

Many issues on the agenda of the Supervisory Board meetings are considered ahead of time by the relevant committees to allow for a more detailed discussion and to give recommendations to the Supervisory Board on voting.

In 2018, the Supervisory Board considered issues relating to the performance of its main functions, including:

strategy issues:

- ▶ implementation of the Marketplace project
- ▶ participation in the share capital of the Kazakhstan Stock Exchange
- ▶ development of the Moscow Exchange Group strategy 2020+

personnel issues:

- ▶ prolongation of powers of the Chairman of the MOEX Executive Board for 2 years, and powers of Anna Kuznetsova and Igor Marich, Executive Board members
- ▶ termination of powers of Sergey Polyakov, Executive Board member

business development issues:

- ▶ changes to tariffs on the Equity and Bond Market, deposit market, and Derivatives Market, fees for trades on the FX Market, and listing fees
- ▶ change of rates on ruble deposits with the Central Counterparty for corporate clients
- ▶ determination of rates on foreign currency deposits with the Central Counterparty for corporate clients
- ▶ compilation of rates for credit institutions and international financial organizations admitted to deposits with the Central Counterparty

key documents of Moscow Exchange:

- ▶ Listing Rules
- ▶ Rules of the Exchange's organized trading on different markets of the Exchange
- ▶ Rules of admission to the Exchange's organized trading on all markets

risk management issues:

- ▶ establishment of a MOEX subsidiary to implement information security measures
- ▶ resolution not to change the selected reserve data center of MOEX

- ▶ discussion of the Internal Control Service reports on the review of compliance of Public Joint-Stock Company Moscow Exchange MICEX-RTS activities as the trade organizer with the requirements of Federal Law No. 224-FZ dated 27 July 2010 "On Countering Wrongful Use of Insider Information and Market Manipulation, and on Amending Certain Legislative Acts of the Russian Federation" for the period from 1 July 2017 to 31 December 2017
- ▶ approval of a new version of the Business Continuity Planning
- ▶ approval of a new version of the Information Security Management Policy of Moscow Exchange
- ▶ approval of the Strategic Risk Management Policy of Moscow Exchange
- ▶ approval of the Financial Risk Management Policy of Moscow Exchange
- ▶ approval of a new version of the Information Security Risk Assessment Methodology and a new version of the Information Security Risk Management Procedure
- ▶ approval of a new version of the Audit Methodology for the Internal Control Service
- ▶ approval of a new version of the Business Continuity Plan of Moscow Exchange

Procedures for Appointment, Induction and Training of Members of the Supervisory Board

In accordance with the Federal Law on Joint Stock Companies, shareholders holding in aggregate at least 2% of the voting shares in Moscow Exchange may nominate candidates to the Supervisory Board of the Exchange, but not more than the number of members of the Supervisory Board of the Exchange. The Charter of the Exchange provides that such proposals shall be submitted no later than 60 days after the end of each fiscal year.

The Supervisory Board of the Exchange considers the received proposals and makes a decision on whether to include the proposed candidates in the list for voting at the General Meeting of Shareholders no later than five days after the date specified for the submission of proposals, i.e., on or before 6 March 2018.

At the end of 1 March 2018, the Exchange received proposals on the nomination of 12 candidates to the Supervisory Board to be elected at the Annual General Meeting of Shareholders in 2018, all of them were included in the list for voting at the General Meeting of Shareholders.

As part of the induction of newly elected directors, there is an induction program for members of the Supervisory Board of Moscow Exchange. The program includes the following activities:

- ▶ familiarization of Supervisory Board members with the key internal documents of the Exchange, resolutions adopted by the General Meeting of Shareholders and the Supervisory Board;
- ▶ familiarization of Supervisory Board members with the history of the Russian on-exchange market, basic information on the development strategy and operating activities of the Exchange;

- ▶ individual meetings with the Chairman of the Supervisory Board and the Chairman of the Executive Board;
- ▶ individual meeting with the Director of the Corporate Governance Department;
- ▶ meeting with the management of the Group in the form of a one-day introductory course held within two months from the date of election to the Supervisory Board;
- ▶ individual meeting(s) with the Chairperson(s) of the Supervisory Board Committee(s), whose members are also members of the Supervisory Board.

ACTIVITIES OF THE SUPERVISORY BOARD COMMITTEES IN 2018

Information on the Supervisory Board Members' Attendance at Meetings of the Supervisory Board Committees

For the period from 1 January 2018 to 31 December 2018:

- ▶ **the Strategy Planning Committee** of the Supervisory Board held five in-person meetings: one meeting before and four meetings after the annual General Meeting of Shareholders held on 26 April 2018. Also, two Strategy Days of the Supervisory Board were organized:

Full name	Number of meetings attended	% of the total number of meetings
Rainer Riess Chairman of the Committee	5	100
Duncan Paterson	4	80
Oleg Viyugin	4	80
Anatoly Braverman	4	80
Andrey Golikov	5	100
Yury Denisov	5	100
Alexander Izosimov Member of the Committee since 26 April 2018	2	50

- ▶ **the Nomination and Remuneration Committee** of the Supervisory Board held 13 meetings, including 8 in-person meetings: six meetings before and seven meetings after the annual General Meeting of Shareholders held on 26 April 2018.

Full name	Number of meetings attended	% of the total number of meetings
Mikhail Bratanov Chairman of the Committee	7	100
Member of the Committee since 26 April 2018		
Oleg Viyugin	13	100
Rainer Riess	13	100
Yury Denisov Member of the Committee until 26 April 2018	6	100