

# Personnel

The Moscow Exchange human resources policy has three main goals: to attract highly qualified specialists, to facilitate professional development of employees and to create an atmosphere conducive to fulfilment of the Company's strategic objectives through unlocking its human resources potential and achieving performance excellence.

## Remuneration Policy

The Exchange provides a competitive level of remuneration to attract, retain and incentivise employees. Remuneration for any given position is proportional to the degree the position and its incumbent benefit the Exchange.

In 2016, the Exchange focused on improving performance management practices, including target-setting for all employees, semi-annual interim reviews and annual final review of key performance indicators. The personnel appraisal process was simplified and streamlined, with bias eliminated thanks to collective review of employee performance. The factors that affect the final score have also changed. Starting from 2016, the final verdict of a performance review depends not only on delivery against targets, but also on compliance with corporate values. The amended process focuses on providing feedback to employees and preparing individual development plans. In 2017, the Company plans to update its framework for setting targets to improve their quality and make them more balanced across functions, as well as to arrange additional executive training on managing employee performance.

In October 2016, the Supervisory Board approved the principles and parameters for a stock-based long-term remuneration programme, which will help the Company retain key personnel, motivate them to contribute to long-term sustainable development of the Group, and align shareholder and employee interests.

## Internship Programmes

In 2016, the Company targeted young talent by arranging introductory trainings for over 50 finance and IT students, with 24 of them going on to an internship programme and a comprehensive training programme in personal efficiency. The most successful students were offered positions at Moscow Exchange.

In April 2017, the Moscow Exchange will launch three internship programmes as part of its updated student engagement concept that was approved in 2016:

- **MOEX Future Leaders** – a year-long internship for final year university students who are serious about a career in the financial market and are working to become true leaders. Over the year, interns will get to work at several departments across Moscow Exchange and gain versatile experience.
- **MOEX Study & Work** – a programme for students who wish to do research focused on the Exchange under the supervision of seasoned professionals.
- **MOEX Summer** – a three-month internship over the summer holidays that will introduce students to the Exchange and give them their first work experience..

## Training and Development

The three key priorities of Moscow Exchange's employee training and development strategy are improvement of management skills, ensuring continuity of knowledge and experience and supporting the business in fostering innovative solutions in line with global trends. The Group traditionally makes significant investments in training and development to improve employees' professional expertise and competences.

The training and development framework includes both educational programmes and tools for workplace development and self-learning. MOEX is encouraging more employees to take charge of their own education, providing them with advanced technology and the necessary resources and opportunities.

In 2017, the Exchange will be rolling out the 70-20-10 education concept that emphasises self-learning and workplace development (70%) along with input from colleagues and one's supervisor (20%) combined with training sessions (10%).

In 2016, over 1,000 employees took part in various educational programmes and trainings, and a total of 3,000 e-courses were completed across the Company.

Development of employee competences along with leadership and project management skills is at the core of the Company's policy when it comes to delivering strategic projects. To facilitate this process, the Exchange has established a corporate university (MOEX Business University) that consists of three key programmes: Projects Faculty, Management Faculty and Professional Faculty. In February 2017, 41 attendees of MOEX Business University received a diploma for completing the programme aimed at developing project and change management skills. In 2016, 17 employees completed a year-long Management Faculty programme targeting management skills. The Professional Faculty's curriculum aims to give employees a broader and deeper knowledge of the Group's key focus areas.

For the purposes of senior executive training in 2016, the Company arranged the Advanced Management Programme that saw 32 senior executives and mid-level managers complete the courses designed by leading professors from prestigious business schools. In an effort to foster innovation and global trend understanding among its personnel, the Company sent 12 employees to intern at the Bolsas y Mercados Españoles (BME) in Madrid, as well as to study innovative client interaction technologies and cutting-edge fintech solutions.

Each year, the Corporate University expands the range of training and development opportunities for personnel. In 2017, it intends to update the competencies model and the development guide used by managers to plan employee development.

## Corporate Culture

Fostering a strong corporate culture is one of Moscow Exchange's strategic priorities. In 2016, the corporate culture and values framework were refined to instil more efficient employee behaviour models, as well as to promote employee engagement and facilitate effective staff interaction.

To identify the necessary initiatives for the transformation, the Company assembled a change management team comprised of employees at different levels from various departments. Having reviewed over 100 best domestic and global cases of corporate culture transformation, the team worked out the refined values for the Company:

- We are responsible for the future of the company
- We strive for excellence and are open to change
- We work in partnership with our clients
- We value transparency and integrity

To integrate these values into its everyday business, the Company incorporated them into the key HR processes: performance management, recruitment and hiring, personnel training, HR brand development, internal communications, talent management and recognition programmes.

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The Exchange's management team was also actively engaged in the process, with over 50 key executives completing the Culture that Yields New Results and Values Storytelling programmes that discussed practical measures of changing the corporate culture.

For the purposes of monitoring and measuring changes in the corporate culture and the manifestation of values in employee behaviour, 100 managers underwent a 360-degree review, and the Company launched an assessment of corporate values and employee engagement.

MOEX designated change agents and value messengers to communicate the corporate values to each and every employee. The messengers were picked by employees themselves.

In early 2017, the Exchange was awarded by Headhunter as HR Brand 2016 in the "Capital" category for successful development of corporate culture and adaptation of new corporate values. The award was established to recognise companies that are the most successful in building their reputation as employers.

## Health and Safety

A responsible attitude to occupational safety is one of the key principles of Moscow Exchange's operations. The Exchange meets high health and safety standards, providing continuous training to personnel in order to promote health and safety awareness.

The Exchange regularly conducts occupational safety briefings, including induction briefings for new employees as well as initial, refresher and unscheduled safety briefings, with all the necessary workplace and fire safety manuals in place.

All safety-related instructions are available on the corporate intranet Portal, where employees can also find health-related articles and e-learning safety courses.

In 2016, the Company arranged management training in a specialised education centre with 61 managers completing the course and being tested in occupational safety regulations.

In 2016, a special working conditions assessment was carried out for 41 workplaces (these include newly created ones and those with expired certifications). All the workplaces were confirmed to comply with the state norms; the established working environment class is 2, i.e. acceptable, with no harmful or hazardous factors.

In 2016, MOEX submitted declarations confirming the Company's compliance with the government regulations on working conditions in 2014-2016 to the state labour inspectorate. The total number of job positions included in these declarations is 812.

Moscow Exchange carries out annual inspections to check the implementation of sanitary, anti-epidemic and prevention measures.

It provides employees with antiseptics and medical face masks during outbreaks of influenza and respiratory viral infections. The Company also purchased germicidal air purifiers.

Pre-trip, pre-employment and regular medical examinations are in place for all categories of employees subject to such examinations in accordance with the law.

Should an employee feel unwell or require emergency medical assistance, they can visit the Company doctor.

Recreational areas, kitchenettes and a gym are provided in the offices of the Exchange, which are also equipped with water dispensers, coffee and vending machines.