the Sustainability sector, a special sector for trading target-oriented securities.

Objectives of the Sustainability sector:

- help companies, public authorities, and other issuers raise funds for environmental and social projects;
- create an environment conducive to foreign investment in Russian bonds;
- offer a set of instruments for funding initiatives that meet the objectives of national projects and comply with [Decree of the President of the Russian Federation No. 204 of 7 May 2018 "On National Goals and Strategic Objectives of the Development of the Russian Federation to the Year 2024"](#).

The Sustainability sector has four independent segments

Green bonds	Social bonds	Sustainability bonds	National and adaptation projects
Green bonds are debt securities, the proceeds of which are used to finance projects aimed at improving the environment. Such projects include renewable energy sources, environmentally friendly transport, energy efficiency improvement, reduction of GHG emissions, waste recycling, etc.	Social bonds are debt securities, the proceeds of which are used to finance social projects. Such projects include creating social infrastructure or developing social services, building affordable housing, developing small businesses, and other social objectives.	This segment features the securities of companies implementing projects that promote environmental and social sustainability.	Securities in this segment must be consistent with the objectives of national projects ¹ or be compliant with the taxonomy of climate adaptation projects.

¹ "Environmental Protection", "Housing and Urban Environment", "Comprehensive Plan of Modernization and Expansion of Key Infrastructure", "Demographics", "Healthcare", "Education", "Labor Productivity and Employment Support", "Culture" or the federal project "Introduction of Best Available Technologies".

Principles for including bonds in the Sustainability sector

FN-EX-410a.4

The green bonds segment features bonds issued by Russian issuers whose bond issue(s), investment project(s), or issuer's document(s) meet the internationally recognized Green Bonds Principles (GBP) of the International Capital Market Association (ICMA) or the Climate Bonds Initiative (CBI) and the Russian principles/standards for environmental protection and/or green financing and/or sustainability established by the Securities Issuance Standards, provided that the issue, issuer, or project has received independent verification confirming compliance with the above principles or standards.

The social bonds segment features bonds issued by Russian issuers whose bond issue(s), investment project(s), or issuer's document(s) meet the internationally recognized Social Bonds Principles (SBP) of the International Capital Market Association (ICMA) and the Russian principles/standards for social financing and/or sustainable social projects established by the Securities Issuance Standards, provided that the issue, issuer, or project has received independent verification confirming compliance with the above principles or standards.

The sustainability bonds segment may feature bonds in relation to which the bond issue(s), investment project(s), or issuer's policy for raising funds has received independent verification confirming compliance with the following internationally recognized standards and documents:

- Green Bonds Principles (GBP) of the International Capital Market Association (ICMA) or the Climate Bonds Initiative (CBI);
- Social Bonds Principles (SBP) of the International Capital Market Association (ICMA);
- the Russian Principles/Standards for Social Financing and/or Sustainable Social Projects, established by the Securities Issuance Standards.

The national and adaptation projects segment may feature bonds that meet the following requirements:

- a decision of a government body, official, or interdepartmental committee confirming alignment with the objectives and results of one of the following national projects: "Environmental Protection", "Housing and Urban Environment", "Comprehensive Plan of Modernization and Expansion of Key Infrastructure", "Demographics", "Healthcare", "Education", "Labor Productivity and Employment Support", "Culture" or "Introduction of Best Available Technologies"; or
- independent verification confirming the project's compliance with the criteria (taxonomy) for adaptation projects, with the condition that it will be financed with the proceeds from the bond placement.

Green financing is a key tool for lower-carbon development.

Listing rules

In order to be considered for inclusion in the Sustainability sector, an issuer must submit the following:

1. an application for inclusion in the sector;
2. a certificate from an external verifying body;
3. a statement that the issuer undertakes to disclose information (no less than once a year throughout the lifetime of the bond) confirming that the funds raised are being put to appropriate use;
4. for the national projects segment: a statement by a government body, official, or interdepartmental committee confirming that the offering, the issuer, or the investment project are consistent with the objectives and results of one of the national projects.

Key documents:

- [Listing Rules](#) of Moscow Exchange
- Social Bonds Principles (SPB)
- [Green Bond Principles of the International Capital Market Association, \(ICMA\), 2018](#)
- [Climate Bonds Standard of the Climate Bonds Initiative](#)
- [VEB.RF Taxonomy \(VEB.RF National Methodology for Green Financing\)](#)

Responsible bodies:

- Listing Department
- Issuer Relations Department

ESG indices

103-2

The Responsibility and Transparency Index and the Sustainability Vector Index are calculated in accordance with the partnership agreement signed in March 2019 between Moscow Exchange and the RSPP. The purpose of the partnership agreement is to develop and booster sustainable business practices among Russian issuers, improving their investment appeal and helping them become more transparent and trustworthy for investors.

The composition of the indices is reviewed annually through an RSPP analysis of the reporting of major Russian companies. The indices are released daily on the websites of Moscow Exchange and the RSPP, as well as through various news agencies.

Key document:

- [Methodology for Calculating Moscow Exchange ESG Indices](#)

Responsible body:

- Indices and Market Data Department

ESG ETFs

103-2

ESG ETFs build their investment strategies and determine their asset structure based on the relevant sustainability stock indices of Moscow Exchange. By purchasing units of ESG ETFs, investors gain access to a diversified portfolio of the most successful Russian companies that comply with sustainability principles. Investors can manage the units independently. ETFs are the most popular securities with retail investors across the world.

Key document:

- [Rules for Trading on the Equity and Bond Market of Moscow Exchange](#)

Responsible body:

- Equity Market Department

Growth sector

103-2

In 2017, Moscow Exchange launched the Growth sector in cooperation with the Central Bank of Russia and a number of other partners, including the Ministry of Economic Development of the Russian Federation, SME Corporation and SME Bank.

The purpose of the sector is to help promising small and medium-sized enterprises raise capital. The primary objective of the sector is to facilitate the implementation of the national project "Small and Medium-sized Entrepreneurship and Support of Individual Entrepreneurship Initiatives". The sector already has a mature ecosystem that includes:

- a set of rules of entry to the sector, including a risk management system for vetting companies;
- a set of partners (development institutions);
- a network of professional service organizations;
- government support tools;
- a specialized project team within Moscow Exchange which is experienced in working with SMEs.

The Growth sector of Moscow Exchange is supported by the government, per [Russian Government Decree No. 532 dated 30 April 2019¹](#), which provides for partial compensation of the costs of issuing shares and bonds and the costs of agreements on assignment of a credit rating.

Measures to support companies in the Growth sector include:

- subsidies of up to 70% of the coupon rate;
- compensation of up to RUB 2.5 million for the issuer's costs on placement of the securities;
- anchor investments from SME Bank, with an option to act as the co-organizer of the offering;
- guarantees and endorsements for SME Corporation's bond offerings (up to RUB 1 billion);
- help from the territorial divisions of the Central Bank of Russia in organizing events for issuers;
- waived listing fees for SMEs placing bonds of up to RUB 400 million up to the end of 2022;
- reduced free-float listing requirements for Tier II stocks: RUB 500 million (compared to RUB 1 billion) for ordinary stock, and RUB 250 million (compared to RUB 500 million) for preferred stock.

¹ Decree of the Russian Government No. 2374 dated 30 December 2020 amended the Subsidies Rules.

Listing rules

Listing rules for SMEs:

- the issuer must have been established at least three years prior to the issue;
- the issuer must have revenue of at least RUB 120 million. The maximum revenue must be less than RUB 10 billion for bond issuers and less than RUB 25 billion for issuers of shares;
- for bond issuers:
 - the minimum issue volume is RUB 50 million;
 - there must be an assigned rating or support from development institutions (guarantees from the SME Corporation, anchor investments from SME Bank).

Priority is given to:

- SMEs;
- companies showing growth in financial results;
- industrial companies;
- companies with export revenue;
- companies that have received support from the SME Corporation, SME Bank, FRP, REC or RDIF.

Company screening and risk management

Companies that wish to join the Growth sector must meet a number of criteria. Each new issuer must undergo KYC (Know Your Customer) procedures that include a review by experts from Moscow Exchange departments who check each applicant against a set of risk parameters. If the review reveals any potential risks, the issuer's file is forwarded to the Growth Sector Board Committee¹, which then makes a final recommendation.

Many small and medium-sized businesses joined the Growth sector after receiving support from our partners, such as guarantees and endorsements from the SME Corporation, anchor investments from SME Bank, or a subsidized coupon rate (which significantly reduces the likelihood of default). Issuers in high-risk industries (real estate development, lease financing) can only join the Growth sector if they have an approved credit rating and have received a favorable recommendation from the Committee.

Innovation and Investment Market

103-2

The Innovation and Investment Market of Moscow Exchange was launched in 2009 to attract investments to the innovative sector of the Russian economy. The IIM consists of three segments. Each is intended for certain types of investors and issuers at different stages of development:

- The IIM sector helps innovative companies conduct IPO/SPOs and gain admission to public trading.
- The IIM-2 sector is a special exchange sector for private placements. Special exchange technology (block trading) is available for investors and issuers. This sector is for qualified investors only.
- The IPO board is an online information and trading system that provides access to venture capital and private equity for leading innovative small and medium-sized companies from Russia.

Key documents:

- Rules for Classifying Shares and Bonds of Russian Organizations, as well as Investment Units Circulating on the Organized Securities Market as Securities of the High-tech (Innovative) Sector of the Economy ([approved by Russian Government Decree No. 156 dated 22 February 2012](#))

Responsible bodies:

- Managing Director for Relations with Issuers and Authorities
- Committee for Development of the Innovation and Investment Market
- Innovation and Investment Market Coordination Council

Listing rules

Key listing requirements:

- market capitalization of at least RUB 500 million;
- business areas: telecommunications, internet, software, development and production of semiconductor devices, biotechnology, pharmaceuticals, high-tech, knowledge-based technologies, new materials, energy efficiency, etc.;
- credit rating assigned to the issuer and/or its bond issue by one of the approved ratings agencies;
- securities prospectus drawn up in line with Russian laws and information disclosure standards;
- investment memorandum containing detailed information about the company's financial and operational activity and the main goals and plans for delivering potential growth.

The innovative segment requires the involvement of a listing agent (i.e., an advisory, broker, or investment company accredited by Moscow Exchange).

Measures to support companies in the IIM sector:

- marketing and promotion programs for issuers conducting an IPO/SPO;
- attracting investors targeting companies of the given type;
- IR services and tools: presentations for investors, roadshows, webinars;
- information and analytical coverage based on monthly IIM reports;
- access to pension savings: according to Central Bank of Russia Regulation No. 580-P, up to 5% of the portfolio of pension savings of NPFs can be invested in shares of issuers included in the IIM-Prime segment;
- tax incentives for investors.

¹ The Board includes representatives of Moscow Exchange's partners: the Central Bank of Russia, the SME Corporation, SME Bank, Industrial Development Fund, and other organizations.

ENVIRONMENT OF RESPECT AND EMPOWERMENT

103-1

Moscow Exchange Group recognizes the important role of employees in the successful achievement of its goals and its consistently high reputation on global financial markets. The Group places great emphasis on professionalism: employees are expected to successfully achieve the companies' objectives in finance and IT. Therefore, HR strategies prioritize training and development, personal growth, well-being, and comfort in the workplace.

The Group fosters a strong corporate culture, which covers gender equality issues, labor rights, and human rights. It is continuously improving its incentive and social programs, and encourages employees to maintain good health. All employees can communicate their opinion on various matters to their employer; they can have a say in internal regulations, practices, and business processes in line with their competencies. All this helps the Group in solving tasks on an international level while building the country's financial market infrastructure.

Key documents:

- Human Resources Policy of Moscow Exchange Group
- Internal labor regulations
- Regulation on Variable Remuneration
- Regulation on Corporate Social Support

Responsible body:

- Personnel and Human Resources Policy Department

Employee engagement and efficiency

Key HR policy objectives

103-2

The Human Resources Policy of Moscow Exchange Group sets the following key objectives:

- engagement, motivation, and retention of high-end professionals;
- provision of opportunities for continuing professional development;
- creation of an atmosphere facilitating realization of employees' potential and achievement of the Group's strategic goals.

102-26

The Supervisory Board of Moscow Exchange considers issues associated with HR management, identifies strategic objectives in this area, and monitors the achievement of corporate goals. Among the matters considered at meetings of the Supervisory Board are:

- approving key HR policy documents, including the Long-term Incentive Program;
- setting annual corporate goals that cascade down to senior management and line employees, and monitoring their fulfilment.

Social climate

103-3

Moscow Exchange Group is strongly focused on the opinions and motivations of its employees in order to maintain a positive social climate in the workplace,

as well as to encourage staff to have a keen interest in operating results (for more details about the specific measures taken, see the sections "Employee remuneration and motivation" and "Corporate culture"). Monitoring is carried out in the form of an annual comprehensive study of employee engagement.

The comprehensive study of employee engagement consists of three sections:

Engagement	Loyalty	Satisfaction
An index reflecting employee motivation and the productivity of the working environment in a department	An index reflecting the commitment of employees of the company	The extent to which employees are content with their work, working conditions, and the work atmosphere at the company

Each of the three components is measured based on 58 closed-ended questions¹ and four open-ended questions (see the 2021 results in the subsection "Environment of respect and empowerment" of the section "2021 Sustainability Performance Highlights").

The results of the study are used to develop and prioritize measures aimed at improving employee levels in these three areas. In order to prepare further actions, employee focus groups are also held.

hiring practices and to fill all vacancies objectively are enshrined in the values of the Group and the Code of Professional Ethics of Moscow Exchange.

All types of leave envisaged by Russian law are provided to Moscow Exchange employees. These include annual paid leave, unpaid leave at the employee's request, educational leave, maternity and parental leave, leave to care for a child of up to three years of age, days off to care for a disabled child, days off to donate blood, etc. In addition to complying with statutory requirements, the Group provides its employees with two paid days off to be vaccinated against COVID-19.

Employee performance reviews

404-3

Moscow Exchange Group conducts annual performance reviews of all staff who have worked at the Group for more than three months of the reporting year. The criteria used in the reviews include both the achievement of personal targets and the completion of compulsory compliance training. Any confirmed violations of corporate requirements are also taken into account.

402-1

Moscow Exchange strives to avoid or minimize forced redundancies; it also attempts to mitigate the impact of staff cuts on employees when multiple dismissals are objectively necessary. The minimum notice period for future operational changes at the Group's companies is two months, in accordance with Russian law.

Employee remuneration and benefits

Moscow Exchange Group offers its employees competitive levels of pay, which includes fixed and variable (bonus) components. Both components are determined based on an existing system of levels of seniority (pay grades) and labor market data. The bonus portion depends on the overall performance of the Group and the employee's individual performance.

Employee remuneration and motivation

Employment relations

103-2

Employment relations at the Group's companies fully comply with Russian law. The companies of the Group also provide additional social benefits.

The commitment of the Group's companies to the principle of non-discrimination in their

¹ For more details about the 2021 results, see the subsection "Environment of respect and empowerment" of the section "2021 Sustainability Performance Highlights".

In order to retain key management personnel and ensure that they remain focused on the long-term development of the business, the Group has a Long-term Incentive Program, which is approved by the Supervisory Board. Long-term KPIs are also set for specialists below the manager level.

401-2

Moscow Exchange Group provides its full-time employees with a benefits package that includes insurance services, medical insurance, and other perks (including programs that encourage a healthy lifestyle and hobbies). Insurance packages are available to part-time and temporary staff as well.

The Social Affairs Commission of Moscow Exchange considers requests from employees for financial aid due to accidents or emergencies not covered by existing insurance programs¹.

Type of programs	List of programs	Types of employees covered by the program
Insurance services	Accident and illness insurance	All employees
	Voluntary health insurance ²	All employees; they may also insure their relatives at their own expense
	International health insurance	All employees; they may also insure their relatives at their own expense
	International travel insurance	All employees covered by voluntary health insurance
Medical services	Paid sick leave of up to 100% (in accordance with Russian law—up to 10 days)	All employees
Parental leave	Compensation for parental leave in accordance with Russian law	All employees
Maternity leave	Compensation of up to 100% (in excess of the statutory level established by Russian law)	All employees
Social programs	PrimeZone corporate discount program	All employees

In addition to the social package, Moscow Exchange funds the activities of a range of hobby clubs, including Moscow Exchange Smart (for the television quiz show “What? Where? When?”), a cooking club, Moscow

Exchange Walk (walking tours of Moscow), and various sports groups. Because the Group supports its employees in trying to lead an active lifestyle, there is a fitness room at office of Moscow Exchange.

Corporate culture

Moscow Exchange Group strives to develop its corporate culture based on the principles of leadership, commitment, and employee engagement.

Key corporate culture objectives:

- increasing employee engagement in implementing strategy;
- developing effective models of behavior for employees to implement business objectives at Moscow Exchange Group;
- improving the efficiency of vertical, horizontal, and cross-functional cooperation by employees.

The corporate values of Moscow Exchange Group are integrated in all key HR processes, including the internal communications system, incentive system, performance review system, and corporate training processes. In order to improve employee engagement, staff are encouraged to provide feedback (see the subsection “Social climate”).

All Moscow Exchange employees can communicate their opinions to management. They can provide feedback in the following categories:

- professional activities;
- cross-functional cooperation;
- personal comments;
- corporate events;
- consistency with corporate values;
- compliance with business ethics regulations;
- proposals to improve processes.

The feedback tool is used by various business units to review communications and questions from employees.

Employee appreciation

Moscow Exchange has non-financial incentive programs in place for its employees.

As part of the Appreciation Program, an annual contest is held to identify the most active and best performing employees of Moscow Exchange, as well as the best functional and project teams. Winners are selected

³ The Net Promoter Score (NPS) is an indicator of learner experience and willingness to recommend training to colleagues.

⁴ Hard skills are professional skills.

⁵ Soft skills are “supra-professional” skills, personal qualities, and proficiencies.

in five categories, and the corporate intranet is used for the voting. The winner of the “CEO’s Choice” category is selected by the Chairman of the Executive Board.

