

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

In 2019, the Supervisory Board considered issues relating to the performance of its main functions, including:

strategy issues:

- ▶ approval of the strategy of the Group and new version of the Dividend Policy;
- ▶ resolution on participation of Moscow Exchange in the Financial Technology Development Association

personnel issues:

- ▶ election of Yury Denisov to the post of the Chairman of the Executive Board of Moscow Exchange;
- ▶ preparation of recommendations to shareholders with regard to the membership of the Exchange's Supervisory Board for election at the Annual General Meeting of Shareholders;

business development issues:

- ▶ review of fees on the Equity and Bond Market, deposit market and Derivatives Market; trading fees on the FX Market, and listing fees; approval of Regulations on Fees for Participation in Trading on the Equity and Bond Market and Deposit Market;

key documents of Moscow Exchange:

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

risk management issues:

- ▶ approval of the Operational Risk Management Policy;
- ▶ approval of the rules on management of risks related to trading organizer activities, and Compliance Risk Management Principles;
- ▶ approval of the method for defining benchmark indices of risk appetite;
- ▶ approval of the list of measures aimed at prevention of conflicts of interest at carrying out activities on stock trading.

Appointment, induction and training of the Supervisory Board members

In accordance with the Federal Law on Joint Stock Companies and the Exchange's Charter, shareholders holding in aggregate at least 2% of the voting shares in Moscow Exchange may nominate candidates to the Supervisory Board of the Exchange (the number of which cannot exceed the number of members of the Supervisory Board of the Exchange) no later than 60 days after the end of each fiscal year.

As of 1 March 2019, the Exchange had received proposals for the nomination of three candidates to the Supervisory Board to be elected at the Annual General Meeting of Shareholders in 2019; all three were included in the list for voting at the General Meeting of Shareholders.

In accordance with the amendments to the Federal Law on Joint Stock Companies, the Supervisory Board is entitled to nominate candidates for the Exchange's Supervisory Board (apart from those nominated by the shareholders) at its own discretion. Succession planning and provision for the required competencies on the Supervisory Board are considered to be best practice. The Nomination and Remuneration Committee, taking into account consultations with the members of the Supervisory Board and significant shareholders, recommended that the Supervisory Board include 12 candidates most suitable for election to the Supervisory Board for the 2019-2020 corporate year (including three candidates nominated by shareholders of the Exchange) in the list of candidates for election to the Moscow Exchange Supervisory Board at the 2019 Annual General Meeting of Shareholders.

As part of the introduction of newly elected directors, an onboarding program for new Board members is being implemented, which provides for familiarization with the main internal documents of the Exchange, resolutions of the meeting of shareholders and the Supervisory Board, as well as for holding individual meetings with the Chairman of the Supervisory Board, Chairman of the Executive Board, corporate secretary and key managers of the Group.