METHODOLOGY FOR NAMEX WHEAT CPT NOVOROSSIYSK INDEX

NAMEX 2022

1. **Terms and definitions:**

   CPT means terms of delivery in accordance with the international rules of Incoterms 2020.

   Exchange means Joint Stock Company National Mercantile Exchange or NAMEX;

   Index means NAMEX wheat CPT Novorossiysk index, short code WHCPT;

   Methodology means this Methodology for calculation of the NAMEX wheat CPT Novorossiysk index;

   Expert Council - Grain Index Expert Council which is a permanent advisory and consultative body of the Exchange responsible for development of proposals to facilitate methods for calculation of price indices and disclosure of information on price indices.

2. **General provisions**

   2.1. The methodology establishes the procedure for calculation of the index representing the value of a ton of wheat with CPT Novorossiysk delivery basis as calculated by the Exchange using data on contracts concluded during the trading session at the Exchange's commodity auctions on the date of the Index calculation.

   2.2. The Index is calculated every business day. Hereinafter in the Methodology a business day means any day other than a non-working weekend or non-working holiday.

   2.3. The Exchange establishes and announces a list of wheat auctions held on a daily or periodic basis on the NAMEX commodity auction market included in the Index on the Exchange website www.namex.org

   NAMEX commodity auctions run in accordance with the schedule of commodity auctions available on the Exchange website www.namex.org.

   2.4. If, on the Index calculation day, commodity auctions determined in accordance with clause 2.3 above do not take place, fail or do not meet the conditions set forth in section 3 of this Methodology, the Index value shall be deemed not determined.

   2.5. This Methodology as amended from time to time is subject to recommendations of the Expert Council. The Methodology, as well as all amendments and additions hereto are approved by the Exchange and come into effect on the date determined by the Exchange.

   2.6. Terms and definitions used in the Methodology shall apply in the meanings specified in clause 1 above, as well as established by the Exchange internal documents and current regulatory acts of the Russian Federation.

3. **Input data**

   3.1. To calculate the Index, only contracts executed at the end of the Exchange commodity auctions included in the Index are used.

   3.2. To calculate the Index, CPT Novorossiysk contracts with a delivery to one of the following terminals, are used: PJSC "NKHP", LLC "NZT", JSC "KSK".

   3.3. Contracts for the delivery of wheat with a protein content of at least 11.5% are included in the index. The list of goods admitted to organized trading at NAMEX commodity auctions and their quality requirements are set out in the Specification of exchange-

traded goods at NAMEX commodity auctions, published on the Exchange website www.namex.org

3.4. Prices of the contracts included in the Index are used exclusive of VAT.

3.5. To calculate the Index, contracts with the delivery period not exceeding 45 days are used.

3.6. The Index shall include only contracts executed at auctions that are determined in accordance with clause 2.3 above, result in total volume of contracts executed of at least 500 tons on the Index calculation date, and have at least two trading members participating (submitting bids) with at least twenty trading members admitted to the auction.

4. Index formula

4.1. The Index shall be calculated using the following formula:

$$I = \frac{\sum P_i \times V_i}{\sum V_i}$$

where:

I – Index value expressed in Russian rubles as of the calculation date;

V_i – total volume of contracts executed at the Exchange commodities auction i and conforming to the terms specified in clause 3 of this Methodology, expressed in tons;

P_i – value of the weighted average price of the commodities auction of the Exchange i, expressed in Russian rubles, calculated using the following formula:

$$P_i = \frac{\sum p_j \times v_j}{\sum v_j}$$

p_j – price of the contract j, concluded at the commodity auction i and meeting the conditions specified in Clause 3 of this Methodology, expressed in Russian rubles, excluding VAT;

v_j – volume of the contract j, executed at the commodity auction i, expressed in tons.

4.2. Index values are determined per ton of grain and rounded to the nearest Russian rouble according to the rules of mathematical rounding.

4.3. The Index is calculated once a day every business day no later than 16:00 MSK. The timing may be changed by a decision of the Exchange.

5. Control over calculation of the Index

5.1. In the event of circumstances that may adversely affect the adequacy of the Index in representing the real state of the Russian commodities market, the Exchange may take any actions necessary to ensure adequacy of the Index, including exclusion of certain contracts executed at the end of commodity auctions, determined in accordance with clause 2.3 of this Methodology, from the Index.

5.2. To recalculate the Index, the Exchange shall be guided by the NAMEX Regulation on Recalculation of NAMEX Indices.

6. Procedure for disclosure of information on Indices

6.1. Information on the values of the Indices shall be disclosed on the date of calculation of the corresponding Index, not later than 16:00 Moscow time on the Exchange official website, as well as additionally can be distributed by other means, including via third parties, including the official website of Public Joint Stock Company Moscow Exchange MICEX-RTS. The timing may be changed by a decision of the Exchange.

Information on the Index values for the entire calculation period, as well as other information, including disclosure of which is required in accordance with the requirements of the regulations, shall be published on the Exchange official website www.namex.org.