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|  | **APPROVED**  By the Moscow Exchange Executive Board  10 April 2024, Minutes No. 29  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Yu. Denisov  Chairman of the Executive Board  Moscow Exchange |

**Calculation Methodology for**

**the MOEX RSPP-RSHB Russian Corporate Eurobonds ESG Index**

MOSCOW EXCHANGE 2024

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1. **Overview**
   1. The following terms and definitions shall apply in this MOEX RSPP-RSHB Russian Corporate Eurobonds ESG Index Calculation Methodology by Public Joint-Stock Company Moscow Exchange MICEX-RTS (the "Methodology"):

* Index Constituents means the list of Russian corporate Eurobonds used for calculation of the Index, approved by the Exchange according to the procedure stipulated by this Methodology;
* The Exchange, Moscow Exchange means Public Joint-Stock Company Moscow Exchange MICEX-RTS;
* ESG List means a list of Eurobond issuers selected by RSPP as a group of leaders based on an annual assessment of the sustainability and corporate social responsibility reporting of the largest Russian companies by analysing the dynamics of performance and the focus of the companies' activities;
* Index Review Date means the day on which statistical data is computed to announce Constituents. These are 1 February, 1 May, 1 August and 1 November. If 1 February, 1 May, 1 August and 1 November are non-trading days, the Index Review Date is a trading day immediately following the 1st day of the relevant month;
* Eurobonds means bonds denominated in a currency other than the currency of the Russian Federation, issued by Russian issuers and/or on behalf of Russian issuers, including on behalf of Special Purpose Vehicles, including issues of replacing bonds of Russian issuers, including Eurobonds issued by state-owned companies, except for perpetual Eurobonds, admitted to trading (listed) on the Exchange;
* Accrued Coupon Income, ACI means the earnings accumulated on the Eurobonds in US dollars;
* Put Option, Offer means the right of the owner of Eurobonds to submit them for early redemption on a certain date;
* RSPP means All-Russian Association of Employers "Russian Union of Industrialists and Entrepreneurs";
* RSHB means RSHB Asset Management LLC;
* Maturity means the term to maturity or the nearest Put Option.
  1. Terms not specifically defined herein shall be construed in accordance with other documents of the Exchange as well as the law and regulatory acts of the Bank of Russia.
  2. The Index calculated in accordance with this Methodology shall have the following names and codes:
* Name in Russian: "Индекс МосБиржи российских корпоративных еврооблигаций РСХБ – РСПП – Вектор устойчивого развития";
* Name in English: "MOEX RSPP - RSHB Russian corporate Eurobonds ESG Index";
* The Index code is RUEUESG.
  1. The word mark "MOEX Index" is a trademark of Moscow Exchange registered by the State Register of Trademarks and Service Marks of the Russian Federation on 18 September 2017 (Trademark Certificate No. 630519). The word mark "MOEX" is a trademark of Moscow Exchange registered by the Federal Service for Intellectual Property in the State Register of Trademarks and Service Marks of the Russian Federation on 29 August 2014 (trademark certificate No. 521450).
  2. This 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.

1. **General Index Calculation Overview**
   1. The Index is based on the value of Eurobonds, determined as the sum of the price and the Accrued Coupon Interest with reinvested coupon payments. The Index is calculated using the following formula:

where:

CIn – the value of the Index on day n;

Pi,n - the weighted average price of the Eurobond of the ith issue on day n, expressed as a percentage of the principal value;

FVi,n - the principal value of the Eurobond of the ith issue on day n, expressed in USD;

Ai,n - the accrued coupon interest of the Eurobond of the ith issue on day n, in USD;

Gi,n - the amount of coupon interest paid on day n on the Eurobond of the ith issue at time n, expressed in USD;

Ni,n - volume of the ith Eurobond issue on day n, expressed in units of securities.

* 1. The Index values are calculated accurate to two decimal places.
  2. The Index is calculated once a day. This single value of the Index for the day is both the current value and the closing value before the next calculation of such Index on the next trading day.
  3. The specified frequency of calculation of the Index may be changed by the Exchange's decision.
  4. The start date of calculation of the Index is 29 Dec 2018. The initial value of the Index is 100.