The MEMS project was launched in 2016. In MEMS, employees earn virtual currency for taking part in the Group’s various activities and for demonstrating an unconventional approach to problem-solving. They receive the currency from their managers in recognition for their performance, from their colleagues for helping them in the course of their work, and from the companies of the Group for active participation in corporate activities. They can redeem the currency at the Group’s in-house store to buy special Moscow Exchange souvenirs that are unavailable for purchase elsewhere.

Learning and development

404-2

The learning and development system of Moscow Exchange includes educational programs, development in the workplace, and self-study resources. Employees themselves choose what type of training they would like to engage in. Staff can use state-of-the-art technologies, corporate resources, and other tools to meet their development needs.

Evaluation of learning needs

103-3

Moscow Exchange has traditionally paid considerable attention to the quality of training, and it regularly analyzes employee competencies and experience participating in training courses and programs. This helps Moscow Exchange plan the further development of the professional development system. An NPS³ is included in the KPIs of the Training Unit of the Moscow Exchange.

To identify learning needs, a comprehensive study is carried out to analyze HR risks, assess the effectiveness of educational activities, obtain 360-degree feedback, and identify the most promising employees.

Every quarter, any Moscow Exchange employee can apply to take hard-skills training⁴. All requests are considered and approved based on the allocated budget, provided that there is a confirmed business need for the training. The Group also conducts compulsory training sessions in soft skills⁵ for novice managers. An individual

development program is created for members of the succession pool (successors to key positions).

70-20-10 model

103-2

In 2017, the Group adopted the 70-20-10 learning model, which calls for a paradigm shift in learning in favor of self-education and development in the workplace (70% of efforts), along with learning through others' experience (20% of efforts), and training (10% of efforts).

The Group runs a mentorship program where experienced staff pass on their knowledge to new employees, helping them get a better understanding of their jobs and adapt to their new workplace.

Within the first few months at Moscow Exchange, all employees must complete training on the Code of Professional Ethics, which also covers human rights. Completion of the training is registered in the computer system using an electronic signature.

Key documents:

- Human Resources Policy of Moscow Exchange Group
- Internal labor regulations

Responsible body:

- Personnel and Human Resources Policy Department

Moscow Exchange training programs

404-2

Program	Description
In-house training for employees	
Management Faculty for novice managers	The program helps participants adapt to their new role when assuming a managerial position. It also assesses their managerial experience and familiarizes them with practical tools for managing a team.
Management Faculty for experienced managers	The program allows participants to refresh their management skills, familiarize themselves with new approaches, and test specific practical tools
Personal Effectiveness Faculty	The program is aimed at developing employees' "supra-professional" skills (or "meta-skills"). It helps them manage their personal perceptions and thoughts and control their emotional state in stressful situations, allowing them to continue to work effectively.
Project Faculty	The program is aimed at comprehensive development of employee skills in project management and at improving cooperation of project teams.
Professional Faculty	The program explains key business processes and best practices in management. It also includes English language courses. The "In-House Coaches" project allows employees to participate in short workshops, training sessions, and seminars to acquire unique knowledge accumulated at companies of the Group.
ESG webinars and long read	Regular sustainability seminars for various categories of employees.
External training for employees	
Individual and group training	Moscow Exchange provides its employees with opportunities to engage in several types of training <ul style="list-style-type: none"> ■ training activities (training courses, seminars, roundtable discussions, online courses, etc.); ■ conferences; ■ specialized practical training aimed at obtaining and developing the knowledge, skills, and proficiencies that are vital for employees.

Diversity and equal opportunity

102-16

In accordance with Russian law, the principles of Conventions No. 111 and 156 of the International Labour Organisation, and the Code of Professional Ethics of Moscow Exchange Group, the Group does not tolerate any form of discrimination in the workplace. Moscow Exchange Group respects all cultures, opinions, and lifestyles. It rejects all forms of harassment and discrimination based on gender, religion, way of thinking, ethnicity, nationality, physical ability, gender identity, skin color, marital status, political views, or affiliation/non-affiliation with any social group.

Moscow Exchange does not participate in any actions that could contribute to a workplace atmosphere of intimidation, hostility, abuse, or abasement of human dignity. The Group strives to provide equal employment opportunities and ensure gender equality among its staff.

The work schedule and scope of work of Moscow Exchange employees are regulated by the respective job descriptions and internal regulations, which are fully compliant with the Labor Code of the Russian Federation. Additional hours of work—or any overtime work as stipulated in the respective employment contract—require the personal consent of the employee, and such work is paid in accordance with Russian labor law.

Moscow Exchange Group has computerized the process whereby staff who work on statutory days off submit forms via the intranet; this ensures additional transparency for the HR department and guarantees the employee will receive proper compensation.

According to the Code of Professional Ethics, hiring, filling vacancies, determining remuneration, and providing opportunities for upgrading employee skills and training are based on the professional qualities and performance metrics of individual employees. The Group has zero tolerance of any forms of favoritism.

Key documents:

- Human Resources Policy of Moscow Exchange Group
- Code of Professional Ethics of Moscow Exchange
- ILO Conventions Nos. 111 and 156
- UN Universal Declaration of Human Rights

Responsible body:

- Personnel and Human Resources Policy Department

Occupational health and safety, and well-being of employees

403-1 403-4 403-8

Moscow Exchange Group takes responsibility for the health and safety of its employees; it sets corresponding goals and objectives, and plans and funds activities to achieve them. The occupational health and safety system of Moscow Exchange conforms to the requirements of Russian law. It covers 100% of the Group's employees. No contractors or business partners of the Group are covered. The Group also has the Occupational Health and Safety Policy, which was approved in 2018 and lays out corporate standards for occupational health and safety.

According to the Occupational Health and Safety Policy, Moscow Exchange Group assumes the following obligations:

- to comply with Russian law requirements on occupational health and safety of employees and ensure compliant working conditions;
- to provide safe working conditions through consistent and continuous activities aimed at preventing accidents, work-related injuries, and work-related ill health, including by managing professional risks;
- to inform all employees of any hazards, harmful factors, or professional risks identified in the workplace;
- to improve the occupational health and safety management system in order to ensure it meets the Group's needs and facilitates the professional development of employees responsible for occupational health and safety;
- to provide employees with personal protective equipment, if needed;
- to involve employees (or representative bodies authorized by them) in the occupational health and safety management system and collect feedback from employees;
- to ensure the proper functioning all levels of control over compliance with OHS regulations;
- to reinforce the personal interest of each employee in ensuring safe working conditions by increasing responsibility for compliance with OHS requirements;
- to assess working conditions regularly and monitor compliance with statutory OHS requirements, including sanitary rules imposed to combat epidemics.

Evaluation of working conditions and professional risk assessment

403-2

In accordance with internal regulations, the heads of Moscow Exchange's business units manage OHS activities. In the event of any complaints regarding working conditions (for example, lack of light, malfunctioning ventilation or air-conditioning systems, etc.), or where any occupational health and safety violations are identified, any employee can submit a request to technical support describing the problem.

403-8

In 2020, the OHS management system underwent an external audit. The audit ascertained that the system conformed to Russian law. No audit was conducted in 2021.

Occupational health and safety training

403-7 403-5

All new employees of the Group undergo compulsory induction briefings on occupational health and safety, fire safety, civil defense, emergencies, and electrical safety. In addition, the OHS training system includes:

- an interactive video course on occupational health and safety;
- training and exams at a special study center;
- an intranet portal where employees can review all OHS instructions and regulations and undergo online training.

There is currently no approach to OHS management for the supply chain. However, Moscow Exchange soon plans to develop a Supplier Code with an integrated approach to OHS management in coordination with its business partners.

Good health and employee well-being

403-6

Moscow Exchange Group seeks to support the good health and psychological well-being of its employees.

Tips on healthy eating and living are regularly posted on the intranet. There is also a healthy food station and regular "Health Weeks".

Fruit is provided for employees at the Group's offices, the cafeteria offers healthy food, and vending machines feature a healthy assortment of snacks.

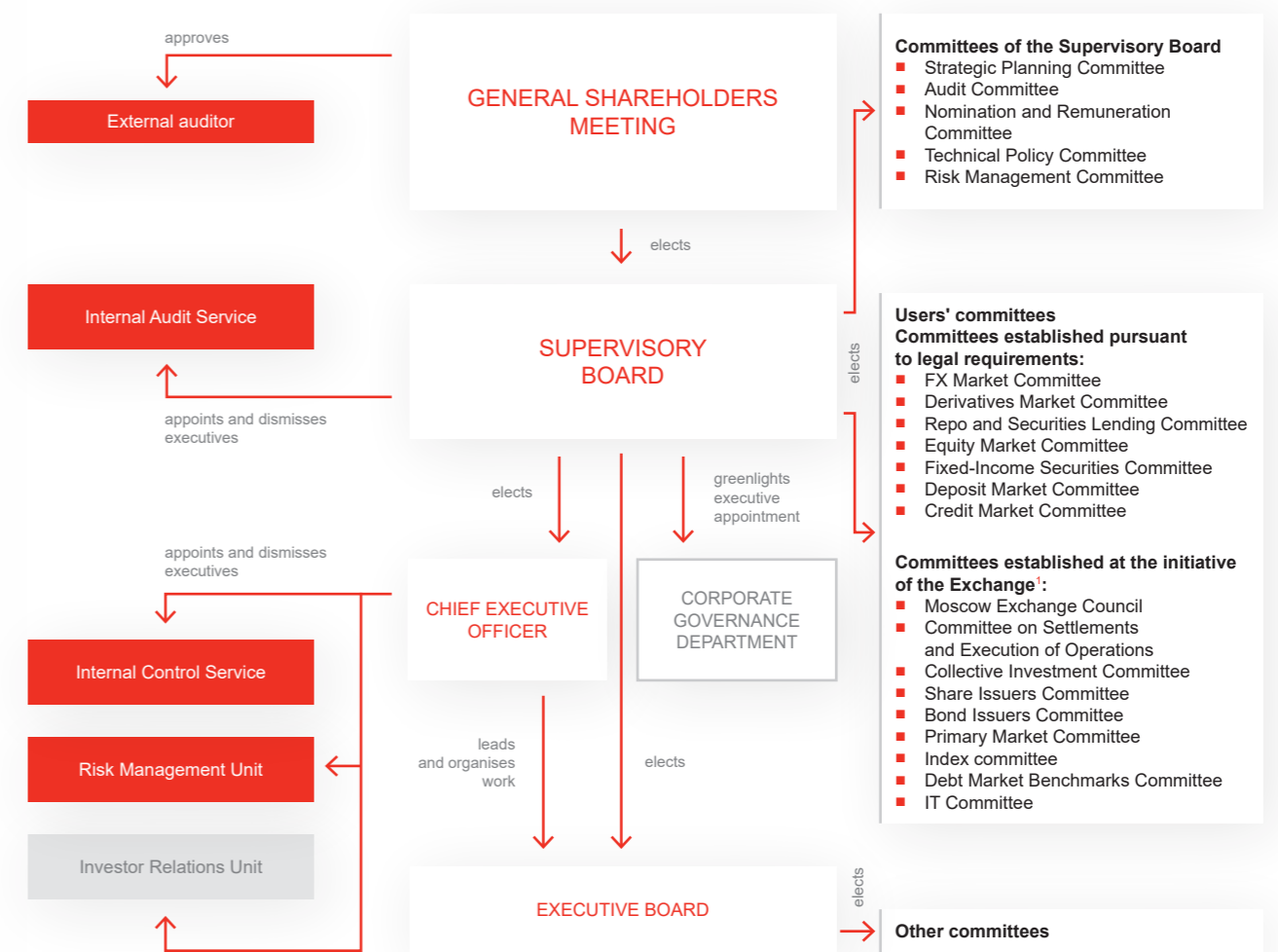
There is a gym for employees, with cardio machines, table tennis tables, and opportunities are provided for running, swimming, volleyball, basketball, soccer, and hockey. Competitions are also held. The Moscow Exchange indoor soccer league holds a tournament every year, with teams from various investment companies and banks taking part.

In order to prevent the spread of infectious diseases, especially COVID-19, the Group's companies take comprehensive measures to continually protect their employees. For more details, see the section "Overview of the COVID-19 response".

ADVANCED GOVERNANCE AND RESPONSIBLE BUSINESS PRACTICES

102-18

Structure of corporate governance system



- Governing bodies
- Audit control organisation
- Interaction with investors and shareholders
- Corporate Secretary
- Advisory bodies

* The Exchange's advisory and consultative bodies established pursuant to requirements of Article 10 of Federal Law No. 325-FZ dated 21 November 2011 "On Organised Trading" and Regulations of the Bank of Russia No. 437-P dated 17 October 2014 "On Organised Trading Activities"

The corporate governance system

Moscow Exchange Group's corporate governance system is based on Russian statutory rules and recommendations issued by the Central Bank of Russia, as well as on international best practices and standards. To improve the quality and effectiveness of corporate governance, the system is constantly being improved to align with the requirements of regulatory bodies, the opinions of shareholders and investors, and the Group's development strategy.

The corporate governance system of Moscow Exchange Group is comprised of the following governing, auxiliary, and control bodies:

- the General Shareholders Meeting is the supreme governing body;
- the Supervisory Board handles general management of Moscow Exchange's activities and strategic management;
- the Supervisory Board committees have an advisory role; their responsibilities include preliminary consideration and formulation of recommendations to help the Supervisory Board decide crucial issues;
- the chairman of the Executive Board and the Executive Board itself are the executive governing bodies; they govern day-to-day activities at Moscow Exchange;
- the Internal Control and Internal Audit services oversee the effectiveness of risk management

and corporate governance practices and compliance with legal requirements, corporate policies, and business processes, and also perform other functions; an independent external auditor¹ reviews and confirms the Group's financial reports;

- the user committees are advisory bodies of Moscow Exchange;
- the Corporate Governance Department and the Corporate Secretary coordinate the Exchange's actions to protect shareholders' rights and interests.

Moscow Exchange's Corporate Governance Code is in force at the Group; it sets out core principles and objectives of the corporate governance system, including the principles of implementing corporate governance which are to be followed by the Group's companies. A top-level approach to management approved at Moscow Exchange and then integrated at all companies of the Group. NCC and NSD strive to implement all requirements relevant to Moscow Exchange in their activities.

See the [2021 Annual Report of Moscow Exchange Group \(p. 63\)](#) for more detailed information on Moscow Exchange's corporate governance system and the results of its development in 2021, as well as for further information on its key governing bodies.

Key documents:

- Federal Law No. 208-FZ dated 26 December 1995 "On Joint-Stock Companies"
- Federal Law No. 325-FZ dated 21 November 2011 "On Organized Trading"
- Central Bank of Russia [Corporate Governance Code](#)
- [Listing Rules of the Moscow Exchange](#)
- [G20/OECD Corporate Governance Principles](#)
- [Internal policies, regulations and other bylaws, including the following:](#)
 - [Charter of Public Joint-Stock Company Moscow Exchange MICEX-RTS](#)
 - Regulation on the Identification and Prevention of Conflicts of Interest by Public Joint-Stock Company Moscow Exchange MICEX-RTS When Acting as a Trading Organizer and Financial Platform Operator
 - Succession Policy for Members of the Supervisory Board of Public Joint-Stock Company Moscow Exchange MICEX-RTS
 - Regulation on the Stock-based Long-term Incentive Program for Key Experts of Public Joint-Stock Company Moscow Exchange MICEX-RTS

¹ The Central Bank of Russia recommends that the auditing organization be determined through open bidding, at least once every five years. The audit company was last changed in 2017.

Governing bodies

General Shareholders Meeting

The General Shareholders Meeting acts in accordance with Russian legislation and the Charter of Moscow Exchange.

Supervisory Board

The Supervisory Board is the main governing body of Moscow Exchange, acting in accordance with the Charter and the Regulation on the Supervisory Board of Moscow Exchange, approved by the General Shareholders Meeting. The committees under the Supervisory Board consider sustainability-related issues in accordance with their scope of authority. See the [2021 Annual Report of Moscow Exchange Group \(p. 74\)](#) for further details on the work of the committees.

Supervisory Board members are elected by the General Shareholders Meeting to sit on the Board until the next Annual General Shareholders Meeting. The members of the Supervisory Board are elected by cumulative voting.

102-26

The competence of the Supervisory Board is defined in the Charter and is delimited from the competence of Moscow Exchange's executive bodies, which manage its day-to-day activities. In particular, the Supervisory Board is responsible for approving the mission, strategy, and performance targets of Moscow Exchange, as well as most of its internal policies; it also takes decisions on pressing issues that affect the implementation of the strategy and the Group's long-term development.

External and internal evaluation

102-28 103-3

As per the recommendations of the Corporate Governance Code of the Central Bank of Russia and best international practices, the Supervisory Board of Moscow Exchange self-assesses the effectiveness of its activities annually. In addition, an external evaluation involving an independent consultant is carried out once every three years; the next is scheduled for 2022.

Remuneration of the Supervisory Board members

102-35 102-36

The system of remuneration of Supervisory Board members is set out in the Regulation on Remuneration and Compensation of Expenses, approved by resolution of the Annual General Shareholders Meeting. Each Supervisory Board member is paid a fixed amount, depending on

- the Supervisory Board member's status (compliance with the independence criteria);
- additional functions performed (as chairman or deputy chairman of the Supervisory Board);
- contribution to the work of the committees under the Supervisory Board (as committee chairman or member);
- attendance at meetings of the Supervisory Board.

As per the current legislation of the Russian Federation, the "say on pay"² concept is not applicable.

Executive Board

The Executive Board manages the day-to-day operations of Moscow Exchange. The chairman of the Executive Board acts on behalf of Moscow Exchange without the need for a power of attorney. He or she represents its interests, issues orders, gives instructions mandatory for all Moscow Exchange employees, and delegates certain powers.

