

In addition, the Group put in place a system of benefits, including several types of insurance and financial assistance plans.

MOEX consistently strengthens the competitiveness of its compensation packages for recruitment and retention of professionals. In the reporting year, MOEX strived to increase the interdependence of the variable portion of remuneration, especially bonuses for employees of market business units, with financial targets and implementation of strategic projects through a goal-setting system.

CORPORATE CULTURE

Fostering a strong corporate culture is one of Moscow Exchange Group's strategic priorities. Specifically, the Exchange aims to:

- ▶ Develop highly efficient employee behavior models to address business challenges;
- ▶ Strengthen employee engagement in the implementation of the Group's strategy;
- ▶ Enhance effective staff interaction (vertical, horizontal and cross-functional).

A strong corporate culture is built on the Exchange's values:

- ▶ 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 Group incorporated them into all key processes and communication tools:

- ▶ Values and competences feedback;
- ▶ Internal communications;
- ▶ Top management as a role model for embracing the company's values;
- ▶ Audit of regular business processes to ensure compliance with the values;
- ▶ Employee training;
- ▶ Assessment of new employees based on the refined values;
- ▶ Non-financial incentives for employees;
- ▶ Talent management;
- ▶ HR brand development;
- ▶ Recognition programs with values-based categories;
- ▶ Corporate clubs.

Moscow Exchange strives to ensure a uniform approach to develop the company's corporate culture. With this in mind, 2019 was declared the year of a dialogue between Senior Management and employees, between internal customers and performers, as well as between colleagues.

To better understand the corporate culture, the Group conducted a survey to assess the level of engagement of employees, with 88% of the Group's employees participating. Following the results of this survey the Group identified key areas for development that it specifically plans to focus on in 2019.

TRAINING AND DEVELOPMENT

MOEX's training and development systems consist of educational programs, tools for growth in the work place and self-education. MOEX encourages employees to take charge of their own education, providing them with advanced technology and the necessary resources and opportunities. Starting from 2017, MOEX adhered to the 70-20-10 education concept that calls for shifting the educational focus to self-education and workplace development (70% of efforts), alongside with learning from others' experience (20%) and hands-on training sessions (10%).

692 employees took part in various educational programs and trainings.

Professional and compulsory training is the priority. MOEX also focuses on the development of employee competences along with the leadership and project management skills necessary to deliver on strategic projects. These educational initiatives account for up to 30% of time. In 2018, the third educational stream began, pursuant to the Management Faculty program with 40 Group employees expanding their leadership competences. Under the Project Faculty program, 30 employees developed their project management and design thinking skills.

The Professional Faculty launched an Internal Coaches project, under which the Group's employees hold master classes, trainings and workshops to share unique knowledge with their colleagues. In 2018, ten MOEX employees were elevated to the status of internal coaches, and held 16 trainings on various topics attended by 135 employees.