

SCALE OF THE NATIONAL CORPORATE GOVERNANCE RATING

The NCGR reflects expert opinion about corporate governance practices at a company and also assesses a company's risks related to corporate governance. The higher the score, the lower corporate governance risks of the company.

A company may be assigned NCGR on a scale from 1 (lowest score) to 10 (highest score). The rating scale has 10 rating classes and 7 quality levels of corporate governance practices. Each class has two subclasses: if the quality of a company's corporate governance is average for this class, a «+» is added to its rating class; if it is above the average and close to the next rating class, «++» is added.

NCGR 10	Very best corporate governance practice
NCGR 9++ NCGR 9+ NCGR 9	Best corporate governance practice
NCGR 8++ NCGR 8+ NCGR 8	Advanced corporate governance practice
NCGR 7++ NCGR 7+ NCGR 7	Developed corporate governance practice
NCGR 6++ NCGR 6+ NCGR 6	Good corporate governance practice
NCGR 4 - NCGR 5++	Moderate corporate governance practice
NCGR 1 - NCGR 3++	Low corporate governance practice

NCGR 10 is assigned to a company that complies with requirements of Russian laws on corporate governance and fully abides by recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are absent.

NCGR 9 is assigned to a company that complies with requirements of Russian laws on corporate governance and abides by a majority of recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are minuscule.

NCGR 8 is assigned to a company that complies with requirements of Russian laws on corporate governance and abides by a substantial part of recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are insignificant.

NCGR 7 is assigned to a company that complies with requirements of Russian laws with regard to corporate governance and abides by a significant part of recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are low.

NCGR 6 is assigned to a company that complies with requirements of Russian laws on corporate governance and abides by a number of key recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are acceptable.

NCGR 5 is assigned to a company that complies with requirements of Russian laws on corporate governance, however, its initiatives to implement basic recommendations of the Russian Corporate Governance Code are insignificant. Risks of owners' losses related to corporate governance are moderate.

NCGR 4 is assigned to a company that complies with requirements of Russian laws on corporate governance, however, its initiatives to implement basic recommendations of the Russian Corporate Governance Code are minimal. Risks of owners' losses related to corporate governance quality are medium.

NCGR 3 is assigned to a company that sometimes fails to comply with some norms of Russian laws on corporate governance, and whose current corporate governance practices do not meet most of recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are high.

NCGR 2 is assigned to a company that sometimes fails to comply with some norms of Russian laws on corporate governance, and whose current corporate governance practices do not meet most of recommendations of the Russian Corporate Governance Code. Risks of owners' losses related to corporate governance are very high.

NCGR 1 is assigned to a company that sometimes fails to comply with Russian laws on corporate governance, and does not implement recommendations of the Russian Corporate Governance Code into its corporate governance practice. Risks of owners' losses related to corporate governance are extremely high.