Remuneration of Moscow Exchange executives

102-35 102-36

The system of remuneration of Moscow Exchange executives is regulated by the Policy on Remuneration and Compensation of Expenses of Executive Body Members. The policy sets out the principles of and approaches to remuneration; it establishes the procedure for determining the amount of remuneration and the types of payments, benefits, and perks granted to executive body members. Remuneration consists of a fixed and a variable component. The variable component accounts for a significant share of annual pay. There are plans to review and implement sustainability KPIs for Executive Board members. Consultants are not involved in determining remuneration.

² A corporate rule applicable in some jurisdictions: it grants shareholders the right to vote on the remuneration paid to members of the main corporate governance bodies.

The total amount of remuneration to be paid to Executive Board members is assessed by the Nomination and Remuneration Committee for compliance with the remuneration level at comparable companies, based on research purchased from leading consulting companies. Members of Moscow Exchange's executive bodies are not paid remuneration for their work on the governing bodies of other companies of the Group.

See the 2021 [Annual Report](#) (p. 82, pp. 87–88) for further detail on the system of remuneration of governing body members.

Preventing conflicts of interest

102-25 [FN-EX-510a.2](#)

In order to prevent conflicts of interest among members of the governing bodies, the Policy on Management of Conflicts of Interest and Corporate Disputes has been adopted. The key principles of this policy include

- the requirement that members of the Supervisory Board, members of the Executive Board, and the chairman of the Executive Board notify Moscow Exchange of conflicts of interest;
- priority of the interests of Moscow Exchange and its shareholders over the personal interests of the members of Moscow Exchange's governing bodies;
- contribution of the Supervisory Board to the prevention, identification, and settlement of corporate conflicts;
- priority participation of independent directors in preventing corporate disputes and performance of significant corporate actions by Moscow Exchange.

A list of affiliated persons is disclosed on the Moscow Exchange website to inform shareholders and other interested parties. See the [corresponding report](#) for information on interested party transactions made by Moscow Exchange in the reporting year.

Sustainability management system

102-19 102-20 102-29

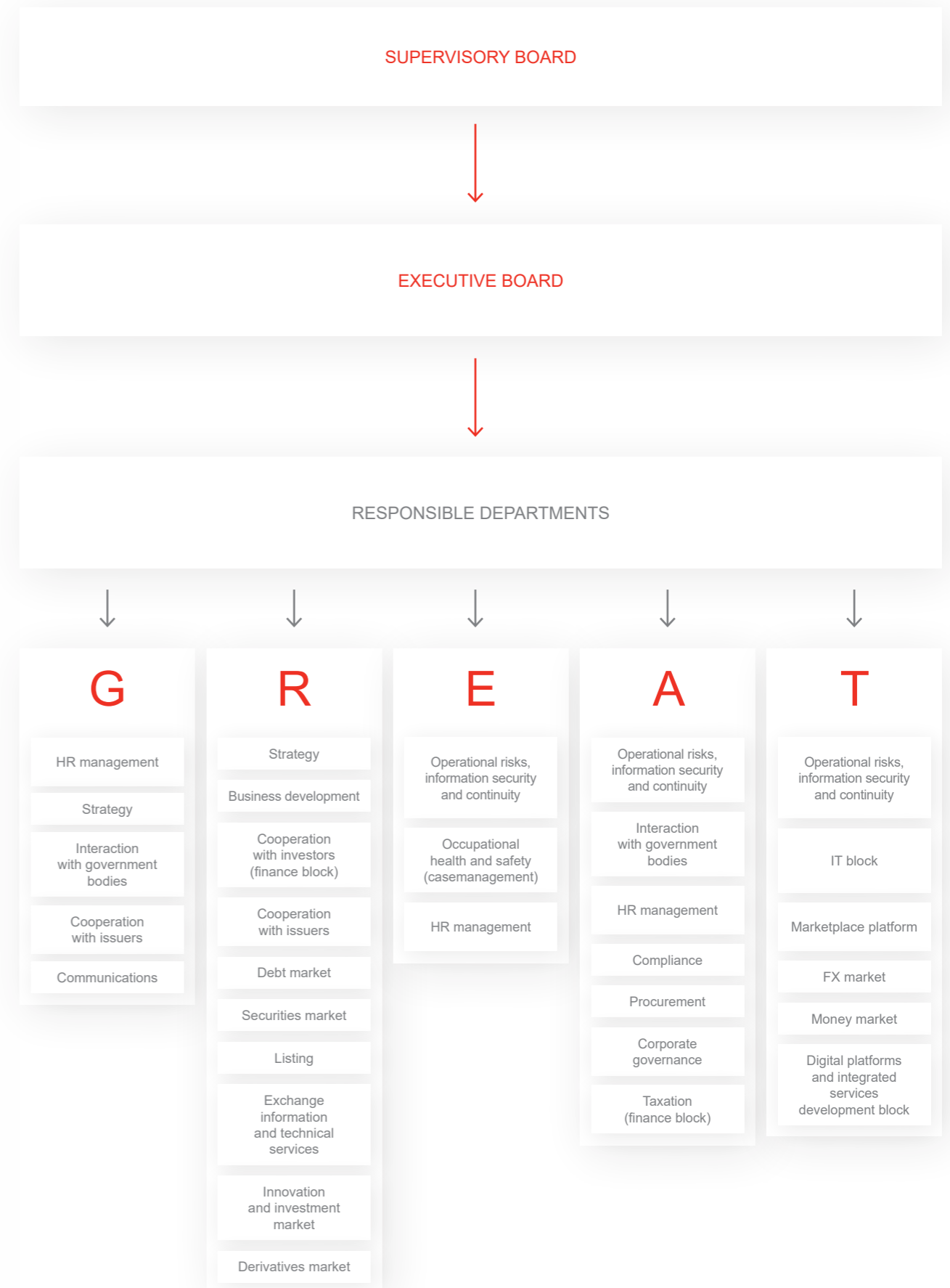
Sustainability-related powers are distributed among the Supervisory Board, the Executive Board and the chairman of the Executive Board; this distribution is established in the [Charter of Public Joint-Stock Company Moscow Exchange MICEX-RTS](#).

The Supervisory Board reviews sustainability reports. The decisions made at meetings are submitted to management for execution.

The Executive Board shapes Moscow Exchange's overall sustainability agenda and is responsible for operational decisions in this area. In 2021, the Executive Board decided to form an advisory body for sustainability. The body was created under the Sustainability Roadmap; its functions include the development of goals on economic, environmental, and social aspects. The chairman of the Executive Board manages sustainability-related activities and may delegate their management to specific departments.

Management of the sustainability agenda at the departmental level is shown in the diagram.

The chairman of the Supervisory Board and independent directors are regularly invited to speak at roundtables and conferences where sustainability-related issues are discussed. There is also interaction on relevant issues at the level of government authorities. The chairman of the Supervisory Board may receive enquiries and requests from stakeholders through the feedback form available on the corporate website. There are also informal channels for interacting with stakeholders. The members of the Supervisory Board are open to dialogue with all stakeholders, including through informal channels of communication, to process enquiries and requests and submit them to management.



Business ethics and anti-corruption

Maintaining and developing a culture of trust and responsibility is a key priority of Moscow Exchange Group's updated strategy. The Group upholds high standards of corporate business conduct and values its reputation. In particular, Moscow Exchange adheres to the principle of zero tolerance of corruption in any form.

Key documents:

- [Policy on Preventing Corruption-related Offenses](#)
- [Code of Professional Ethics of Moscow Exchange](#)
- [Code of Ethics of NSD NCO JSC](#)
- [Code of Business Ethics of NCC NCO JSC](#)
- [Policy on Preventing Corruption-related Offenses at NCC NCO JSC](#)
- [Procedure for Preventing Conflicts of Interest at NCC NCO JSC](#)
- [Moscow Exchange Information Policy](#)
- [NCC NCO JSC Information Policy](#)
- [Rules of Internal Control of NCC NCO JSC to Combat the Legalization \(Laundering\) of the Proceeds of Crime, the Financing of Terrorism, and the Financing of the Proliferation of Weapons of Mass Destruction](#)
- [Regulation on the Contractual Activities of NCC NCO JSC](#)
- [Information on efforts by Moscow Exchange Group counterparties to prevent money laundering and financing of terrorism](#)
- [Moscow Exchange's Know Your Customer/Counterparty Policy](#)
- [Conflict of Interest and Corporate Conflict Management Policy](#)

Responsible bodies:

- Each business unit of Moscow Exchange is responsible for identifying and assessing risks in its own processes, including corruption-related risks
- Internal Control and Compliance Department
- Audit Committee of the Supervisory Board

102-16

Key principles of the Moscow Exchange Code of Ethics:

- respect for staff and equal opportunity;
- respect for staff civil rights, including their right to freedom of speech;
- zero tolerance of corruption;
- prevention of conflicts of interest;
- combating money laundering and terrorism financing;
- countering the use of inside information;
- protection of Moscow Exchange's assets, including intellectual property rights;
- protection of shareholders' interests;
- non-disclosure of confidential information and protection of intellectual property rights;
- maintaining trust-based relationships with customers, partners, and government authorities;
- neutral stance towards political and religious activities (the Group's employees are, however, welcome to engage in such activities at their own expense and as private individuals);
- corporate social responsibility and commitment to sustainability.

The Code of Professional Ethics sets out values that are fundamental to decision-making in the course of Moscow Exchange's activities:

- openness and decency;
- continual development and openness to change;
- partnership with customers;
- responsibility for the future of the company.

Anti-corruption

To implement the zero-tolerance principle, Moscow Exchange Group takes steps to prevent corruption. These measures are aimed at both internal and external stakeholders, including informing and training staff, developing mechanisms to obtain information on events that involve the risk of corruption, and incorporating anti-corruption provisions into contracts with counterparties.

Key principles of the anti-corruption policy

- Moscow Exchange prohibits the offering/acceptance of any items of value (including gifts and incentive payments) in soliciting assistance to solve any issues.
- Moscow Exchange prohibits transactions with third parties that would act on behalf of or in the interests of Moscow Exchange.
- Moscow Exchange has corruption risk controls embedded in all aspects of its activities.

- Moscow Exchange incorporates anti-corruption provisions (clauses) into contracts and vets all counterparties.
- Moscow Exchange provides mechanisms for its staff and third parties to report information on corruption risks (including anonymously).

Mechanisms for reporting instances of corruption and violations of standard business practices

205-2 102-17

The Group created "SpeakUp!", an intranet portal for reporting compliance-related issues, enabling the responsible officers to be promptly informed of possible instances of corruption and violations of standard business practices. The information reported is considered confidentially; the Group's anti-corruption policy guarantees non-retaliation – official or otherwise – for those who report information. After processing, statistics on reports submitted via SpeakUp! are sent to the Audit Committee, and, if necessary, they are escalated to the Supervisory Board. Third parties can use the SpeakUp! function on the [Group's website](#).

Employees can also use SpeakUp! to get advice on ethical business conduct and anti-corruption. Moscow Exchange adheres to the open-door principle; employees can also directly contact the compliance department by phone, submit questions via a dedicated email address, and use the internal compliance portal. Information about obtaining advice on business ethics is provided to employees in the course of training on anti-corruption policies and methods.

To ensure that staff awareness of anti-corruption practices and methods remains high, Moscow Exchange Group provides information to its personnel at several levels:

1. Upon hiring, new employees undergo a brief training course and read and sign key documents.
2. Whenever the values, principles, or behavioral standards and rules of Moscow Exchange change, staff are informed accordingly through the internal portal and other means of internal communication (the corporate magazine, posters, newsletters, etc.).
3. Supervisory Board members who are not employees of Moscow Exchange Group are introduced to new values, principles, standards, and rules of conduct when approving the relevant documents.
4. The Group also runs an internal training course that is mandatory for all employees.

Approach to taxation

207-1

The approach to taxation is described in the tax strategy of Moscow Exchange Group. In its tax-related activities, the Group relies on the requirements of the tax legislation and considers effective management of tax risks to be a significant factor in increasing the Group's value. In 2021, there were no tax disputes at the Group.

The Company values its reputation as a responsible taxpayer and strictly complies with tax laws in all jurisdictions where it does business. As a major taxpayer, the Group recognizes the importance of being a socially responsible business and strives to balance corporate, government, and public interests.

The tax strategy was developed in 2021 and approved in 2022. As of the date of this report, the tax strategy has not been made public.

The Group adheres to the following guiding principles for the tax function:

- systemic, consistent, and transparent management of tax-related issues;
- clear allocation of functions and responsibilities among the parties involved in tax relations;
- participation of the Group's senior management in decision-making on key tax issues, as well as timely involvement of tax experts in decision-making on corporate issues;
- availability of effective tools for monitoring the implementation of decisions, including automation of key processes and procedures.

The tax strategy is approved by the Supervisory Board of Moscow Exchange. The tax strategy is revised whenever the approaches set out in the tax strategy are changed.

207-2

The Internal Audit Service (IAS) is responsible for monitoring compliance with the tax strategy and legal requirements. The tax management system is assessed by the IAS at least once a year. The approach to taxation is set out in the Group's tax strategy.

Moscow Exchange and NCC take the following approach to tax risks:

- tax risks are integral to the Group's risk management and internal control system; they are identified according to the principles established by Moscow Exchange's Supervisory Board: continuity, economic feasibility, and efficiency;
- all identified tax risks are subject to an assessment and materiality ranking;
- tax risks are monitored quarterly through control procedures.

The fulfilment of tax obligations is subject to an annual audit procedure and is disclosed in the Group's annual report. The latest information on the fulfilment of tax obligations is given in the 2021 Annual Report.

207-3

Moscow Exchange and NCC are involved in tax monitoring. NSD plans to join tax monitoring in 2024. Tax monitoring refers to an open dialogue between the Group's companies and the tax authorities. The exchange of information is facilitated via remote access to the information systems of Moscow Exchange and NCC, as well as to their accounting and tax reports. This method of providing data to the tax authority allows the Group to promptly coordinate a position with the tax authority on the taxation of planned and completed transactions.

Moscow Exchange has joined the following organizations which discuss issues related to transparent taxation: SRO NFA (National Financial Organization), ABR (Association of Banks of Russia), and NAUFOR (National Association of Stock Market Participants). Moscow Exchange is involved in preparing amendments to tax legislation based on best practices, representing the interests of financial market participants.

The Group discusses pressing issues associated with amendment of the tax legislation at working groups, committees, and roundtables; it also prepares draft regulations and requests for clarification of the legislation. It can also analyze, update, and submit proposals to government authorities to amend the tax legislation.

Key documents:

- Tax Strategy of Moscow Exchange Group

Responsible bodies:

- relevant departments: Finance Unit (Accounting, Taxation Group);
- Executive Board of Moscow Exchange (review of risk management regulations);
- Risk Management Committee;
- Supervisory Board (taking decisions on the tax risk management policy).

Supply chain management

Moscow Exchange Group emphasizes responsible supply chain management and close cooperation with suppliers of products and services in order to ensure economically efficient procurement and to mitigate relevant financial and non-financial risks. The Group has a vested interest in developing fair competition on the market and strives to cooperate with reliable and responsible suppliers.

Key principles of procurement

414-1

- transparent procurement: any supplier may fill out a questionnaire on Moscow Exchange's website; auctions are held on a B2B digital trading platform;
- equality, fairness, non-discrimination, and no unreasonable competition restrictions imposed on participants in procurement: all participants, regardless of the size of their business and their country of registration, enjoy equal rights to participate if the transparency and substantive criteria are met;
- there is no additional bidding stage after the final call for bids is announced, unless there are justified changes in the terms of reference, in which case the process is treated as a new procurement;
- no provision of services by suppliers who violate Russian legislation currently in effect, including the Labor Code;
- zero tolerance for any corrupt practices.

Key documents:

- Regulation on Procurement of Moscow Exchange
- Internal regulations on interaction between Moscow Exchange and other companies of the Group

Responsible bodies:

- relevant departments (procurement initiation, preparation of requirements and terms of reference)
- Procurement Assurance Department (organization and implementation of procurement)
- Procurement Committee (approval of purchases exceeding RUB 6 million)
- Executive Board of Moscow Exchange (approval of purchases exceeding RUB 300 million)
- Supervisory Board of Moscow Exchange (approval of purchases exceeding RUB 600 million)

102-9

The bulk of procurement by Moscow Exchange Group relates to IT, specifically the development, maintenance, and purchase of modern software and hardware. Due to the specific requirements of Moscow Exchange, its activities often demand unique technological solutions. In most cases, such challenges are solved

by consultants and contractors. The Group contributes to boosting demand for innovative and high-tech products and services, as well as creating new jobs in the supply chain.

Supply chain risk management

414-1

Moscow Exchange Group always assesses economic, financial, and related-party risks associated with all its suppliers, using the latest data for verification (which should be no older than one year). Suppliers assessed to have a high level of risk are not granted contracts. If a supplier is found to be dishonest (breaching a contract or bidding requirements), they may be disqualified.

In accordance with internal regulations, the procurement documentation includes a link to the corporate portal or an email address where losing bidders can submit feedback on the transparency and fairness of procurement procedures.

To manage ESG risks in the supply chain, Moscow Exchange Group uses standard contract templates containing clauses stipulating that suppliers must comply with Russian legislation (including the Labor Code), as well as a clause emphasizing the Group's zero tolerance for corruption and bribery. In the agreements concluded between Moscow Exchange Group and its suppliers, the parties warrant that their employees will not offer, solicit, or consent to any corrupt payments (in cash or valuable gifts) to any persons, nor accept such money or gifts.

TRUSTED AND RESILIENT MARKET INFRASTRUCTURE

103-1 103-2 103-3 102-15 102-30

Risk management

Moscow Exchange Group has successfully established an integrated risk management system that complies with Russian regulatory requirements, as well as with leading international standards and best practices.

Key documents:

- [Market operator-related risk management rules](#)
- [Financial platform operator-related risk management rules](#)
- [Declaration on Business Continuity](#)
- [Business Continuity Policy of Moscow Exchange](#)
- [Regulatory Risk Management Policy of Moscow Exchange](#)
- [Personal Data Processing Policy of Moscow Exchange](#)
- [Regulation on the Audit Committee](#)
- [Regulation on the Internal Audit Service](#)
- [Declaration on Information Security](#)
- [Policy on Information Security Management of Moscow Exchange](#)

Responsible bodies:

- Risk Management Committee of the Supervisory Board
- Risk Management Unit
- Internal Audit Service
- Internal Control Service

Role of management bodies in risk management

103-2 102-30

ESG risk management is handled by the Supervisory Board and other management bodies, such as participants in the Group's integrated risk management system. They perform monitoring and control procedures.

