

## INFORMATION POLICY

The Exchange is committed to ensuring that its activities are as transparent as possible for its shareholders, investors and other stakeholders. Following the recommendations of the Corporate Governance Code of the Bank of Russia and the development plans of the Exchange, and taking into account the legislative requirements on information disclosure by issuers whose securities are admitted to trading, the Exchange adopted a new Information Policy in December 2015 (<http://fs.moex.com/files/11122/>). (In 2016, the Information Policy was amended in line with the recommendations of the Corporate Governance Code).

This document is a set of standards the Exchange abides by (including members of its management bodies, officials, and employees) when disclosing and/or providing information to shareholders and other stakeholders. In particular, the Information Policy determines:

- ▶ key objectives and binding principles of information disclosure of the Exchange as a securities issuer;
- ▶ groups of disclosed information, including a list of information that the Exchange may disclose voluntarily, as well as the disclosure procedure;
- ▶ the procedure for Moscow Exchange's interaction with stakeholders, including with individuals who are authorized to communicate on behalf of the Exchange;
- ▶ the procedure of granting access to the information and documents of the Exchange.

The Information Policy is aimed at providing stakeholders with additional opportunities to exercise their rights and interests and at improving the efficiency of information exchange between the Exchange and all stakeholders.

### ***Methodology Used by Moscow Exchange to Assess the Principles of Corporate Governance Established in the Corporate Governance Code of the Bank of Russia***

The recommendations established in Letter No. IN-06-52/8 of the Bank of Russia dated 17 February 2016 "On The Disclosure, in a Public Joint-Stock Company Annual Report, of a Report on Compliance with the Principles and Recommendations of the Corporate Governance Code" were used by the Exchange as the methodology for its assessment of the principles of corporate governance established in the Corporate Governance Code of the Bank of Russia.

As part of the assessment, an analysis was undertaken to determine whether the Exchange's corporate governance practices and internal procedures complied with the principles and recommendations of the Bank of Russia Corporate Governance Code.

The findings of the assessment are presented in the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code, which forms an integral part of the Annual Report.

Over the past several years, the Exchange has been working on bringing its corporate governance practices in line with the Corporate Governance Code. The annual analysis of the results of corporate governance assessment shows a trend towards an increase in the number of principles and recommendations complied with.

### ***Directors' Liability Insurance***

Since 2013, the liability of Moscow Exchange's directors and officers (including independent directors), as members of the Company's management bodies, has been insured. The purpose of this insurance is to provide compensation for potential damages caused by unintended negligent actions (or by their inaction) on the part of the insured individuals in the performance of their administrative activities.

Under the insurance contract concluded in 2018, the insurance premium is USD 74,700, and the insured amount is USD 50 mln (the total additional insured amount is USD 5 mln for independent directors). The insurer is Ingosstrakh.

The terms and conditions of the insurance contract, including the insurance coverage, are consistent with the best global insurance practices.

## EXTERNAL AUDITOR

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| Auditor's name   | Deloitte & Touche CIS  |
| INN  | 7703097990   |
| OGRN   | 1027700425444  |
| Address  | 5 Lesnaya St., Moscow 125047 Russia                          |
| The auditor is the member of Russian Union of Auditors (RUA) | The auditor is the member of Russian Union of Auditors (RUA) |
| The organization is located at:                              | 8 Petrovskiy Pereulok, building 2, Moscow 107031.            |

### Auditing Team:

- ▶ Sergei Neklyudov, Leading Partner;
- ▶ Ekaterina Ponomarenko, Partner, Quality Control;
- ▶ Anna Zdanevich, Audit Director;
- ▶ Anna Naydunova, Senior Audit Manager;
- ▶ Maria Vovk, Audit Manager;
- ▶ Natalia Kaprizina, Partner, Internal Control Audit;
- ▶ Julia Goncharova, Senior Manager, Internal Control Audit;
- ▶ Ksenia Andreeva, Manager, Internal Control Audit;
- ▶ Anton Shulga, Partner, Valuation;
- ▶ Aleksei Chagovets, Director, Valuation;
- ▶ Oksana Zhupina, Partner, Tax Audit;
- ▶ Anton Rudakov, Assistant Manager, Tax Audit;
- ▶ Anna Kostyra, Partner, Legal Affairs;
- ▶ Alfiya Mukhamatyanova, Senior Manager, Legal Affairs.

The fee for the audit of the annual accounting (financial) statements of Moscow Exchange and of the consolidated statements of Moscow Exchange Group for 2018 was RUB 42,295 thousand, including VAT.

Deloitte and Touche CIS rendered no other services to PJSC Moscow Exchange in 2018 beyond audit services.

## EXTERNAL AUDITOR SELECTION PROCEDURE

In accordance with the Regulations on the Auditor Selection Commission, Moscow Exchange selects auditors every three years. The number of consecutive audit years by one organization normally does not exceed six years, i.e. two auditor selection periods. Deloitte & Touche CIS won the tender.

The best candidate is chosen by the Auditor Selection Commission in accordance with the Regulations on the Evaluation of Proposals for the Selection of the Auditor for Moscow Exchange and the Technical Requirements for Audit. Both are approved by the Supervisory Board's Audit Committee.

Technical Requirements determine the scope of matters the auditor will review during an audit, as well as the Exchange's requirements for the audit firm taking part in the competitive tender.

Before reviewing the bids for the audit of Moscow Exchange and Group companies, the Committee prepares an opinion on bidders' compliance with legislative requirements, including with regard to factors that may affect the independence and objectivity of the auditor. Only those candidates that comply with the requirements for the auditor's independence under Article 8 of Federal Law on Auditing (No. 307-FZ dated 23 December 2008) are admitted to the tender.

The auditor selection process is based on a review of the technical characteristics and prices of the bids providing the best terms for the audit of the financial (accounting) statements of Moscow Exchange and Group companies.

The Auditor Selection Commission reviews bids in two stages, assessing technical characteristics first and then pricing of bids, based on which it determines the winning candidate.

The review of technical characteristics assesses the audit methodology, quality of the auditor's report on the internal control framework to the Exchange's governing bodies, the bidders' professional expertise, and draft agreement for the audit of the Exchange and Group companies.

As regards the pricing of bids, the total audit fees for the current reporting period and for the two subsequent periods, as well as the fee payment schedule, are considered.

Based on its review of the bids, the Auditor Selection Commission determines the winning bid and recommends the candidate to the Supervisory Board's Audit Committee. In turn, the Committee recommends that the Supervisory Board should propose to the General Meeting of Shareholders of the Exchange to approve the candidate as the auditor.

The final decision on auditor selection is made by the Annual General Meeting of Shareholders.