

FURTHER DEVELOPMENT OF CORPORATE GOVERNANCE

In 2019 the Supervisory Board defined the following main priorities on the basis of the external assessment:

- ▶ **Representation of competencies on the Supervisory Board** – improvement of competencies of the Supervisory Board in the field of information technology and development of digital products.
- ▶ **Succession planning** – introduction of a succession planning system for members of the Supervisory Board, facilitating a process whereby the Board engages best competencies from the market while maintaining the accumulated experience and knowledge.
- ▶ **Interaction with management** – strengthening interaction between the Supervisory Board and management. In particular, conducting orientation sessions including discussion of joint work, prioritization of requests to the management, division of responsibility of the Supervisory Board and management, and other issues.

- ▶ **Effectiveness of meetings** – make meetings more efficient by removing technical issues from the agenda. In particular, developing an annual cycle of work of the Supervisory Board with indication of the key topics for meetings and prioritization of agenda on that basis.

In 2019 the Supervisory Board approved a new dividend policy and revised Corporate Governance Code, a development strategy, considered the questions of calling and holding an extraordinary shareholders meeting, development of the collective investment market, activities to promote demand from domestic institutional investors and reform of the Commodities Market.

MOSCOW EXCHANGE'S CORPORATE GOVERNANCE CODE

In 2019, the Exchange's Supervisory Board approved a new version of Moscow Exchange's Corporate Governance Code, which was first adopted in 2015. The Code complies Russian legislation and was developed taking into account principles and recommendations of the Bank of Russia's Corporate Governance Code and the OECD's Corporate Governance Principles.

The Exchange's Code describes the system, principles and practices of corporate governance of the company and risk management. Additionally, the Code contains the Exchange's corporate social responsibility goals and principles, the principles of interaction with service users and other stakeholders and the principles of corporate governance at Group companies.

A distinctive feature of the document is that it contains development plans for the implementation of corporate governance principles. This sets not a declarative but a practical tone for the Code and allows the Exchange to continue reforming and improving corporate governance.