The Supervisory Board of Moscow Exchange is responsible for establishing principles and approaches of the risk management system, including approving the risk management strategy, internal documents, and policies that stipulate actions to prevent the materialization of risks and minimize their consequences.

The Risk Management Committee of the Supervisory Board reviews risk management reports and develops recommendations for managing individual risk profiles, analyzes internal procedures and proposes measures for improving them, and monitors reports submitted. Similar structures have been established within the Group's companies, including the Risk Committee of NCC Supervisory Board and the Risk Committee of NSD Executive Board. Moscow Exchange has also created a separate business unit that is responsible for managing the risks of the market operator.

ESG risks and their potential impact on the Group's operations are identified annually within the Group's integrated risk management system. Risk acceptance and pre-approval of risk management issues are submitted for discussion at Supervisory Board meetings. The Executive Board is responsible for defining an acceptable level of risk.

The Group has been conducting regular training sessions for its employees to improve their risk identification skills. The sessions are part of the Risk Management System Development Strategy. Risk-management-related KPIs are included in the criteria used by management for assessing employee performance.

Key risk profile

102-15

Each of the Group's companies faces different types of risk, depending on the specific nature of their activities. As the parent company of the Group, Moscow Exchange faces risks associated with the organization of trading, as well as with transactions involving its own assets. NSD, as a core element of Russia's financial market

Key:




- High
- Medium



Risk	Description	Risk management activities
Strategic risk		
Significance	Risk of expenses (losses) resulting from (1) erroneous assumptions made by management in preparing, approving and executing strategic plans; (2) inadequate execution of decisions made by management; (3) the impact of changes caused by external factors and that affect or could affect the Group's performance	<ul style="list-style-type: none"> ▪ Developing transformation projects in organized trading or related activities, including providing additional services and access to organized trading for new financial instruments, foreign currency, goods, and other organizational or technology changes in a uniform and structured manner; ▪ Conducting feasibility studies for transformation projects, including analyzing the following variables: investment feasibility, potential economic benefits, mitigation of identified risks, and potential operational improvements; ▪ Analyzing the effectiveness of implemented transformation projects, including post-project (post-investment) monitoring; ▪ Planning the development of strategic activities (e.g., by designing strategic plans). As part of this process, Moscow Exchange designs a five-year strategic plan, prepares a Roadmap to guide strategy execution, assesses the resources needed to successfully execute the strategic plan, and receives final approval of the strategic plan from the Supervisory Board, which may decide to amend certain aspects; ▪ Evaluating the strategic plan in terms of feasibility and amending it, if needed. This process may also involve assessing the related risks, as well as evaluating whether the strategic plan is consistent, aligned with market conditions, acceptable for stakeholders and likely to generate a competitive advantage for Moscow Exchange Group.

infrastructure, faces risks in its depository activities. The key risk bearer in the Group is NCC, which acts as a clearing house and central counterparty for all major markets of the Group, and as a commodity delivery facility for the commodities market.

The Group's financial and non-financial risk map is updated annually following the results of the risk identification procedure. Non-financial risks are classed into several categories, as described in the table below¹.

¹ Detailed information on risk management is presented in the 2021 Annual Report.

Risk	Description	Risk management activities
Compliance risk		
Significance 	Risk of losses due to failure to comply with legislation, internal regulations and standards issued by self-regulatory organizations (if such standards and rules are obligatory) or as a result of sanctions and other enforcement measures taken by oversight agencies	<ul style="list-style-type: none"> Monitoring legislative developments; Coordinating with regulatory authorities on the development of new regulations; Identifying regulatory risk in existing and proposed internal procedures; Analyzing best practices in internal control; Obtaining preliminary approval and performing background checks when onboarding clients, signing contracts with counterparties, admitting securities to trade, launching new products or services, etc.; Setting up automated controls, including controls to run parties (stakeholders) through compliance checklists; Ensuring that the necessary policies and procedures are in place; Conducting mandatory training. <p>The Internal Control and Compliance Department is responsible for managing compliance risk.</p>
Information security Risk		
Significance 	Risk of the security (confidentiality, integrity, accessibility) of information assets being compromised as a result of the materialization of information security threats.	<ul style="list-style-type: none"> Ensuring the accessibility, integrity and efficient use of information assets; Ensuring information confidentiality and preventing harm from the disclosure of confidential information, including personal data; Building an effective system for monitoring and protecting the Group's information infrastructure; Increasing protection and optimizing the cost of ensuring information security via a risk-based approach; Raising awareness of information security risks among Group employees;
Reputational risk		
Significance 	Risk of expenses (losses) or any other adverse effects resulting from a negative perception of Moscow Exchange Group by its counterparties, traders and their clients, shareholders, the Central Bank of Russia, and others, which may adversely impact the Group's ability to maintain its existing relationships and/or to establish new ones and provide access to sources of financing on an ongoing basis.	<ul style="list-style-type: none"> Collecting and analyzing coverage of Moscow Exchange Group in the media; Regular analysis of information that may pose a reputational risk which has been obtained from media and other sources, including analysis of the impact of reputational factors on Moscow Exchange's financial position, the impact of the reputation of other Group companies on the Group's reputation, and the impact of Moscow Exchange Group's corporate charitable and marketing activities on its business reputation; Performing ongoing assessments and monitoring of PR through regular assessment of Moscow Exchange's performance, and monitoring the number of complaints and claims from clients and counterparties, and positive and negative coverage of shareholders and related parties in the media; Regularly monitoring the business reputation of shareholders, related parties, and management; Overseeing the fair presentation of information in the financial statements and any other published information provided to shareholders, clients and counterparties, regulatory and oversight bodies, and other stakeholders, including for advertising or promotional purposes; Preventing persons with access to certain information from using that information for their personal benefit; Providing management and employees with data on negative and positive coverage about Moscow Exchange Group in the media and other sources, and considering and analyzing the completeness, credibility and objectivity of such information in a timely manner; Taking disciplinary action against employees whose misconduct may have created a risk of damaging Moscow Exchange Group's reputation.

Risk	Description	Risk management activities
HR risk		
Significance 	Risk of expenses (losses) incurred by MOEX Group as a result of the lack of alignment between HR policy and business objectives, as well as the significant loss of key personnel or expertise.	<ul style="list-style-type: none"> Review of the parameters of the long-term incentive program for key management of the Group; Management of the performance evaluation system and review of the compensation structure; Revision of the ratio between remuneration components. Employee engagement surveys; Annual planned training program for mid-level managers; Succession planning; Cross-functional internship program; Internal coaching program; Talent management program to identify high-potential employees and facilitate their individual development.
Climate risks		
TCFD		
Significance 	Risks of financial losses as a result of reduced demand for listing services and investment prospects of issuers in a number of industries; physical damage or loss of property, as well as malfunctions in equipment and in the availability of services to clients; additional expenditures due to regulatory changes and the need to introduce new technologies, which may adversely affect the Group companies' revenue and reputation	<ul style="list-style-type: none"> Technological, information and organizational solutions for the protection of equipment and data; Diversification of financial risk hedging instruments; Introduction of ESG requirements in listing rules for issuers; Development and implementation of a greenhouse gas emissions accounting system by the Group's organizations. <p>For more information on climate-related risk management, see the Climate Agenda subsection.</p>

Risks and opportunities of algorithmic trading systems

The Group has identified two key risks associated with algorithmic trading.

FN-EX-410a.2

The Group successfully operates infrastructure and implements a set of measures to manage the risks and opportunities associated with high-frequency trading.

Risk	Risk mitigation measures
Capacity risk	Setting technical and regulatory limits on the number of transactions generated in the system per user per period of time
Risk of DDoS attacks that may affect the ability of the IT infrastructure to adequately process transactions	Providing a backup channel and other standard means of protection of information security
The Group has added co-location, which provides market participants with high-quality service, and also gives the Group additional revenue opportunities.	<ul style="list-style-type: none"> price boundaries that control flash crashes in the market if the algorithm or the participant makes an error; fees for excessive transactions that do not result in deals; canceling on disconnect services to drop a bid in the event of loss of communication with the participant.
The set of measures used to manage the risks and opportunities of algorithmic trading systems includes:	<ul style="list-style-type: none"> accreditation of all automated trading systems after a test at the test site; monitoring of login activity, which is halted if the limit is exceeded;

Internal audit and internal control

Moscow Exchange's risk management system is based on the COSO principles¹ and structured on the 'three lines of defense' model, which stipulates that risk management and internal control responsibilities

be distributed among management bodies, business units responsible for control and coordination, and the internal audit function. The Group continues to improve its internal control system to maintain a high level of performance.

COSO Internal Control System

Line of defense	Responsibility	Units
First line of defense	Identifying, assessing and managing risks, and developing and implementing policies and procedures governing business processes	<ul style="list-style-type: none"> All business function staff and employees of the operating units of Moscow Exchange
Second line of defense	<p>Ongoing risk monitoring and risk management by units as part of their functions.</p> <p>Infrastructure resilience issues include:</p> <ul style="list-style-type: none"> Information security Compliance with legislation and internal documents Prevention of corruption and unlawful and fraudulent activities Prevention of improper use of inside information and/or market manipulation Prevention of conflicts of interest 	<ul style="list-style-type: none"> Operational Risk, Informational Security, and Business Continuity Department Internal Control and Compliance Department Internal Control Service Security Department Legal Department Designated employees and departments of the Finance Unit
Third line of defense	Overseeing the efficiency of business activities, the management of assets and liabilities, and the effectiveness of the risk management system	<ul style="list-style-type: none"> Internal Audit Service Management bodies of Moscow Exchange

Compliance with international standards

103-3

The Group conducts an annual audit of its compliance with the CPMI-IOSCO Principles for Financial Market Infrastructures, the COSO Enterprise Risk Management Framework, and the Basel Committee on Banking Supervision risk management guidelines.

In 2020, NCC successfully underwent an operational audit by PwC (an international audit and consulting company) to check compliance with the requirements of the Central Bank of Russia². The audit covered the following components: management of risks of the central counterparty, assessment of the accuracy of the central counterparty model, stress-testing of risks of the central counterparty, determination of the allocated capital of the central counterparty, and recovery of financial stability of the central counterparty. The operational audit is conducted every two years, and the most recent was conducted in March 2022.

NCC also undergoes a certification audit every three years in accordance with ISO 9001 Quality management systems (the most recent audit was conducted in 2019).

Distribution of risk management responsibilities

Management bodies	<ul style="list-style-type: none"> Approval of core risk management principles and approaches Control and oversight of the risk management system Key decisions to manage the most significant risks
Risk management and internal control services	<ul style="list-style-type: none"> Monitoring of risk management processes and reporting to management bodies Compliance with standards and requirements Improvement of the internal control and risk management systems Risk assessment Development and implementation of risk management measures Development and improvement of internal policies and procedures
Business and operational units	<ul style="list-style-type: none"> Risk identification Risk assessment

The Group's companies have developed risk and capital management strategies. As part of its risk management strategy, Moscow Exchange Group reviews its risk appetite and risk tolerance annually in the context of the Group's strategic objectives.

Disclosure

Information Policy

103-2

As a market operator, Moscow Exchange applies a transparent investor- and bidder-oriented information policy regarding its activities. This ensures that stakeholders can exercise their rights to reliable information to the fullest possible extent. As per the information policy, the purpose of disclosing information about Moscow Exchange as an issuer of securities is to reach all stakeholders so that they can make balanced decisions on holding Moscow Exchange equity or performing other actions.

Moscow Exchange complies with the following principles of disclosure regarding its activities:

- regularity and promptness of reporting;
- availability for stakeholders, reliability and completeness of disclosures;
- neutrality, namely the avoidance of prioritizing certain groups of recipients over others;
- accountability for information disclosure.

Moscow Exchange does not evade disclosure of adverse information if such information is material for shareholders and other stakeholders.

Disclosure at the request of government agencies

Moscow Exchange Group is obliged under Russian law to disclose information on market participants (issuers and bidders³) to competent government agencies, including law enforcement agencies, for the prevention or investigation of potentially unlawful activities. Such disclosures may cover insider trading, market manipulation (Federal Law No. 224), and anti-money laundering (Federal Law No. 115).

Information security

103-2 FN-EX-550a.3

Information security (IS) means the protection of information and the equipment used to process it from accidental or deliberate interference, whether natural or artificial.

The main goal of ensuring IS is to appropriately protect the company's business processes, as well as to minimize IS risks when organizing trading and clearing services, and when providing services on the Equity, Derivatives, FX, and Money Markets. This goal is achieved by ensuring and continuously maintaining the confidentiality, integrity and accessibility of the company's protected information assets.

Key documents:

- [Policy on Information Security Management of Public Joint-Stock Company Moscow Exchange MICEX-RTS](#)
- Declaration on Information Security
- [Personal Data Processing Policy of Moscow Exchange](#)
- Information Security Strategy

Responsible bodies:

- Operating Risk, Information Security, and Business Continuity Department
- Technical Policy Committee

Moscow Exchange has implemented an information security management system that meets the requirements of Russian law and complies with ISO 27001. Organizational and technical activities are continuously conducted to ensure information security and manage IT infrastructure and information security incidents. The Security Operations Center is responsible for monitoring and responding to information security incidents. The Group regularly conducts information security audits, intrusion tests, and anti-phishing tests to manage risks. To protect against malicious attacks, Moscow Exchange uses its own equipment or a provider's.

¹ COSO — Committee of Sponsoring Organizations of the Treadway Commission.

² Central Bank of Russia Regulation No. 556-P, dated 11 November 2016, On the Procedure Whereby the Central Counterparty Conducts an Operational Audit.

³ By virtue of Federal Law No. 325-FZ.

103-3

In October 2021, following an independent audit, the Group underwent recertification for compliance with ISO 27001:2013 (Information technologies. Security techniques. Information security management systems. Requirements) and ISO 22301:2012 (Societal security. Business continuity management systems. Requirements). This certification is voluntary and covers 100 measures aimed at ensuring information security and business continuity.

- Employees are required to comply with information security measures and are provided with training and information, including the following activities:
- including employees' compliance with information security requirements in KPIs;
 - online training on information security, and introductory briefings during onboarding;
 - regular newsletters on information security and protection of confidential information;
 - workshops on preventing phishing attacks.

Technology development

103-2

- The implementation of technology development processes at Moscow Exchange Group is regulated under the Group's Information Technology Development Strategy. IT systems are regularly updated with new products and services, and new platform solutions are developed and implemented. The Development Strategy focuses on:
- implementing business and technology initiatives;
 - accelerating the incorporation of new technologies while maintaining reliability;
 - creating an innovative IT environment;
 - boosting synergy within the Group;
 - implementing an IT management model;
 - controlling cost-effectiveness.

Key documents:

- Information Technology Development Strategy

Responsible bodies:

- IT User Committee
- Managing Director for Information Technologies

Uninterrupted and fault-tolerant systems are supported by "hot" and "warm" back-up technology that facilitates rapid restoration of the trading and clearing systems in case of failure. Server equipment that performs critical trading and clearing operations is no more than three years old, while network equipment is no more than five years old and is regularly upgraded by installing the most up-to-date models. With due consideration for targets for reduced energy consumption, older and less energy-efficient servers are taken out of service.

Privacy of personal data

103-2 FN-EX-550a.3

The principles, terms and measures that ensure the security of personal data processing are set out in the Personal Data Processing Policy of Moscow Exchange.

103-3

Moscow Exchange Group conducts regular human rights risk assessments associated with data privacy. To assess this risk, the Group uses its own risk appetite methodology for assessing risk appetite.¹ Moscow Exchange discloses the process for evaluating and responding to law enforcement or government data requests in accordance with Russian law.

All employees can express their concerns regarding the handling of personal data via the Speak Up! hotline. The Group companies consider the concerns raised and take appropriate action.

Market access and customer experience

FN-EX-550a.3

Moscow Exchange offers its clients information and technology services that provide real-time market data, as well as information on trading results and indices.

It works to increase the appeal of its services on organizing trade on the commodity and financial markets for investors and issuers.

Key documents:

- [Listing Rules](#) of Moscow Exchange
- [Clearing Rules](#) of the National Clearing Center (JSC) for the Equity and Bond Markets
- [Clearing documents of the JSC National Settlement Depository](#)

Responsible departments:

- Customer Service Department
- Customer Support Department
- Technical Access Department

Moscow Exchange's technology infrastructure provides market participants with a safe and reliable environment that supports uninterrupted trading, clearing, and settlement operations. Reliability is ensured by the following factors:

- high-quality risk management;
- capitalized central counterparty and settlement infrastructure;
- high standards of listing and information disclosure by issuers.

Moscow Exchange spares no efforts to ensure convenience for its customers:

- develops new products, services, and ways of trading;
- extends trading hours;
- implements new technologies for access to trading and market data;
- strengthens cooperation with other markets and exchanges.

To continue developing Moscow Exchange as a trusted market participant, the Group has set the following objectives:

Category	Key objectives
Providing additional world-class exchange services beyond traditional exchange products	<ul style="list-style-type: none"> Offer a wider range of exchange products and services beyond those currently available on traditional exchange markets (stocks, bonds and derivatives).
Creation of uniform infrastructure for the entire Russian market, including traditional over-the-counter segments, based on a single set of post-trading services with integrated settlement, collateral and risk management systems.	<ul style="list-style-type: none"> Continue to enhance access for market participants and their customers to global OTC markets, offer better prices thanks to the exchange infrastructure, and further expand new tailored mechanisms for liquidity takers/makers that are recognized globally among OTC FX platforms.
Development of central counterparty and central depository institutions	<ul style="list-style-type: none"> Ensure the operational reliability of depository and clearing services. Modernize equity accounting infrastructure: consolidation of records, collateral management and segregated record keeping. Maintain the high share of central counterparty repo transactions in the total volume of inter-dealer repo. Develop a market for standardized derivative financial instruments with centralized clearing, and make it easier for market participants to sign long-term derivatives contracts.
Process reliability and efficiency	<ul style="list-style-type: none"> Ensure the uninterrupted operation of trading and information systems as well as prompt response to any potential disruption. Implement measures to mitigate dependence on services provided by foreign vendors to better manage sanctions-related technological risk and account for macro-political factors.
Creation of new services for individuals and corporate clients	<ul style="list-style-type: none"> Develop the Finuslugi.ru personal finance platform for retail investors, a one-stop shop for all financial products and services offered on the market (for more details, see "2021 Sustainability Performance Highlights: Responsible investing and sustainable growth"). Develop a single marketplace interface for corporate clients, including a wide range of treasury services (asset and liability management) and division of services by trading, clearing and settlement.

