

REMUNERATION OF SUPERVISORY BOARD MEMBERS

The Exchange's remuneration system for Supervisory Board members is determined by the Remuneration and Compensation Policy approved by resolution of the Supervisory Board in December 2016 and by the Remuneration and Compensation Regulation approved by resolution of the Annual General Meeting of Shareholders in April 2016. The Nomination and Remuneration Committee actively participates in improvement of the remuneration system for Supervisory Board members, taking into account the best practices of corporate governance and the positive experience of public companies and foreign exchanges. The above Policy and Regulation apply only to the members of the Supervisory Board of the Exchange. During the reporting year, no amendments were made to these documents, and no assessment of the remuneration system was made by any external organizations. However, the Nomination and Remuneration Committee of the Supervisory Board conducted an expert assessment of the compliance of current remuneration with market conditions and practices of companies with similar capitalization, and did not recommend to revise the remuneration in 2018.

According to the Policy, the system of remuneration and compensation of Supervisory Board members is based on the following key interrelated principles:

- ▶ mechanisms of calculating remuneration and compensation are clear, and information on them is available to all interested parties;
- ▶ disclosure of information on the remuneration and compensation of Supervisory Board members, including the amount of individual remuneration, is done in proper time and in full;
- ▶ the amount of remuneration of Supervisory Board members is intended to motivate them to work effectively;
- ▶ contribution of each member of the Supervisory Board is assessed taking into account his/her duties, responsibilities, workload, and involvement.

The level of remuneration paid to Supervisory Board members shall be sufficient to attract, motivate, and retain persons with skills and qualifications necessary for the Exchange. The Nomination and Remuneration Committee gives recommendations on the level of remuneration of Supervisory Board members on the basis of an expert assessment of the level of remuneration paid by Russian companies with similar capitalization and competitors of the Exchange.

The Policy and Regulation govern all types of payments, benefits, and privileges provided to Supervisory Board members and contain no other forms of short-term or long-term incentives of Supervisory Board members.

In order to ensure independent decision making, the remuneration of Supervisory Board members is not tied to the Exchange's performance or share price and does not include option programs. Supervisory Board members enjoy no pension contributions, insurance programs (apart from the Supervisory Board member liability insurance and the conventional insurance associated with travelling to perform duties as a director or to participate in Supervisory Board activities), investment programs, or other benefits or privileges, unless specified in the Policy and Regulation. The Exchange does not provide loans to Supervisory Board members and does not enter into civil law contracts with them for the provision of services to the Exchange on non-market terms.

Remuneration for performing the duties of a member of the Supervisory Board of the Exchange shall not be paid to state employees, employees of the Bank of Russia, employees and managers of the Exchange and its subsidiaries.

Remuneration of directors for performing the duties of a member of the Supervisory Board comprises basic and supplementary components.

The amount of the basic remuneration of a member of the Supervisory Board depends on whether such member is independent or not, and:

- ▶ for an independent member of the Supervisory Board, amounts to RUB 5.5 mln;
- ▶ for a non-independent member of the Supervisory Board, amounts to RUB 4 mln.

The following differentiated supplementary remuneration is paid to Supervisory Board members for performance of additional duties, requiring extra time and effort, of Chairman of the Supervisory Board, Deputy Chairman of the Supervisory Board, Chairman of a Supervisory Board Committee, or a member of a Supervisory Board Committee, and:

- ▶ for the Chairman of the Supervisory Board, amounts to RUB 6 mln;
- ▶ for the Deputy Chairman of the Supervisory Board, amounts to RUB 3 mln;

- ▶ for the Chairman of the Supervisory Board Committee, amounts to RUB 2.5 mln;
- ▶ for a member of the Supervisory Board Committee, amounts to RUB 1.25 mln.

When a member of the Supervisory Board performs the duties of the Chairman and/or a member of more than one Committees of the Supervisory Board, such member is paid remuneration for the chairmanship and/or membership in each such Committee.

By resolution of the General Meeting of Shareholders of the Exchange, members of the Supervisory Board may be paid supplementary remuneration for participation in conferences or forums held at the initiative or with the participation of the Exchange and aimed at improving the Exchange's interaction with investors or financial market participants. The exact amount of the specified supplementary remuneration is determined taking into account the importance, duration and remoteness of the venue of the event and may not exceed RUB 400,000.

