
Corporate governance system

CORPORATE GOVERNANCE MODEL AND PRACTICE

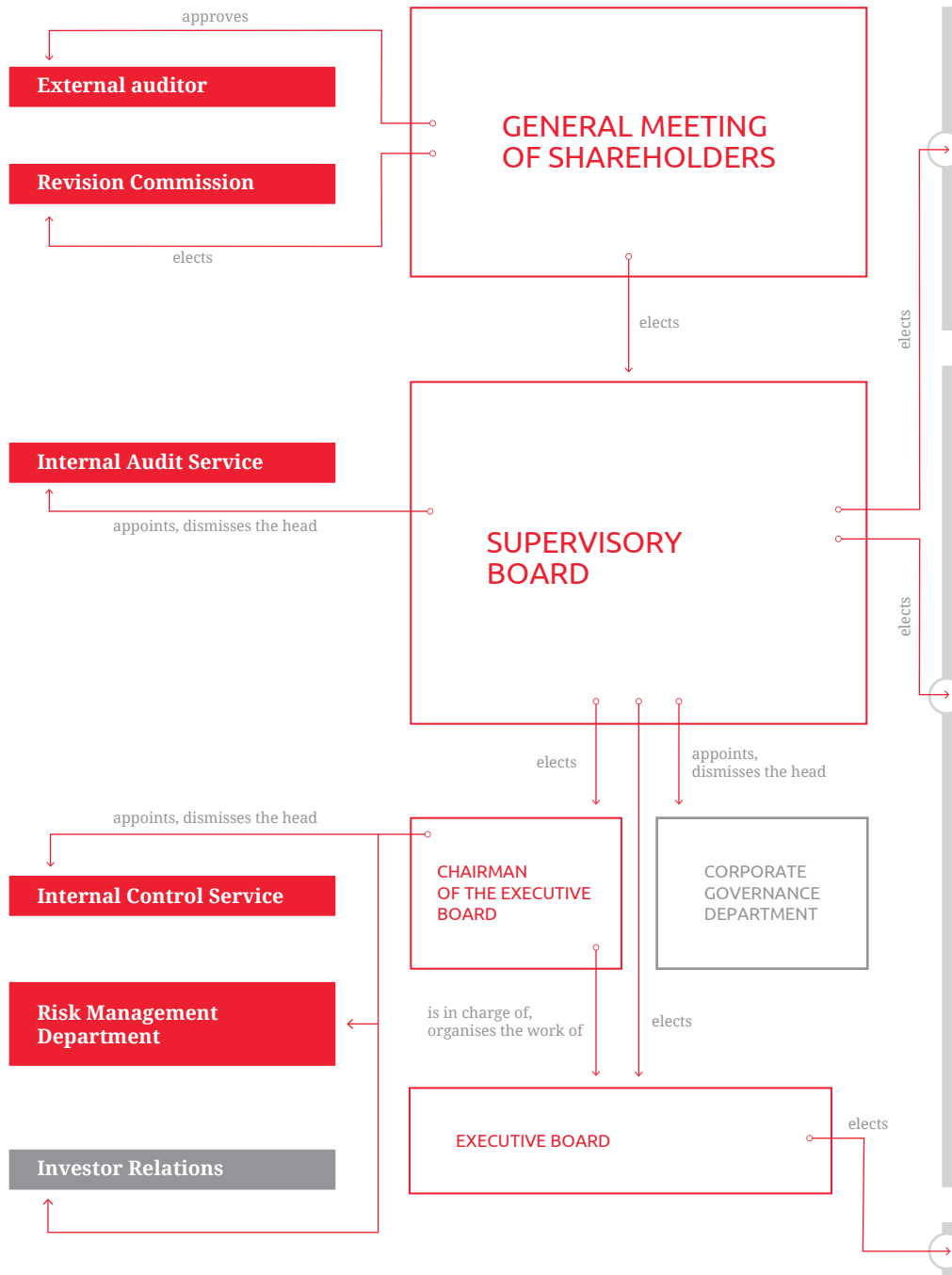
Moscow Exchange is one of Russia's largest public companies, and its shares are included in key financial market benchmarks such as the MOEX Russia Index and the RTS Index. The Bank of Russia, which acts as regulator of the financial market, is one of the Exchange's shareholders. The Exchange is also a market infrastructure operator that establishes rules for other issuers. Because of all these factors, the Exchange must adhere to the highest corporate governance standards and serve as a model for other issuers. Continued development of the corporate governance system is aimed primarily at improving MOEX's effectiveness and competitiveness, and maintaining a positive perception of the Exchange's corporate governance system among shareholders, investors and the broader business community.

The Exchange continuously evaluates and responds to developments in corporate legislation and corporate governance practices in Russia and internationally. It complies with the Federal Law on Organized Trading (No. 325-FZ dated 21 November 2011), which outlines the corporate governance requirements for the organizer of trading; the principles and recommendations prescribed in the Corporate Governance Code of the Bank of Russia; the requirements of the Listing Rules; the G20/OECD corporate governance principles; international standards and principles relating to corporate social responsibility and sustainable development; as well as the disclosure standards developed by the Global Reporting Initiative (GRI).

Shares of Moscow Exchange are traded on the Exchange's own platform and included in the first (highest) level quotation list. To ensure that the Exchange's activities and documents fully comply with the corporate governance requirements set out in the Listing Rules and with the Bank of Russia's Corporate Governance Code, the following measures were taken in 2019:

- ▶ seven independent directors were elected to the Supervisory Board, which consists of 12 members;
- ▶ all independent directors meet the independence criteria set by the Listing Rules;
- ▶ an independent director was elected as Chairman of the Supervisory Board;
- ▶ the Audit Committee and the Nomination and Remuneration Committee consist only of independent members of the Supervisory Board.

Corporate governance structure



Supervisory Board committees

- ▶ Strategy Planning Committee
- ▶ Audit Committee
- ▶ Nomination and Remuneration Committee
- ▶ Budget Committee
- ▶ Technical Policy Committee
- ▶ Risk Management Committee

User committees

Committees established in accordance with the requirements of the legislation:

- ▶ FX Market Committee
- ▶ Derivatives Market Committee
- ▶ Securities Lending and REPO Committee
- ▶ Equity & Bond Market Committee
- ▶ Fixed-Income Securities Committee
- ▶ Deposit Market Committee
- ▶ IT Committee

Committees established at the initiative of the Exchange:

- ▶ Moscow Exchange Council
- ▶ Committee on Settlements and Execution of Operations
- ▶ Collective Investment Committee
- ▶ Share Issuers Committee
- ▶ Bond Issuers Committee
- ▶ Primary Market Committee
- ▶ Index Committee
- ▶ IIM Coordinating Council
- ▶ Debt Market Benchmarks Committee

Other committees

- Control and audit bodies
- Investor and Shareholder Relations
- Advisory bodies

- Governing bodies
- Corporate Secretary

¹ Advisory bodies of the Exchange established in accordance with the requirements of Article 10 of the Federal Law No. 325-FZ dated 21 November 2011 "On Organised Trading" and Regulations of the Bank of Russia No. 437-P dated 17 October 2014 "On Organised Trading Activities"