¹ In accordance with the Methodology for Determining Risk Appetite Benchmarks of Moscow Exchange.

RESOURCE EFFICIENCY AND ENVIRONMENTAL IMPACT

Environmental efficiency

Moscow Exchange Group hosts annual events to reduce negative impacts on the environment. In its operations, the Group is guided by the laws and regulations of the Russian Federation as well as corporate standards that ensure compliance with environmental requirements.

Energy efficiency

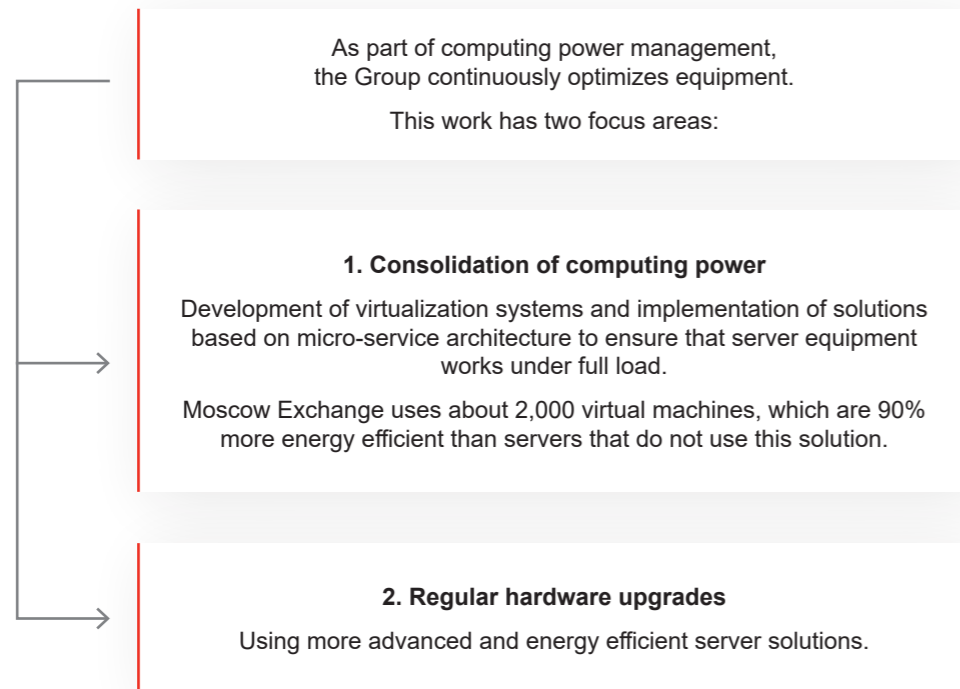
The Group's companies have an extensive network of server and computer equipment across two data centers. Therefore, improvements in energy efficiency are largely dependent on timely upgrades to the Group's equipment and the use of IT technologies to transmit information.

Key documents:

- Russian environmental legislation and standards
- Waste Generation Standards and Waste Disposal Limits approved by the Moscow Department of Resource Management and Environmental Protection up to February 2023
- Moscow Exchange Environmental Monitoring and Industrial Control Program

Responsible bodies:

- Administrative Department of Moscow Exchange



Modern equipment consumes less energy: each new generation of servers is about 2–3% more efficient than the previous one. The Moscow Exchange Technology Policy sets timelines for upgrades of server equipment.

One of the Group's key server equipment suppliers is Hewlett Packard Enterprise; its products are leaders in server efficiency, including energy efficiency. They comply with international environmental standards, including the Electronic Product Environmental Assessment Tool (EPEAT), Energy Star, and the China Energy Conservation Program (CECP).

To reduce electricity consumption in our offices outside of business hours, hallway lighting systems, ventilation systems and office air-conditioning systems are automatically turned off. In winter, cold air from outside is used to cool server rooms.

Climate change impact

Direct GHG emissions are emitted by the Group's corporate vehicles and the back-up diesel generators used to create electricity in case of emergency outages on the part of the supplier. Indirect emissions stem from the use of electricity and heat purchased from energy suppliers.

The Group's modern fleet of vehicles is key to reducing direct GHG emissions: most of the corporate vehicles were manufactured after 2014, and all of them have engines with an environmental classification of IV or V. Measures aimed at reducing indirect emissions are described in the subsection "Energy efficiency".

Water consumption and waste water disposal

303-4 303-5

Moscow Exchange Group strives to improve the efficiency of water consumption at its offices. The Group receives water only from municipal water systems.

Wastewater (including from storm drains) is discharged only to municipal sewage systems, where it is treated in accordance with applicable regulations. No wastewater is discharged into bodies of water or natural habitats designated as nationally or internationally protected areas. The Group does not operate in regions affected by water scarcity.

Waste management

306-1 306-2

The activities of Moscow Exchange Group generate office waste (paper, non-industrial waste, fluorescent lamps, etc.), as well as e-waste and waste associated with the vehicle fleet. The Group aims to reduce its office waste and increase the share of recyclable waste. For this purpose, the Group has taken the following measures:

- introduction of electronic document management to reduce the generation of paper waste;
- collection and disposal of used batteries;
- use of bins for separate collection and disposal of non-industrial waste.

After planned replacement of office computer hardware, Moscow Exchange promotes its continued use by offering it to employees or donating it to schools and orphanages.

E-waste is transferred to specialized contractors for further disposal.

The waste generated by Moscow Exchange Group does not directly affect any nationally or internationally protected areas.

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APPENDIX 1. MOSCOW EXCHANGE'S CONTRIBUTION TO THE UN SDGs

Recognizing the importance of the 2030 Agenda for Sustainable Development, Moscow Exchange Group

strives to contribute to meeting the UN SDGs to address socioeconomic and environmental challenges.

UNDERSTANDING THE CONTRIBUTION TO THE UN SDGs

In 2020, Moscow Exchange conducted an analysis of all 17 UN SDGs and the 169 targets related to each one. Based on these findings, Moscow Exchange identified seven priority Goals and set its corporate objectives with consideration for the specifics of the Group's activities and the objectives of the UN SDGs.

A range of projects was defined for each corporate objective, and metrics were developed to assess the Group's contribution to meeting the UN SDGs.

Priority UN SDGs for the Group



Quality Education (SDG 4)

Moscow Exchange Group's ESG strategy includes two areas corresponding to this goal:

- projects for novice investors, entrepreneurs, and a wide range of people who would like to learn to effectively manage their finances (for example, a project to promote financial and investment literacy);
- corporate training programs for staff.

In 2021, Moscow Exchange held the annual Ring the Bell for Financial Literacy event in a bid to promote wider financial literacy. It was a great opportunity to bring all stakeholders together and celebrate the progress made by each participant. Moscow Exchange also develops and offers new educational products each year.

Read more about this in the subsection "Genuine partnership and engagement with the community" of the section "2021 Sustainability Performance Highlights".

Each year, employees of the Group's companies are offered the opportunity to undergo training, and the scope of the educational programs and training keeps expanding. The average number of training hours per employee¹ grew from 12 hours in 2020 to almost 19 in 2021.

Read more about this in the subsection "Environment of respect and empowerment" of the section "2021 Sustainability Performance Highlights".

Gender Equality (SDG 5)

A large part of Moscow Exchange's HR policy is attracting highly qualified employees, tapping into their potential, and ensuring high motivation and engagement. The Group companies monitor gender balance using a number of indicators, including the staff structure. They have achieved stable male/female parity indicators (56.7%/43.3%) among the workforce; the share of women in leadership positions (36% of department heads) is also relatively high. This attests to the Group's adherence to gender equality principles.

Read more about this in the subsection "Environment of respect and empowerment" of the section "2021 Sustainability Performance Highlights".

¹ For employees who have undergone training.

Decent Work and Economic Growth (SDG 8)

The companies of the Group have succeeded in creating appealing working conditions for staff. Meanwhile, senior management places a strong emphasis on occupational health and safety, fair pay, and rewarding employees for their achievements.

The Company cares about the comfort and success of its employees, providing them with extended VMI and healthy lifestyle program memberships. Moscow Exchange finances a number of hobby clubs, including MOEX Smart, a cooking club, MOEX Walk, and various sports teams. In addition, the Group keeps expanding its social and educational programs. Since 2020, Moscow Exchange has been providing sustainability training for employees in their main areas of activity.

The Group also promotes access to finance for small and medium-sized enterprises, which helps create new jobs in this sector. The number of SMEs that have gone public on Moscow Exchange increased from three in 2018 to 28 in 2021.

Read more about this in the subsections "Environment of respect and empowerment" and "Responsible investing and sustainable growth of the section "2021 Sustainability Performance Highlights".

Industry, Innovation, and Infrastructure (SDG 9)

Responsible financing is one of the Group's strategic priorities in the field of sustainable development. Moscow Exchange takes global trends and changes in capital markets into account in building an economy that will be more sustainable over the long term. This main objective of the ESG strategy is the Group's contribution to SDGs 9, 12, and 13.

Moscow Exchange creates favorable conditions for attracting capital not only to SMEs, but also to innovative startups. The number of innovative companies that entered the financial market rose to nine in 2021.

Moscow Exchange ensures its clients have equal, unhindered access to sustainable products that are useful for all categories of investors and market players. Active development of the Finuslugi.ru personal financial services platform continued in 2021; OFZ-N federal loan bonds will become available on this platform to everyone in the future. Moscow Exchange also strives to improve the financial literacy of the country's residents and works on ESG projects.

In December 2021, Moscow Exchange leveraged Finuslugi.ru personal financial services platform to introduce the first service for buying and selling retail bonds issued by Russian regions.

In addition to its range of sustainable products, Moscow Exchange has spent years building a solid, secure IT infrastructure. The results are impressive: zero breaches resulting in leakage of personal data, zero financial losses from information security failures, and zero outages of the information system.

Read more about this in the subsection "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".

Responsible Consumption and Production (SDG 12)

The Group does its best to reduce its own environmental footprint by implementing climate and environmental programs at its offices and data centers, as well as by introducing responsible investment practices. Moscow Exchange's activities include implementing responsible investment instruments, helping improve the quality and quantity of ESG-related disclosure by issuers, and promoting companies' awareness of sustainability trends.

Read more about this in the subsections "Resource efficiency and environmental impact" and "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".

Climate Action (SDG 13)

Moscow Exchange Group's ESG strategy includes three areas that correspond to this goal:

- reducing its own climate footprint and participating in the creation of market instruments;
- facilitating the transition to a circular, low-carbon economy through green finance, and creating new exchange-traded environmental products and services;
- procuring goods, work, and services with the best environmental characteristics.

By following the roadmap and introducing new energy-saving measures annually, the Group's companies reduced energy intensity by 21% (1.46 GJ/RUB million in 2021 compared to 1.85 GJ/RUB million in 2019); the intensity of electricity consumption by data centers also shrunk 10% compared to 2019.

A key milestone of Moscow Exchange in 2021 was the transition to the use of green power generated at the Ulyanovsk wind farm. In early 2022, Moscow Exchange entered into an additional commission agreement for the supply of green energy to the DataSpace data center. The supply of green power in 2022 is expected to cover over 90% of Moscow Exchange's consumption. The use of renewable energy sources by Moscow Exchange is consistent with sustainability best practices.

Moscow Exchange spent the past two years conducting a climate risk scenario analysis, and in 2021 it developed measures for each scenario to reduce its climate footprint and better adapt to climate change. Following the TCFD recommendations, the Group identified two significant types of risk: physical and transition-related. Moscow Exchange assessed climate risks for five types of risks: market, political/legal, reputational, physical, and technological. A financial estimate will be calculated for all risks within each type, and events of low and high probability will be identified. The Group is currently working on climate-related goals and metrics, aiming to approve them in 2022.

Read more about this in the subsections "Climate agenda" and "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".

Partnerships for the Goals (SDG 17)

Moscow Exchange supports international and industry initiatives aimed at cooperation on sustainability issues.

Read more about this in the subsection "Genuine partnership and engagement with the community" of the section "2021 Sustainability Performance Highlights".

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SDG 4: Quality Education

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 results
4.3	Promote financial literacy	Investment and financial literacy program Ring the Bell for Financial Literacy annual event	<ul style="list-style-type: none"> Number of participants in events to promote financial literacy, organized by Moscow Exchange Number of registered individuals who use two or more Moscow Exchange markets Ring the Bell for Financial Literacy annual event 	<ul style="list-style-type: none"> ~1,031,000 2,806,373 Held in 2021
4.4	Develop staff professional and technical skills	Training courses in hard skills and events to develop the IT community	<ul style="list-style-type: none"> Total time allocated for employee training, hours Average training time per employee,¹ hours 	<ul style="list-style-type: none"> 46,644 19
4.7	Build employee competencies needed for effective sustainability management within the Company	Sustainability management training courses	<ul style="list-style-type: none"> Employees in the relevant departments who have undergone training in sustainability management, % of total number of staff 	<ul style="list-style-type: none"> 10

SDG 5: Gender Equality

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
5.5	Ensure gender balance at the Company	An employee survey to identify any forms of discrimination. The findings will be used in developing inclusiveness and sociocultural diversity. It is planned to scale the survey up to cover issuers	<ul style="list-style-type: none"> Staff structure by gender, category, employment type, and employment contract type 	<p>By gender:</p> <ul style="list-style-type: none"> male: 56.7%; female: 43.3%; <p>By category:</p> <ul style="list-style-type: none"> senior executives: <ul style="list-style-type: none"> male: 77%; female: 23%; department heads: <ul style="list-style-type: none"> male: 64%; female: 36%; <p>By employment type:</p> <ul style="list-style-type: none"> full-time employment: 96.7% (male: 57%; female: 43%); part-time employment: 3.3% (male: 45.2%; female: 54.8%); <p>By employment contract type:</p> <ul style="list-style-type: none"> permanent contract: 94.5%; fixed-term contract: 5.5%

¹ Based on the total number of employees at the end of the year.

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
5.5	Promote gender balance in the wider business environment	Ring the Bell for Gender Equality annual event	Gender equality matters are featured in the Sustainable Development Guide for Issuers , developed in 2021. Ring the Bell for Gender Equality annual event	Featured Held in 2021

SDG 8: Decent Work and Economic Growth

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
8.5 8.6 8.7 8.8	Ensure decent working conditions for staff	Engagement and satisfaction research Salary policy	<ul style="list-style-type: none"> Regular employee engagement surveys Ratio of the standard entry-level salary of employees of different genders to the guaranteed minimum wage in regions where the organization' has a presence <ul style="list-style-type: none"> male: 4.2; female: 5 	Annually 86.2: involvement level 87.9: satisfaction level Moscow: <ul style="list-style-type: none"> male: 4.2; female: 5
8.3	Expand growth opportunities and improve access to finance for small and medium-sized enterprises (SMEs)	Growth sector	<ul style="list-style-type: none"> Number of SMEs placing securities in the Growth Sector Amount of SME bond placements in the Growth sector, RUB billion 	16 issues/16 issuers 7.9
8.10	Develop the exchange infrastructure for access to capital markets, promote development of the local investor base	-	<ul style="list-style-type: none"> Trading volume, RUB billion <ul style="list-style-type: none"> Securities Market trading volume: 29,997; Bond Market trading volume: 22,433; Derivatives Market trading volume: 158,009; FX Market trading volume: 319,784; Money Market trading volume: 474,033; Grain and Sugar Market trading volume: 14.57; Number and volume of new issues Number of issuers <ul style="list-style-type: none"> of securities: 719 of bonds: 476 	Trading volume, RUB billion Number and volume of new issues: 885 bond issues raising RUB 12,335 billion. Number of issuers

SDG 9: Industry, Innovation, and Infrastructure

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
9.3	Expand growth opportunities and improve access to finance for small and medium-sized enterprises (SMEs)	Growth sector	<ul style="list-style-type: none"> Number of SMEs placing securities in the Growth Sector Amount of capital raised in the Growth sector, RUB billion 	16 issues/16 issuers 7.9
9.b	Expand growth opportunities and improve access to finance for companies developing innovative products	Innovation and Investment sector	<ul style="list-style-type: none"> Number of companies placing securities in the Innovation and Investment Market sector (IIM) Amount of capital raised in the IIM sector, RUB million/ USD million IIM sector trading volume, RUB billion 	9 RUB 12.5 billion: bonds; USD 500 million: securities RUB 335 billion
9.1	Increase access to financial services for individuals		<ul style="list-style-type: none"> Number of products developed/ adapted for individuals Number of registered individuals on Moscow Exchange (unique clients) Number of users of the Finuslugi.ru personal financial services platform Number of products provided within the Finuslugi.ru personal financial services platform 	4 16,779,069 2.4 4
9.b	Ensure sustainability of financial infrastructure	Information security programs	<ul style="list-style-type: none"> Number of operational risk events IT systems availability 	18 100%

SDG 12: Responsible Consumption and Production

SDG 13: Climate Action

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
12.4 13.1	Do not exceed the current office greenhouse gas emission intensity and strive to reduce it	Measures to reduce greenhouse gas emissions	<ul style="list-style-type: none"> Greenhouse gas emission intensity (Scopes 1, 2), t CO₂/person Greenhouse gas emission intensity, t CO₂/RUB million in revenue 	2.2 t CO ₂ /person 0.08 t CO ₂ /RUB million in revenue
12.4	Do not exceed the current office water consumption intensity and strive to reduce it	Measures to reduce water consumption	<ul style="list-style-type: none"> Office water consumption intensity, m³/person Water consumption intensity, m³/RUB million in revenue 	12.2 m ³ /person 0.4 m ³ /RUB million in revenue