The amount of the basic and supplementary remuneration of a member of the Supervisory Board is fixed, reflects the expected time costs associated with performing the duties of a member of the Supervisory Board, and does not depend on participation in each meeting of the Supervisory Board or Supervisory Board Committees (including the unscheduled ones). However, the amount may be reduced by 25% or 50% if a member of the Supervisory Board attended less than 75% and 50% of in-person meetings of the Supervisory Board or Committees, respectively. If a member of the Supervisory Board took part in 1/3 or less of the total number of meetings of the Supervisory Board or in 1/4 or less of in-person meetings of the Supervisory Board, the General Meeting of Shareholders of the Exchange may decide not to pay remuneration to such member of the Supervisory Board.

In case of early termination of powers of a member of the Supervisory Board, the calculation of remuneration of such member is made for the actual period of performance of his/her duties.

Apart from the remuneration for work in the Supervisory Board and Supervisory Board Committees, in accordance with the Exchange's Policy, members of the Supervisory Board are reimbursed (compensated) for travel expenses relating to participation in in-person meetings of the Supervisory Board or its Committees, General Meetings of Shareholders, as well as in events attended under the performance of duties of Supervisory Board members. In addition, members of the Supervisory Board who travel to attend meetings and other events held outside their place of residence are reimbursed (compensated) for representation expenses.

Members of the Supervisory Board are entitled to classes of travel and accommodation equal to those members of executive bodies are entitled to in accordance with the internal documents regulating reimbursement of expenses in business trips.

In order to maintain the necessary professional level of Supervisory Board members, the Nomination and Remuneration Committee of the Supervisory Board may recommend paying for professional training and refresher courses.

An exhaustive list of reimbursable expenses is established by the Regulation.

The Nomination and Remuneration Committee ensures that Supervisory Board members participate in control over the remuneration of Supervisory Board members.

The amount of remuneration paid in 2018 to MOEX Supervisory Board members for the performance of their duties in the period from the date of election in 2017 to the date of termination of their powers in 2018 (corporate year) is determined in accordance with the Regulation.

The resolution to pay remuneration to Supervisory Board members for the performance of their duties during their term of office, as well as to determine the amount of individual remuneration of each director elected on 27 April 2017, was adopted at the Annual General Meeting of Shareholders held on 26 April 2018.

The remuneration of members of the Supervisory Board of the Exchange was previously reviewed by the Nomination and Remuneration Committee of the Supervisory Board of the Exchange, as well as by the Supervisory Board.

AMOUNT OF PAYMENTS (BY TYPES OF REMUNERATION), RUB THOUSAND

#	Full name					2018 год	2017 год	2016 год
		Basic remuneration	Supplementary remuneration	Reimbursement of travel expenses	Remuneration for work in governance bodies of subsidiaries	Total amount of all payments and compensations	Total amount of all payments and compensations	Total amount of all payments and compensations
1	Alexey Kudrin	3,000	6,000	0	0	9,000	10,000	8,020
2	Alexander Afanasiev	0	0	0	0	0	0	0
3	Oleg Viyugin	4,818.2	2,500	2,533.1	4,250.0	14,101.2	0	0
4	Anatoly Braverman	4,000	3,750	0	0.0	7,750.0	0	0
5	Andrey Golikov	4,000	8,000	694.4	5,250.0	17,944.4	17,250.0	12,711.5
6	Maria Gordon	5,500	2,011.7	507.8	0.0	8,019.5	9,882.8	340.6
7	Valery Goreglyad	0	0	508	0	508	0	0
8	Yury Denisov	4,000	5,000	562.2	6,000.0	15,562.2	14,430.5	9,086.5
9	Bella Zlatkis	4,000	0	0	4,750.0	8,750.0	8,750.0	7,375.0
10	Anatoly Karachinsky	5,500	2,500	0	0	8,000.0	8,817.4	6,500.0
11	Rainer Riess	5,500	8,515.8	575.6	0	14,591.4	11,533.9	9,746.3
12	Duncan Paterson	5,500	5,226.6	533.9	0	11,260.5	8,569.8	362.9