1. **How the Eurobond Issue Price is Determined**
   1. The source of price data is quotes of the Russian onshore market of Eurobonds, broadcast by news agencies, unless otherwise determined by the Exchange.
   2. The price of the Eurobond of the ith issue is set equal to the average value of the bid and offer prices. The price of the Eurobond is determined taking into account the face value of the Eurobond and is expressed in US dollars.
   3. If there are no bid and offer prices, the last available value of the price of the ith issue of the Eurobonds is used to calculate the Index.
   4. If the source of price data, established in accordance with clause 3.1, suspends (stops) transmission of prices of Eurobond issues, the Exchange may decide to change the source of price data.
2. **Index Construction and Review**
   1. Eurobonds are eligible for the Index if they meet the following requirements:
      1. Any Eurobond issue is denominated in US dollars.
      2. On the effective date of the revised Index, the maturity is at least 3 months.
      3. By the Index Revie Date, the rates of all coupon payments for the term to maturity of the Eurobonds have been set.
      4. The issuer is a Russian company (the issuer's SPV) included in the ESG List.
   2. If the total number of issuers of Eurobonds meeting the requirements of clause 4.1 of this Methodology is less than 10, the Exchange may include in the Index Eurobonds issued by the Russian Federation meeting the requirements of clauses 4.1.1-4.1.3 with the longest maturity.
   3. Eurobonds are added to and removed from the Index at the Index Reviews.
   4. Regular Index Reviews shall be carried out no more frequently than once a quarter. The review shall be effective from the start of trading in the Trading Mode T+ of the trading day following the last trading day of February, May, August and November. The Exchange may decide to set other dates of coming into effect of the Index Constituents after review.
   5. The Exchange may decide to remove Eurobond issue from the Index and replace them with a new issue on an extraordinary basis, on a date determined by the Exchange, in the following cases:
      1. If the issuer of Eurobonds included in the Index fails to fulfil in full the obligations on coupon payment, redemption under the offer, redemption of the issue or issues of Eurobonds and/or other bonds of this issuer.
      2. In case of termination (suspension) of Eurobond price broadcasting by the source of price data specified in clause 3.1 of the Methodology.
      3. If the RSPP changes the ESG List.
      4. In case of occurrence of other events not stipulated by this Methodology, resulting in a significant impact on the calculation of the Index.
   6. The Exchange can add Eurobonds to the Index at any time, as long as they meet the criteria outlined in clauses 1.1-4.1.4 of the Methodology.
   7. The Exchange has the authority to decide on adding Eurobond Issues to the Index, even if they do not meet the criteria outlined in clause 4.1, and in a way that differs from clauses 4.1-4.5 of the Methodology.
3. **Constraining the Eurobond's Contribution to the Index**
   1. As of the Index Review Date, the specific weight of Eurobonds of issuers is determined in proportion to their position in the ESG List.
   2. An Eurobond issue is limited to a maximum of 10% (S=10%) of the total value of the Eurobonds included in the Index.
   3. If the total number of Eurobond issuers fulfilling the requirements of clause 3.1 of this Methodology is less than 11, the maximum value of the share of the issue value of one issuer in the total value of Eurobonds in the Index is limited to 10%, whereby the weight of Eurobonds issued by the Russian Federation and included in the Index is the difference between 100% of the total value of Eurobonds included in the Index and the total weight of Eurobonds of corporate issuers.
4. **Control Over Calculation of the Index**
   1. In the event of a technical failure in the calculation of the Index, which resulted in a distortion of the data used for calculation, the previously calculated Index values may be recalculated. This recalculation shall be carried out within the shortest possible time from the moment of detection of the technical failure. Upon recalculation of the Index, the Exchange posts the relevant announcement on its website.
   2. In the event of circumstances that may adversely affect the ability of the Index to reflect the true state of the Eurobond market, the Exchange is entitled to take any measures to ensure the adequacy of the Index, including the exclusion of the Bonds from the Index, etc.
5. **Publication**
   1. This Methodology, Index values for the whole period for which the Index was calculated, Index constituents, as well as other information, the disclosure of which, among other things, is required in accordance with the requirements of regulatory legal acts in the field of financial markets, is published on the Exchange's official website.
   2. Index values for the previous trading day are published not later than 12:00 (noon) Moscow time.
   3. The Methodology shall be published on the official website of Moscow Exchange not later than three working days prior to the effective date, unless the Exchange resolves otherwise.
   4. Notifications on scheduled Index Reviews are disclosed within three working days from the date of the Exchange's decision to approve the new Index Constituents, but not later than one week before the date of coming into effect of such Exchange's decision.
   5. Extraordinary Index Reviews are announced on the official website of the Exchange not later than the day before the day of coming into force of the Exchange decision on approval of the new Index components. The information to be published on the official website of the Exchange in accordance with this procedure may also be disseminated through other means, including information agencies that disseminate MOEX's market data.