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
12.2 13.1	Do not exceed the current office and data center energy intensity and strive to reduce it	Measures to save energy	<ul style="list-style-type: none"> Office energy consumption intensity, GJ/person Data center energy consumption intensity, GJ/RUB million in revenue 	40.37 GJ/person 0.38 GJ/RUB million in revenue
12.4 12.5	Do not exceed the current office waste generation intensity and strive to reduce it	Measures to reduce office waste and increase recyclable waste	<ul style="list-style-type: none"> Office waste generation intensity, t/person Generated waste paper, t 	0.15 t/person 21.9 t
12.6 13.3	Raise companies' awareness of sustainability trends, standards, and practices	Outreach events	<ul style="list-style-type: none"> Release of the ESG Best Practices Guide for Russian Companies Number of ESG events Number of registered participants in ESG events 	Released in 2021 11 events 1,293 participants
12.6 13.3	Develop instruments to promote responsible investing	Listing rules	<ul style="list-style-type: none"> Number of listings in the Sustainability sector Index of customer and issuer satisfaction with ESG instruments Number of types of ESG instruments 	10 listings 8.8 10 types
12.6 12.8	Improve the quality and quantity of ESG-related disclosure by issuing companies	Listing rules Outreach events	<ul style="list-style-type: none"> Release of the ESG Best Practices Guide for Russian Companies Man-hours spent listening to events promoting the ESG Best Practices Guide for Russian Companies ESG reporting as a listing prerequisite 	Released in 2021 361 people * 2 hours of presentation time

UN SDG 17: Partnership for the Goals

UN SDGs	Moscow Exchange Group's corporate objectives matching the UN SDGs	Key projects of Moscow Exchange Group	Metric	2021 data
17.16 17.17	Expand sustainability partnerships with various institutions and spread knowledge and experience in meeting sustainability goals	Membership in initiatives and associations	International partners cooperating or preparing to cooperate with Moscow Exchange on sustainability issues	8 partners

APPENDIX 2. STATEMENTS

STATEMENT OF MOSCOW EXCHANGE GROUP ON COMMUNICATION WITH STAKEHOLDERS AS PART OF THE SUSTAINABLE STOCK EXCHANGES INITIATIVE

The following report has been compiled in accordance with the recommendations of the Sustainable Stock Exchanges (SSE) initiative.¹

Business strategy

1	How does your exchange define and view the rationale for corporate sustainability and the exchange's role in promoting it?	<p>Moscow Exchange recognizes the importance of sustainable development, including the growing importance of non-financial risks and ESG investing for companies.</p> <p>Moscow Exchange aims to improve efficiency in environmental, social and corporate governance in cooperation with investors, companies (issuers), regulatory authorities, and relevant international organizations. It also promotes sustainable investment, including the financing of the UN Sustainable Development Goals.</p> <p>As a platform for the circulation of financial capital, Moscow Exchange primarily promotes corporate sustainability by disseminating knowledge about sustainability principles, advising issuers on the disclosure of ESG information in their reporting, and promoting constructive dialogue on responsible investment with its stakeholders.</p>
2	How does your exchange's senior leadership and organizational structure support the promotion of corporate sustainability in its market(s)?	<p>Corporate sustainability issues are addressed at meetings of the Supervisory Board of Moscow Exchange, and they are reflected in its decisions.</p> <p>In 2021, the Supervisory Board discussed challenges associated with reducing greenhouse gas emissions and creating infrastructure for carbon accounting and trading in Russia. These meetings led to the Supervisory Board approving a new project for Moscow Exchange in this area.</p> <p>The 2024 Group Strategy, approved by the Supervisory Board, continues to be implemented in 2021. Sustainability initiatives, including responsible investment and the promotion of ESG practices on financial markets, are integrated into the Group's strategic objectives. As part of this initiative, in 2021 the Group developed and promoted a guide for issuing companies on how to integrate ESG principles into their activities.</p>
3	What goals/objectives does your exchange have in regards to advancing sustainability in your market?	<p>Moscow Exchange conducted an in-depth analysis of the 17 UN SDGs and prioritized seven of them in relation to which it can make the greatest contribution.</p> <p>In addition, Moscow Exchange has set corporate objectives for each of the prioritized UN SDGs.</p> <p>As part of the "Responsible Investment" initiative, Moscow Exchange has set the following corporate objectives, which correspond to UN SDG 12.6 ("Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate information on sustainable development into their reporting cycle"):</p> <ul style="list-style-type: none"> Raise companies' awareness of trends, standards, and practices in sustainable development; Develop tools for applying the principles for responsible investment; Improve the quality and quantity of ESG information disclosed by issuing companies. <p>Detailed information is given in this Report in the statement "Moscow Exchange's Contribution to the UN SDGs".</p>

¹ The SSE is the Sustainable Stock Exchanges initiative, an international UN partnership program organized as part of the United Nations Conference on Trade and Development (UNCTAD), the UN Global Compact, the United Nations Environment Programme Finance Initiative (UNEP FI), and the United Nations Principles for Responsible Investment (PRI).

Transparency and issuer reporting

4	Describe your exchange's approach to promoting sustainability disclosure by companies.	<p>Moscow Exchange monitors trends in sustainability disclosure and organizes events dedicated to corporate reporting. Recently, Moscow Exchange, together with UN PRI, SASB, and several other organizations, held a number of events dedicated to the disclosure of non-financial information.</p> <p>In 2021, Moscow Exchange published the guide "How to Comply with Best Practices in Sustainable Development", which it developed in cooperation with the expert community. Companies can use the guide to develop their corporate sustainability reporting practices.</p>
5	What is your exchange's process for reviewing listing standards in general? Are there opportunities for stakeholders to comment during this process?	<p>Amendments to listing standards are developed in close cooperation with market participants and the Central Bank of Russia.</p> <p>After such amendments are drafted, the new listing rules are reviewed by committees of Moscow Exchange and approved by the Supervisory Board. Market participants and other stakeholders take part in the work of the committees.</p> <p>Finally, the amendments are submitted to the supervisory authorities of the Russian Federation for registration.</p>
6	How do you track sustainability reporting of your listed companies?	<p>In 2021, the Listing Rules of Moscow Exchange did not include mandatory requirements to publicly disclose information on sustainable development. Nevertheless, Moscow Exchange monitors sustainability disclosure trends in the public reporting of issuing companies.</p> <p>The main monitoring tool is the Responsibility and Transparency Index of Moscow Exchange and the Russian Union of Industrialists and Entrepreneurs (RUIE). When selecting securities for inclusion in this index, more importance is assigned to the quality of the corporate information disclosed in public reporting than to liquidity and capitalization. Companies are chosen to be included in the index based on ESG factors as well as corporate governance indicators.</p> <p><i>Detailed information is available in this Report in the subsection "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".</i></p>
7	What incentives (i.e., public recognition/awards) and sanctions do you have in place to encourage disclosure and discourage non-compliance/lower levels of transparency?	<p>Moscow Exchange regularly conducts educational and other events to encourage the disclosure of corporate non-financial information.</p> <p>Moscow Exchange has been holding an annual report competition since 1997. In 2008, the Group came up with new categories for the competition in order to recognize excellence in disclosure of non-financial information. As of 2021, these categories are "Best annual report on corporate responsibility and sustainable development" and "Best sustainability disclosure in an annual report".</p> <p>In 2021, Moscow Exchange did not penalize companies for failing to disclose sustainability information.</p>
8	What connections have you made between national sustainable development frameworks and goals, and your exchange's existing standards and norms?	<p>The initiatives of Moscow Exchange incorporate the national goals defined in a number of federal documents, as well as the sustainable development objectives of government programs and projects, including:</p> <p>National Projects of Russia¹. These projects aim to improve the situation in Russia in terms of the environment, demography, education, health and other areas. Moscow Exchange offers financial instruments in specific sectors for the circulation of special-purpose securities. These sectors include the Sustainability sector (a segment of national and adaptation projects) and the Growth sector (to support small and medium-sized enterprises).</p> <p>Strategy for socioeconomic development of the Russian Federation with a low level of greenhouse gas emissions until 2050. Moscow Exchange, in cooperation with its partners, is developing an infrastructure project for carbon trading and accounting in Russia.</p> <p><i>Detailed information is available in this Report in the subsection "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".</i></p>

¹ The National Projects of Russia have been developed in accordance with Decree of the President of the Russian Federation No. 204 "On National Goals and Strategic Objectives of the Development of the Russian Federation to the Year 2024" of 7 May 2018.

Issuer capacity building

9	If your exchange offers sustainability guidance for companies, please provide a description of the process for its creation	<p>Moscow Exchange created the guide "How to Comply with Best Practices in Sustainable Development", published in 2021, in cooperation with the expert community, stakeholders (including issuing companies), and partners such as Deloitte, ERM, EY, KPMG, PwC, PRI, Citigate Dewe Rogerson, and Zebra Corporate Communications.</p>
10	Do you and/or your regulator provide guidance on externally assuring ESG disclosures? In your market, how common is external assurance of ESG disclosures?	<p>Recommendations on obtaining external assurance for ESG disclosures are set out in the guide "How to Comply with Best Practices in Sustainable Development".</p> <p>External assurance of ESG disclosures is not mandatory for companies listed on Moscow Exchange; however, many companies obtain such assurance in order to comply with best practices and meet investors' expectations. More than 50% of companies included in the RUIE Responsibility and Transparency Index have obtained external assurance of their non-financial disclosures (from either professional auditing companies or through public assurance).</p>

Collaboration and engagement

11	Who does your exchange view as its key stakeholders and how does it engage and collaborate (or plan to do so) with these and potentially other stakeholders?	<p>Moscow Exchange continuously interacts with stakeholders in order to gain a comprehensive understanding of the context of the organizations' activities and the results of their decision-making.</p> <p>Moscow Exchange communicates with various stakeholder groups, including employees, legislators, monetary regulators, the Russian government and federal authorities, international organizations, development institutions, professional associations and unions, shareholders and investors, bidders and customers, legal entities and individuals, issuers, international organizations, news agencies and the media, civil society, local communities, suppliers, and contractors.</p> <p>Detailed information is available in this Report in the subsection "Genuine partnership and engagement" of the section "Sustainability Approaches and Procedures".</p>
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Sustainable products

12	How has your exchange supported the development of financial products that address sustainability-related issues (e.g., ESG Indices, carbon markets, social/environmental bonds, sustainable development funds, etc.)?	<p>Moscow Exchange continues to develop ESG products and services, including special-purpose securities to support small and medium-sized enterprises (Growth sector), green and social bonds (Sustainability sector). It has also developed ESG indices and ESG exchange-traded mutual investment funds. In 2021, Moscow Exchange launched a project in partnership with a major Russian bank to create a Russian Carbon Market.</p> <p>Detailed information is available in this Report in the subsection "Responsible investing and sustainable growth" of the section "2021 Sustainability Performance Highlights".</p>
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Exchange needs

13	Are there specific resources (meetings, commissioned research, webinars etc.) that you would like from the SSE or other relevant groups to help you in your sustainability work?	<p>Moscow Exchange is interested in learning more about mechanisms for identifying climate risks and finding opportunities to manage them. Such research could potentially be conducted by the SSE or individual exchanges.</p> <p>A training course on using market data and debt financing instruments/services in sustainable development projects could also be very useful.</p>
14	Are there any specific requests you have of investors, issuers and regulators in terms of their role in advancing sustainability in the market?	<p>Discussions are underway with issuers and regulators on the role of stock exchanges in mitigating and adapting to climate change.</p>

STATEMENT OF MOSCOW EXCHANGE ON COMPLIANCE WITH THE PRINCIPLES OF THE UN GLOBAL COMPACT

As of 2021, Moscow Exchange is not a party or a signatory to the UN Global Compact (UNGC). Nevertheless, it adheres to the 10 principles set forth in it. Moscow Exchange strives to ensure respect for human

rights and fair working conditions. Furthermore, it works to prevent corruption in all forms and to promote environmental protection in regions where it has a presence.

UN Global Compact principle	Position of Moscow Exchange and measures taken to support the principles	Relevant regulatory documents and initiatives of Moscow Exchange
Human rights Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that businesses are not complicit in human rights abuses.	<p>Moscow Exchange carries out all its activities in accordance with the Constitution of the Russian Federation. It has also ratified and implements international agreements on the protection of human rights.</p> <p>Moscow Exchange does not participate directly or indirectly in the financing of organizations whose activities involve human rights abuses.</p> <p>Moscow Exchange takes measures to protect employees from verbal and non-verbal harassment, discrimination on any grounds, humiliation, and threats in any form.</p> <p><u>Human rights risks are included in the risk management system and are regularly evaluated when the risk map is updated.</u></p> <p><u>Moscow Exchange Group also regularly assesses the risk of human rights abuses associated with data confidentiality. To evaluate such risks, it uses proprietary methodology for assessing risk appetite.</u></p> <p><u>The main tool for detecting and preventing human rights abuses is the Speak Up! hotline, which is available to employees of the Company. There is also a publicly available hotline on the Moscow Exchange website that any stakeholder can use to report human rights abuses committed by companies of the Group.</u></p> <p>Should there be any cases of human rights abuse in the course of Moscow Exchange's activities, it is obliged to take measures to rectify them. The Risk Management Commission of the Supervisory Board and the Internal Audit Service are the main structural units that monitor human rights indicators at the Group.</p>	<p>Code of Professional Ethics of Moscow Exchange</p>

UN Global Compact principle	Position of Moscow Exchange and measures taken to support the principles	Relevant regulatory documents and initiatives of Moscow Exchange
Labor Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labor; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation.	<p>Moscow Exchange recognizes the rights of its employees to enter into collective agreements, exercise freedom of assembly and association, establish organizations representing their interests, and join them without fearing any consequences.</p> <p>The staff of Moscow Exchange Group have not formed a trade union; therefore, the Group does not consult with trade unions in the course of its activities. Nevertheless, Moscow Exchange supports the right of employees to protect their legitimate labor rights and interests.</p> <p>In the event of labor or human rights abuses, employees may use the hotline or contact the managers of the Group's companies.</p> <p>Moscow Exchange adheres to high standards of labor protection and provides its employees with a safe and comfortable workplace.</p> <p>Moscow Exchange upholds the principles of diversity and equal opportunity; it respects diverse cultures, opinions and lifestyles.</p> <p>Moscow Exchange prohibits all affronts to human dignity, aggression, and the use of child, forced, or compulsory labor.</p> <p>Moscow Exchange does not tolerate any form of discrimination based on gender, religion, personal belief, ethnicity, nationality, physical ability, gender identity, skin color, marital status, political views, or affiliation with any particular social group.</p> <p>Moscow Exchange is not involved in any activity that could contribute to a workplace atmosphere conducive to intimidation, hostility, abuse, or abasement of human dignity.</p> <p>The Exchange regularly conducts employee satisfaction surveys to assess working conditions; such surveys can also be used to bring interpersonal issues to light.</p> <p>The Exchange informs employees about its human rights policy, which is posted on the intranet. It also circulates newsletters on the topic and holds relevant training.</p> <p>The employment policies of the Group's companies comply with the labor laws of the Russian Federation. Russian laws prohibit forced, compulsory or child labor.</p> <p>Moscow Exchange strictly complies with the minimum wage requirements established by Russian law. Employees' entry-level compensation is higher than the minimum wage in the regions where the Group has a presence.</p> <p>The Group encourages contractors with whom it interacts to adhere to the ethical principles set out in the Code of Professional Conduct, including those that relate to human rights.</p> <p>Detailed information is available in this Report in the subsection "Environment of respect and empowerment".</p>	<p>Code of Professional Ethics of Moscow Exchange</p> <p>Human Resources Policy of Moscow Exchange</p> <p>Code of Professional Conduct</p>

UN Global Compact principle	Position of Moscow Exchange and measures taken to support the principles	Relevant regulatory documents and initiatives of Moscow Exchange
Environment Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.	<p>Moscow Exchange shares responsibility for the state of the environment and the rational use of natural resources. It supports a precautionary management approach and takes measures to reduce the negative impact of its activities on the environment.</p> <p>Moscow Exchange takes measures to reduce the ecological footprint of its activities. It helps search for solutions to environmental problems in its interactions with business partners, supervisory authorities, and other financial sector participants.</p> <p>Every year, measures are planned and implemented to reduce energy and water consumption, as well as to collect and dispose of waste.</p> <p>Moscow Exchange offers customers various ESG products that comply with responsible investment principles.</p> <p>Detailed information is available in this Report in the subsection "Efficient use of resources and environmental impact".</p>	<p>Program for Industrial Environmental Control of Moscow Exchange</p> <p>Green Bond Segment of the Sustainability sector</p>
Anti-corruption Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<p>Moscow Exchange has a zero-tolerance policy regarding all forms of corruption.</p> <p>In 2020, it approved an anti-corruption policy.</p> <p>The Internal Control and Compliance Department is responsible for general management of corruption risks.</p> <p>Moscow Exchange uses the Speak Up! hotline to receive anonymous reports from employees on compliance issues, including alerts about possible instances of corruption. Persons outside the Group can report violations through Moscow Exchange's website. The identity of anyone who makes such a report is kept confidential. The policy of Moscow Exchange precludes retaliatory measures against such persons by management and in other forms.</p> <p>The principles of anti-corruption and professional ethics also apply to suppliers and partners of Moscow Exchange. Moscow Exchange includes provisions on anti-corruption and/or professional ethics in the contracts with its business partners.</p> <p>Detailed information is available in this Report in the subsection "Advanced governance and responsible business practices".</p>	<p>Code of Professional Ethics of Moscow Exchange</p> <p>Anti-Corruption Policy</p> <p>Policy on Whistle-blowing and Non-retaliation Guarantee</p>

STATEMENT OF MOSCOW EXCHANGE ON RESPECT FOR HUMAN RIGHTS AND COUNTERACTING MODERN SLAVERY

Introduction

Moscow Exchange recognizes that slavery remains a problem in the modern world. In support of initiatives to stop modern slavery, including the UK's Modern Slavery Act 2015, Moscow Exchange issues this statement setting out the actions it has taken to prevent any form of modern slavery within Moscow Exchange Group and its supply chains.

This statement also aims to confirm Moscow Exchange's position that its business partners must not commit any abuses of human rights in their activities.

Moscow Exchange strives to comply with the UN's Guiding Principles on Business and Human Rights.

The business of Moscow Exchange

Moscow Exchange operates the only comprehensive exchange platform in Russia for trading equities, bonds, derivatives, currency, money market instruments, and commodities. Moscow Exchange Group includes a central depository (the National Settlement Depository) and a clearing center (the National Clearing Center), allowing Moscow Exchange to provide customers with full-cycle trading and post-trading services. More than 16 million private investors are registered with Moscow Exchange. The head office of Moscow Exchange is located in Moscow, Russia. Moscow Exchange and its subsidiaries employ about 2,000 people.

Moscow Exchange's approach

The activities of Moscow Exchange comply with all applicable human rights laws, and the Group upholds high standards of ethical conduct. Moscow Exchange affirms that it takes a zero-tolerance approach to modern slavery and human trafficking. Provisions to this effect are contained in the Code of Professional Ethics, an updated version of which was prepared with the involvement of all employees of the Company. The Company also has other policies and procedures that regulate its position on these issues.

Moscow Exchange supports Conventions No. 111 and No. 156 of the International Labour Organization and respects the cultures, opinions, and lifestyles of all employees. It does not take part in any actions that could contribute to a workplace atmosphere conducive to intimidation, hostility, abuse, or abasement of human dignity.

Moscow Exchange communicates information about its approach to suppliers by posting relevant documents on its [website](#), as well as by including anti-corruption provisions in its contracts. The Company's suppliers are subject to due diligence. Moscow Exchange plans to assess the risk of human rights abuses in its supply chain.

Risk assessment

Given the technical nature of its business, the risk of Moscow Exchange participating in any business practices that involve human trafficking or modern slavery is low. Moscow Exchange is not aware of any cases that could be deemed an abuse of human rights in its own activities or in those of its subsidiaries and suppliers.

In Moscow Exchange's procurement structure, 85% of purchases relate to IT, namely development, maintenance and procurement of software and hardware. Approximately 98% of all procurements come from local suppliers.

Communication and training

At Moscow Exchange, all employees are obliged to familiarize themselves regularly with the approaches, values and principles of professional ethics of the Group.

The Group has a hotline that can be used by any employee to report violations of the Code of Professional Ethics or other compliance incidents. Whistle-blowers receive a response in full anonymity. The hotline is also available to persons outside the Group, including individuals who work at companies that are part of Moscow Exchange's supply chain and its business partners.

APPENDIX 3. GRI CONTENT INDEX

- Required disclosure
- Disclosure related to material topics
- Disclosure not related to material topics

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 101: Foundation (2016)						
●	—	Reporting principles Using the GRI Standards for sustainability reporting Making claims related to the use of the GRI Standards	Overview of Moscow Exchange Group's reporting suite	<u>2-7</u>		1
GRI 102: General Disclosures (2016)						
Organizational profile						
●	102-1	Name of the organization	Overview of Moscow Exchange Group's reporting suite 2021 Sustainability Performance Highlights <i>Key performance indicators</i>	<u>4, 16</u>		1
●	102-2	Activities, brands, products, and services	2021 Sustainability Performance Highlights <i>Key performance indicators</i>	<u>16</u>		1, 2
●	102-3	Location of headquarters	2021 Sustainability Performance Highlights <i>Key performance indicators</i> Appendix 7. Contact Details	<u>16, 168</u>		1
●	102-4	Location of operations	2021 Sustainability Performance Highlights <i>Key performance indicators</i>	<u>16</u>		1
●	102-5	Ownership and legal form	Overview of Moscow Exchange Group's reporting suite	<u>4, 16</u>		1
●	102-6	Markets served	2021 Sustainability Performance Highlights <i>Key performance indicators</i>	<u>16, 18</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-7	Scale of the organization	2021 Sustainability Performance Highlights <i>Key performance indicators</i> 2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i> <i>Responsible investing and sustainable growth</i> <i>Advanced governance and responsible business practices</i> Consolidated Financial Statements for the Year Ended 31 December 2021	<u>17-19, 76</u>	Please see Consolidated Financial Statements for the Year Ended 31 December 2021 (page 15) for the composition of the Group. Please see Consolidated Financial Statements for the Year Ended 31 December 2021 (page 11) for the total debt and equity.	1
●	102-8	Information on employees and other workers	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i>	<u>45, 77</u>		1
●	102-9	Supply chain	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	<u>58, 119</u>		1
●	102-10	Significant changes in the organization and its supply chain	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i>	<u>58</u>	There were no significant changes in the location of the assets, activities, or structure of Moscow Exchange Group.	1
●	102-11	Precautionary Principle or approach	GRI Content Index	<u>147</u>	The Group takes into account the precautionary principle as set out in the Rio Declaration on Environment and Development, adopted in 1992. In its activities the Group remains mindful of potential impacts on the environment.	1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-12	External initiatives	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	34 , 57 , 98		1
●	102-13	Membership of associations	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> <i>Sustainability Approaches and Procedures</i> <i>Genuine partnership and engagement with the community</i>	35 , 94 , 98		1
Strategy						
●	102-14	Statement from senior decision-maker	Statement from the Chief Executive Officer	10		1
●	102-15	Key impacts, risks, and opportunities	2021 Sustainability Performance Highlights <i>Trusted and resilient market infrastructure</i> Sustainability Approaches and Procedures <i>Trusted and resilient market infrastructure</i> Appendix 1. Moscow Exchange's Contribution to the UN SDGs	60 , 120-121		1
Ethics and integrity						
●	102-16	Values, principles, standards, and norms of behavior	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i> <i>Advanced governance and responsible business practices</i>	109 , 116		1
●	102-17	Mechanisms for advice and concerns about ethics	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	117		1
Governance						
●	102-18	Governance structure	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i> 2021 Annual Report , p. 62	49 , 51 , 111		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-19	Delegating authority	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	114		1
●	102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	114		1
●	102-21	Consulting stakeholders on economic, environmental, and social topics	Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	93		1
●	102-22	Composition of the highest governance body and its committees	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> 2021 Annual Report , p. 65-73	50-51	For the composition of the Supervisory Board and procedures for appointment, induction, and training of its members, see the 2021 Annual Report , pp. 65-73.	1
●	102-23	Chair of the highest governance body	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> 2021 Annual Report , pp. 65-73	50	For the composition of the Supervisory Board and procedures for appointment, induction, and training of its members, see the 2021 Annual Report , pp. 65-73.	1
●	102-24	Nominating and selecting the highest governance body	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> 2021 Annual Report , pp. 63-64, 73	50	For the composition of the Supervisory Board and procedures for appointment, induction, and training of its members, see the 2021 Annual Report , pp. 65-73.	1
●	102-25	Conflicts of interest	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i> 2021 Annual Report , pp. 113-117, 148	51 , 114		1
●	102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i> <i>Advanced governance and responsible business practices</i> 2021 Annual Report , p. 63	104 , 113		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-28	Evaluating the highest governance body's performance	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i>	52, 113		1
●	102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	50-51, 114		1
●	102-30	Effectiveness of risk management processes	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	51, 120		1
●	102-31	Review of economic, environmental, and social topics	2021 Annual Report, p. 74	—		1
●	102-32	Highest governance body's role in sustainability reporting	Overview of Moscow Exchange Group's reporting suite	2		1
●	102-33	Communicating critical concerns	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> 2021 Annual Report, p. 73	50	For information on issues considered by the Supervisory Board in 2021, see 2021 Annual Report, p. 73 .	2
●	102-34	Nature and total number of critical concerns	2021 Annual Report, p. 73	—		2
●	102-35	Remuneration policies	Sustainability Approaches and Procedures	113		2
●	102-36	Process for determining remuneration	<i>Advanced governance and responsible business practices</i> 2021 Annual Report, p. 87	113		2
Stakeholder engagement						
●	102-40	List of stakeholder groups	Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	95		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-41	Collective bargaining agreements	Sustainability Data <i>Environment of respect and empowerment</i>	79	Currently, there are no collective agreements in place with employees. Moscow Exchange Group recognizes the right of its employees to sign collective agreements, the right to freedom of assembly and association, and the right to form and join organizations representing their interests without fear of any consequences.	1
●	102-42	Identifying and selecting stakeholders	GRI Content Index	151	Stakeholders have been identified through internal consultations with business units.	1
●	102-43	Approach to stakeholder engagement	Overview of Moscow Exchange Group's reporting suite <i>MOEX Group's approach to materiality</i> Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	5, 95		1
●	102-44	Key topics and concerns raised	Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	95		1
Reporting practice						
●	102-45	Entities included in the consolidated financial statements	Overview of Moscow Exchange Group's reporting suite <i>Reporting boundaries</i>	4		1
●	102-46	Defining report content and topic Boundaries	Overview of Moscow Exchange Group's reporting suite <i>MOEX Group's approach to materiality</i>	5		1
●	102-47	List of material topics	<i>MOEX Group's approach to materiality</i>	5		1
●	102-48	Restatements of information	Overview of Moscow Exchange Group's reporting suite <i>Guidelines and standards used in preparing the Report</i>	4		1
●	102-49	Changes in reporting	Overview of Moscow Exchange Group's reporting suite <i>MOEX Group's approach to materiality</i>	5	The list of material topics has not changed since 2020. The boundaries of reporting on material topics have not changed.	1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	102-50	Reporting period	Overview of Moscow Exchange Group's reporting suite	<u>2</u>	1 January 2021 – 31 December 2021	1
●	102-51	Date of most recent report	<i>Moscow Exchange Group 2021 Sustainability Report</i>	<u>2</u>	28 May 2021	1
●	102-52	Reporting cycle	GRI Content Index	<u>2</u>	The Sustainability Report has been published annually since 2019.	1
●	102-53	Contact point for questions regarding the report	Appendix 7. Contact Details	<u>168</u>		1
●	102-54	Claims of reporting in accordance with the GRI Standards	Overview of Moscow Exchange Group's reporting suite <i>Guidelines and standards used in preparing the Report</i>	<u>4</u>		1
●	102-55	GRI Content Index	GRI Content Index	<u>146-161</u>		1
●	102-56	External assurance	Appendix 6. Opinion of the Independent Auditor	<u>2, 166-167</u>		1
GRI 103: Management Approach (2016)						
●	103-1	Explanation of the material topic and its Boundary	Disclosure labels can be found in the text of the Report where information is provided on the approach to managing a given material topic		Correlation of material topics and sections of the report:	1
●	103-2	The management approach and its components			Improving disclosure of ESG information by issuers, increasing awareness of sustainability trends – the subsection "Responsible investing and sustainable growth"	
●	103-3	Evaluation of the management approach			Transparent functioning of markets and development of fair competition – the subsection "Advanced governance and responsible business practices"	
					Improving financial literacy – the subsection "Partnership and engagement with local communities"	
					Development of new financial instruments for responsible investing – the subsection "Responsible investing and sustainable growth"	
					Development of exchange infrastructure to increase the number of local physical and institutional investors – the subsection "Trusted and resilient market infrastructure"	
					Participation in specialized working groups and regulatory initiatives – the subsection "Partnership and engagement with local communities"	
					Decent working conditions and employee development – the subsection "Environment of respect and empowerment"	
					Financial infrastructure support – the subsection "Trusted and resilient market infrastructure"	

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
Economic						
GRI 201: Economic Performance (2016)						
●	201-1	Direct economic value generated and distributed	Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>82</u>		1
●	201-2	Financial implications and other risks and opportunities due to climate change	2021 Sustainability Performance Highlights <i>Trusted and resilient market infrastructure</i> <i>Climate agenda</i>	<u>24, 60</u>	Financial results of climate risk assessment (in monetary terms) are omitted due to confidentiality reasons. The list of climate risks and opportunities is disclosed, including: their classification and description; assessment of impact on the Group's operations; risk management measures.	1
GRI 202: Market Presence (2016)						
●	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i>	<u>47, 81</u>		1
GRI 203: Indirect Economic Impacts (2016)						
●	203-1	Infrastructure investments and services supported	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> Sustainability Data <i>Genuine partnership and engagement with the community</i> Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	<u>32, 35, 72-73, 90-91</u>		1
●	203-2	Significant indirect economic impacts	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	<u>31-32, 35, 90-91</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 204: Procurement Practices (2016)						
●	204-1	Proportion of spending on local suppliers	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>58, 84</u>		1
GRI 205: Anti-corruption (2016)						
●	205-1	Operations assessed for risks related to corruption	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>57, 83</u>		1
●	205-2	Communication and training about anti-corruption policies and procedures	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Data <i>Advanced governance and responsible business practices</i> Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	<u>57, 83, 117</u>		1
●	205-3	Confirmed incidents of corruption and actions taken	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>56-57, 83</u>	In 2019–2021, no violations of anti-corruption laws were registered in the Group. The Group is not aware of any anti-corruption violations among its business partners related to their cooperation with Moscow Exchange.	1
GRI 206: Anti-competitive Behavior (2016)						
●	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2021 Sustainability Performance Highlights <i>Advanced governance and responsible business practices</i> Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>56, 83</u>	There have been no confirmed cases of antitrust violations over the past three years.	1
GRI 207: Tax (2019)						
●	207-1	Approach to tax	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	<u>117</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	207-2	Tax governance, control, and risk management	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	<u>117</u>		1
●	207-3	Stakeholder engagement and management of concerns related to tax	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i>	<u>118</u>		1
Environmental						
GRI 302: Energy (2016)						
●	302-1	Energy consumption within the organization	2021 Sustainability Performance Highlights <i>MOEX Group's resource efficiency and environmental impact</i> Sustainability Data	<u>66, 86</u>	The Group does not sell energy to third parties. The Group does not consume fuel from renewable energy sources.	1
●	302-3	Energy intensity	<i>MOEX Group's resource efficiency and environmental impact</i>	<u>66, 86</u>		1
GRI 303: Water and Effluents (2018)						
●	303-3	Water withdrawal	Sustainability Data <i>MOEX Group's resource efficiency and environmental impact</i> Sustainability Approaches and Procedures <i>MOEX Group's resource efficiency and environmental impact</i>	<u>86-87</u>	Moscow Exchange Group consumes and withdraws water only from municipal networks and does not operate in regions with a water shortage; the volume of water consumed is equal to the volume of water withdrawn.	1
●	303-4	Water discharge		<u>86-87, 129</u>		1
●	303-5	Water consumption		<u>86-87, 129</u>		1
GRI 304: Biodiversity (2016)						
●	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI Content Index	<u>156</u>	Organizations included within the reporting boundaries operate in the city of Moscow, far from protected natural areas and areas with high biodiversity.	1
GRI 305: Emissions (2016)						
●	305-1	Direct (Scope 1) GHG emissions	2021 Sustainability Performance Highlights	<u>86</u>		1
●	305-2	Energy indirect (Scope 2) GHG emissions	<i>MOEX Group's resource efficiency and environmental impact</i> Sustainability Data	<u>86</u>		1
●	305-3	Other indirect (Scope 3) GHG emissions	<i>MOEX Group's resource efficiency and environmental impact</i>	<u>86-87</u>		1
●	305-4	GHG emissions intensity		<u>66, 86-87</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 306: Waste (2020)						
●	306-1	Waste generation and significant waste-related impacts	2021 Sustainability Performance Highlights <i>MOEX Group's resource efficiency and environmental impact</i>	<u>67, 129</u>		1
●	306-2	Management of significant waste-related impacts	Sustainability Approaches and Procedures <i>MOEX Group's resource efficiency and environmental impact</i>	<u>67, 129</u>	Management of significant waste-related impacts is omitted due to the fact that the necessary information cannot be obtained. The Group is not aware of how waste operators manage waste.	1
●	306-3	Waste generated	Sustainability Data	<u>86-87</u>		1
●	306-5	Waste directed to disposal	<i>MOEX Group's resource efficiency and environmental impact</i>	<u>86</u>	Breakdown of the total weight of waste directed to disposal by composition of the waste is omitted due to unavailability of the necessary information. The Group does not collect waste disposal data by type of waste.	
GRI 307: Environmental Compliance (2016)						
●	307-1	Non-compliance with environmental laws and regulations	Sustainability Data <i>MOEX Group's resource efficiency and environmental impact</i>	<u>86-87</u>	No environmental violations have been identified at Moscow Exchange Group.	1
Social						
GRI 401: Employment (2016)						
●	401-1	New employee hires and employee turnover	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i>	<u>45, 76</u>		1
●	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>106</u>		1
●	401-3	Parental leave	Sustainability Data <i>Environment of respect and empowerment</i>	<u>79</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 402: Labor/Management Relations (2016)						
●	402-1	Minimum notice periods regarding operational changes	GRI Content Index	<u>105, 157</u>	The Labor Code of the Russian Federation requires that the Group notify employees of significant changes in its activities at least two months in advance.	1
GRI 403: Occupational Health and Safety (2018)						
●	403-1	Occupational health and safety management system	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>109</u>	A description of the occupational health and safety management system for workers who are not employees is omitted due to unavailability of information. At the moment, the Group's occupational health and safety management system does not cover individuals who are not employed by the Group's companies.	1
●	403-2	Hazard identification, risk assessment, and incident investigation		<u>110</u>		1
●	403-3	Occupational health services	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> <i>Overview of the COVID-19 response</i>	<u>47, 68</u>		1
●	403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>109</u>	Employees can raise any occupational health and safety issues with technical support specialists and can file requests, complaints, or suggestions on the topic.	1
●	403-5	Worker training on occupational health and safety	2021 Sustainability Performance Highlights <i>Overview of the COVID-19 response</i> Sustainability Data <i>Environment of respect and empowerment</i> Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>68, 82, 110</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	403-6	Promotion of worker health	2021 Sustainability Performance Highlights <i>Overview of the COVID-19 response</i> <i>Environment of respect and empowerment</i> Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>47, 68, 110</u>		1
●	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>110</u>	A description of the organization's approach to preventing significant occupational health and safety incidents is omitted due to the lack of a formalized approach.	1
●	403-8	Workers covered by an occupational health and safety management system		<u>109-110</u>	The occupational health and safety management system covers 100% of the Group's employees. The Group's contractors and business partners are not covered by the occupational health and safety management system.	1
●	403-9	Work-related injuries	2021 Sustainability Performance Highlights	<u>47, 82</u>	The data on work-related injuries and work-related ill health for workers who are not employees of Moscow Exchange Group are omitted due to unavailability of the necessary information. Data are collected for Moscow Exchange Group employees only.	1
●	403-10	Work-related ill health	<i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i>	<u>47, 82</u>		1
GRI 404: Training and Education (2016)						
●	404-1	Average hours of training per year per employee	Sustainability Data <i>Environment of respect and empowerment</i>	<u>80</u>		1
●	404-2	Programs for upgrading employee skills and transition assistance programs	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>46, 107-108</u>		1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
●	404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Data <i>Environment of respect and empowerment</i> Sustainability Approaches and Procedures <i>Environment of respect and empowerment</i>	<u>80, 105</u>		1
GRI 405: Diversity and Equal Opportunity (2016)						
●	405-1	Diversity of governance bodies and employees	2021 Sustainability Performance Highlights <i>Environment of respect and empowerment</i> Sustainability Data <i>Environment of respect and empowerment</i>	<u>78, 81</u>		1
●	405-2	Ratio of basic salary and remuneration of women to men	Sustainability Data <i>Environment of respect and empowerment</i>	<u>81</u>	The ratio of basic salary and remuneration of women to men for senior management is omitted due to unavailability of the necessary information. The Group currently calculates this ratio for a wider group of senior management staff, and does not calculate a separate ratio for the members of executive board.	1
GRI 406: Non-discrimination (2016)						
●	406-1	Incidents of discrimination and corrective actions taken	Sustainability Data <i>Environment of respect and empowerment</i>	<u>81</u>	No cases of discrimination were recorded at any of the Group's entities in 2021.	1
GRI 407: Freedom Of Association And Collective Bargaining (2016)						
●	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	GRI Content Index	<u>160</u>	No risk of infringement of the right to freedom of association has been identified at any of the Group's entities. The information about suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk is omitted due to the fact that this risk is not assessed for the Group's suppliers.	1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 408: Child Labor (2016)						
●	408-1	Operations and suppliers at significant risk for incidents of child labor	GRI Content Index	<u>160</u>	No risk of child labor has been identified at any of the Group's entities. The information about suppliers at significant risk for incidents of child labor is omitted due to the fact that the Group does not currently assess suppliers for that risk.	1
GRI 409: Forced Or Compulsory Labor (2016)						
●	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI Content Index	<u>160</u>	No risk of forced or compulsory labor has been identified at any of the Group's entities. The information about suppliers at significant risk for incidents of forced or compulsory labor is omitted due to the fact that the Group does not currently assess suppliers for that risk.	1
GRI 412: Human Rights Assessment (2016)						
●	412-1	Operations that have been subject to human rights reviews or impact assessments	GRI Content Index	<u>161</u>	No assessments were conducted in 2021.	1
●	412-2	Employee training on human rights policies or procedures	GRI Content Index	<u>161</u>	No employee training on human rights policies or procedures was conducted at the Group.	1
GRI 413: Local Communities (2016)						
●	413-1	Operations with local community engagement, impact assessments, and development programs	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> Sustainability Approaches and Procedures <i>Genuine partnership and engagement with the community</i>	<u>31-32</u> , <u>35</u> , <u>90-93</u>	Percentage of operations with implemented local community engagement is omitted. Local community engagement programs are realized through activities aimed at improving financial literacy.	1
GRI 415: Public Policy (2016)						
●	415-1	Political contributions	2021 Sustainability Performance Highlights <i>Genuine partnership and engagement with the community</i> Sustainability Data <i>Genuine partnership and engagement with the community</i>	<u>36</u> , <u>73</u>	In 2021, the Group made no political donations.	1

Type of disclosure	Disclosure No.	Disclosure	Section/subsection	Page	Note	Scope
GRI 418: Customer Privacy (2016)						
●	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Data <i>Trusted and resilient market infrastructure</i>	<u>85</u>	In 2021, the Group received no complaints about the leakage or loss of personal data.	1
GRI 419: Socioeconomic Compliance (2016)						
●	419-1	Non-compliance with laws and regulations in the social and economic area	Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>83</u>		1

APPENDIX 4. SASB METRICS

SECURITY & COMMODITY EXCHANGES

Code	Metric	Unit of measurement	Disclosure status	Section	Page	Scope
Promoting transparent and efficient capital markets						
FN-EX-410a.1	(1) Number and (2) average duration of (a) suspensions related to public release of information and (b) pauses related to volatility	(1) Number, (2) minutes	Partially disclosed	Sustainability Data <i>Trusted and resilient market infrastructure</i> <i>Note: Since 2018, all suspensions last 30 minutes under the updated trading rules, so the average time is always 30 minutes. After a pause of 30 minutes, there is a transition to discrete auction mode. In 2021, not a single suspension was recorded.</i> <i>Due to the absence of regulatory requirements, Moscow Exchange does not collect statistics on trading suspensions that occurred due to material events in accordance with the requirements specified in the SASB Standards. As such, the Exchange cannot disclose these indicators in verified form.</i>	<u>6, 85</u>	1
FN-EX-410a.2	Percentage of trades generated from automated trading systems	%	Disclosed	Sustainability Data <i>Trusted and resilient market infrastructure</i>	<u>6, 85, 123</u>	1
FN-EX-410a.3	Description of alert policy regarding timing and nature of public release of information	—	Disclosed	2021 Sustainability Performance Highlights <i>Responsible investing and sustainable growth</i> <u>Listing Rules</u> of Moscow Exchange	<u>6, 37</u>	1
FN-EX-410a.4	Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) information	—	Disclosed	2021 Sustainability Performance Highlights Sustainability Approaches and Procedures <i>Responsible investing and sustainable growth</i>	<u>6, 38-40, 100</u>	1

Code	Metric	Unit of measurement	Disclosure status	Section	Page	Scope
Managing conflicts of interest						
FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	RUB	Disclosed	Sustainability Data <i>Advanced governance and responsible business practices</i>	<u>6-7, 83</u>	1
FN-EX-510a.2	Discussion of processes for identifying and assessing conflicts of interest	—	Disclosed	Sustainability Approaches and Procedures <i>Advanced governance and responsible business practices</i> 2021 Annual Report, 2021, pp. 113-117, 146 <u>Conflict of Interest and Corporate Conflict Policy</u> of Moscow Exchange	<u>7, 114</u>	1
Managing business continuity and technology risks						
FN-EX-550a.1	(1) Number of significant market disruptions and (2) duration of downtime	Hours (h)	Disclosed	Sustainability Data <i>Trusted and resilient market infrastructure</i>	<u>6, 85</u>	1
FN-EX-550a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Number, percentage (%)	Disclosed	Sustainability Data <i>Trusted and resilient market infrastructure</i>	<u>6, 85</u>	1
FN-EX-550a.3	Description of efforts to prevent technology errors, security breaches, and market disruptions	—	Disclosed	2021 Sustainability Performance Highlights Sustainability Approaches and Procedures <i>Trusted and resilient market infrastructure</i>	<u>6, 59, 61, 125-127</u>	1
Activity metrics						
FN-EX-000.A	Average daily number of trades executed, by product or asset class	Number	Disclosed	2021 Sustainability Performance Highlights <i>Key indicators</i> Sustainability Data <i>Responsible investing and sustainable growth</i>	<u>6, 19, 74</u>	1
FN-EX-000.B	Average daily volume traded, by product or asset class	RUB	Disclosed	2021 Sustainability Performance Highlights <i>Key indicators</i>	<u>6, 19</u>	1

APPENDIX 5. GLOSSARY

Term	Definition
ADTV	Average daily trading volume
AI/ML solutions	Artificial intelligence/machine learning solutions
AML/CFT	Anti-money laundering/combating the financing of terrorism
CBI	Climate Bonds Initiative: a bond initiative for financing global climate change projects
CBR	Central Bank of Russia
CDP	Carbon Disclosure Project: an international project aimed at disclosing information on GHG emissions
CI/CD processes	Continuous Integration and Continuous Delivery processes
COP26	The 26th UN Climate Change Conference
COSO	Committee of Sponsoring Organizations of the Treadway Commission. For the purposes of this report, COSO is a guide for organizing internal control systems issued by this organization
COVID-19	A coronavirus disease caused by the SARS-CoV-2 virus
CRS	Common Reporting Standard: a unified standard for automatic exchange of tax information
Data Ops	Data operations: a concept and a set of practices for continuous data integration between processes, teams, and systems
DC	Data center
DevOps	Development and operations: methodology for automating technological processes for software installation, configuration, and deployment
Direct greenhouse gas emissions	Emissions from greenhouse gas sources owned or controlled by the reporting entity
EGRUL	Unified State Register of Legal Entities
ESB	Enterprise service bus: software that facilitates data exchange between different information systems of an enterprise
ESG	Environmental, social, and governance: principles of environmental protection, social responsibility, and corporate governance
ETF	Exchange-traded funds
FATCA	Foreign Account Tax Compliance Act
FESE	Federation of European Securities Exchanges
FIA	Futures Industry Association
FIFO	First in, first out: a principle strictly applied to processing applications of participants
FX	Foreign exchange
Green bonds	A type of bond that meets the four principles of green bonds defined by the ICMA, with proceeds used by the issuer to finance projects committed to these principles. In general, such projects should result in specific environmental benefits and should be aimed at developing activities that contribute to environmental sustainability
GRI SRS (GRI)	Global Reporting Initiative Sustainability Reporting Standards: the global standards for sustainability reporting
Growth sector	An initiative of Moscow Exchange and a number of partners—an exchange sector designed to help SMEs attract investment
HR	Human resources
HSE	Higher School of Economics (National Research University)
ICMA	International Capital Market Association
IHI	International health insurance
IIM	Innovation and Investment Market
Indirect GHG Emissions	Emissions that result from the activities of the reporting entity, but which occur beyond its established boundaries. Scope 2 covers indirect greenhouse gas emissions associated with the company's consumption of electricity, heat, or steam received from external generation facilities. Scope 3 corresponds to other indirect emissions, including emissions from extraction and processing of purchased materials, fuel and services; freight transportation by vehicles not owned or controlled by the reporting entity; external contractor activities; waste disposal; etc.
IOSCO	International Organization of Securities Commissions
IPCC	Intergovernmental Panel on Climate Change
IPO	Initial public offering of shares on a stock exchange
IR	Investor relations
ISO	International Organization for Standardization
IT	Information technology
KPI	Key performance indicators

Term	Definition
KYC	Know Your Customer: a principle of banking and exchange organizations that involves vetting a counterparty before conducting a financial transaction
MEMS	MOEX's extra motivation system
MEPhI (MEPhI National Research Nuclear University)	Moscow Engineering Physics Institute (National Research Nuclear University)
MICEX	Moscow Interbank Currency Exchange
MLOps	Machine learning operations: a set of practices that aims to deploy and maintain machine learning models
MSCI	Morgan Stanley Capital International
MVP	Minimum viable product: a concept facilitating the creation of a product with features that attract customers
NCC	National Clearing Center
NCE	National Commodity Exchange
NP	Non-profit partnership
NSD	National Settlement Depository
OECD	Organization for Economic Co-operation and Development
OSAGO	Compulsory car insurance
PJSC	Public joint-stock company
PRI	Principles of Responsible Investment: a UN initiative to promote responsible investment principles
RBEN	Russian Business Ethics Network: a network of business ethics and CSR associations
Repo	A transaction on the purchase (sale) of a security with an obligation to resell (purchase) after a certain period of time at a predetermined price specified in the agreement
Responsible investment	An investment approach that takes into account environmental, social and governance factors, as well as issues of long-term market stability
RF	Russian Federation
Ring the Bell for Financial Literacy	An international initiative of exchanges that seeks to ensure general access of the public to basic financial literacy as part of the UN Sustainable Development Goals
Ring the Bell for Gender Equality	An international initiative of exchanges that promotes gender equality as part of the UN Sustainable Development Goals
RSHB	Russian Agricultural Bank
RSPP	Russian Union of Industrialists and Entrepreneurs
SASB	Sustainability Accounting Standards Board
SASB Security & Commodity Exchanges, Sustainability Accounting Standard	Sustainability accounting standard for security and commodity exchanges, developed by the SASB
Scope 1	Scope 1 (GHG), see Direct GHG Emissions
Scope 2	Scope 2 (GHG), see Indirect GHG Emissions
Scope 3	Scope 3 (GHG), see Indirect GHG Emissions
SME	Small and medium-sized enterprises
Social bonds	A type of bond that meets the four principles of social bonds defined by the ICMA, with proceeds used by the issuer to finance social projects committed to these principles. In general, such projects should aim to solve significant social problems
SPO	Secondary Public Offering: a public offering of shares from an issuer already listed on a stock exchange
SSE	Sustainable Stock Exchanges initiative: a UN Partnership Programme organized by the UN Conference on Trade and Development (UNCTAD), the UN Global Compact, the UN Environment Programme Finance Initiative (UNEP FI), and the UN Principles for Responsible Investment (PRI)
Sustainability sector	An initiative of Moscow Exchange and the Ministry of Economic Development—an exchange sector aimed at promoting investment in environmental and social projects
TCFD	Task Force on Climate-Related Financial Disclosures, created by the Financial Stability Board
TTA	Technical training aids
UN SDGs	United Nations Sustainable Development Goals
UNEP FI	United Nations Environment Programme—Finance Initiative
UNGC	United Nations Global Compact
VEB.RF Taxonomy	The Russian National Green Finance Methodology, developed from March 2020 to May 2021 and approved by a decree of the Russian Government on 21 September 2021; the National Methodology covers the taxonomy of green projects, the taxonomy of adaptation projects, and green finance standards
VHI	Voluntary health insurance
WFE	World Federation of Exchanges
WHO	World Health Organization

APPENDIX 6. INDEPENDENT AUDITOR'S REPORT

102-56



INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT [TRANSLATION FROM RUSSIAN ORIGINAL]

To the management of Public Joint-Stock Company Moscow Exchange MICEX-RTS

We have undertaken a limited assurance engagement of the accompanying Moscow Exchange 2021 Sustainability Report (hereinafter referred to as the Report)¹.

Responsibility of Public Joint-Stock Company Moscow Exchange MICEX-RTS

Public Joint-Stock Company Moscow Exchange MICEX-RTS (hereinafter referred to as Moscow Exchange) is responsible for preparation of the Report in compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option and the requirements of the Sustainability Accounting Standards Board "Security and Commodity Exchanges" Standard (hereinafter - the SASB "Security and Commodity Exchanges" Standard). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Rules of Independence of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, which are in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Control 1, Quality Control for Firm that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusions:

- on the Report compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option;
- on the Report compliance with the requirements of the SASB "Security and Commodity Exchanges" Standard.

based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Report is free from material misstatement.

A limited assurance engagement undertaken in accordance with this standard involves assessing compliance of the Report with the following criteria (hereinafter referred to as Criteria):

- requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option;
- requirements of the SASB "Security and Commodity Exchanges" Standard.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, inspections of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

¹ The report discloses the results of the activities of Moscow Exchange and its subsidiaries National Settlement Depository and National Clearing Centre (hereinafter referred to as Moscow Exchange Group).

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version.

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Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Interviewing the management and employees of Moscow Exchange and obtaining documentary evidence.
- Study of information available on the websites of the Moscow Exchange Group companies related to their activities in the context of sustainable development.
- Study of public statements of third parties concerning economic, environmental and social aspects of the Moscow Exchange Group companies activities, in order to check the validity of the declarations made in the Report.
- Analysis of non-financial reports of companies working in the similar market segment for benchmarking purposes.
- Selective review of documents and data on the efficiency of the management systems of economic, environmental and social aspects of sustainable development in Moscow Exchange.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data to be included into the Report.
- Analysis of information in the Report for compliance with the Criteria.

The procedures were performed only in relation to data for the year ended 31 December 2021.

The evaluation of reliability of the information on performance in the Report was conducted in relation to compliance with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option and the requirements of the SASB "Security and Commodity Exchanges" Standard, as well as with respect to information referred to in the sections of the Report "GRI Content Index" and "SASB Index". With respect to this information assessment of its conformity to external and internal reporting documents provided to us was performed.

The procedures were not performed in relation to forward-looking statements; statements expressing the opinions, beliefs and intentions of Moscow Exchange as the parent company of Moscow Exchange Group to take any action related to the future; as well as statements based on expert opinion.

The procedures were performed in relation to the Russian version of the Report subject to be published as well as to be sent to Global Reporting Initiative in order to notify it of the use of the GRI Sustainability Reporting Standards in the Report preparation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Report, in all material respects, with the requirements of Criteria.

Limited Assurance Conclusion on the compliance of the Report with the requirements of the GRI Sustainability Reporting Standards for the Core option

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Report has not complied, in all material aspects, with the requirements of GRI Sustainability Reporting Standards for the report prepared in accordance with the Core option.

Limited Assurance Conclusion on the compliance of the Report with the requirements of the SASB "Security and Commodity Exchanges" Standard

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Report has not complied, in all material aspects, with the requirements of SASB "Security and Commodity Exchanges" Standard.

FBK, LLC

Practitioner
 Partner

acting under Power of Attorney No. 76/18 of December 17, 2018

The Russian Federation, Moscow

July 1, 2022

V.Y. Skobarev

TRANSLATION NOTE: Our report has been prepared in Russian and in English. In all matters of interpretation of information, views or opinions, the Russian version of our report takes precedence over the English version.

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APPENDIX 7. CONTACT DETAILS

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