
GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the supreme governing body of Moscow Exchange. General Meetings of Shareholders adopt resolutions on strategic issues. The scope of issues within the terms of reference of General Meetings of Shareholders is determined by the Federal Law on Joint-Stock Companies (No. 208-FZ dated 26 December 1995) and the Moscow Exchange Charter.

The Annual General Meeting of Shareholders (AGM) of Moscow Exchange was held on 25 April 2019. In addition to reviewing mandatory and routine issues, the AGM

voted for resolutions on approval of a new version of the Charter and individual internal documents, as well as on participation of Moscow Exchange in the Financial Technology Development Association.

On 21 November 2019, an Extraordinary General Meeting of Shareholders of the Exchange was held, at which resolutions on early termination of powers of Revision Commission members elected by the Annual General Meeting of Shareholders on 25 April 2019 were adopted. A new Revision Commission was elected.

SUPERVISORY BOARD

Role of the Supervisory Board

The Supervisory Board is a key element of the corporate governance system, with overall responsibility for the activities of Moscow Exchange.

The Supervisory Board is accountable to the General Meeting of Shareholders: members of the Supervisory Board are elected by the General Meeting of Shareholders, and their powers may be terminated at any time by the General Meeting of Shareholders.

The terms of reference of the Supervisory Board are established in the Charter and are clearly separated from those of the executive bodies that manage the day-to-day activities of the Exchange. The Supervisory Board:

- ▶ determines the vision, mission and strategy of the Exchange;
- ▶ is responsible for strategic oversight of the Exchange and long-term sustainable development;
- ▶ establishes strategic goals and key performance indicators.

When developing Moscow Exchange's strategy, the Supervisory Board takes into account shareholders' vision for the development of the Exchange. The Supervisory Board considers queries and requests from shareholders and investors and, if necessary, gives appropriate instructions to senior management.

The work schedule approved by the Supervisory Board includes the main activities of the Exchange, which are correlated with the strategic planning cycle and ongoing business cycles. When preparing the work schedule, proposals of members of the Supervisory Board and senior executives on priority issues are taken into account.

Information on the activities of the Supervisory Board, including its composition, meetings held and work of its committees, is disclosed on the Exchange's website in the form of press releases and corporate action notices, as well as the Annual Report, which ensures transparency of the activities of the Supervisory Board.

Structure of the Supervisory Board

The Supervisory Board is composed of directors who have the experience and professional skills required to oversee implementation of the Exchange's strategy.

In accordance with the Exchange's Charter, the number of members of the Supervisory Board is set by the resolution of the General Meeting of Shareholders. Currently, the Supervisory Board of Moscow Exchange is comprised of 12 members.

The Supervisory Board is managed and administered by the Chairman of the Supervisory Board.

The Chairman is elected/re-elected by the members of the Supervisory Board from among the Board membership, by a majority vote.

The following committees were formed by the Supervisory Board for preliminary consideration of key issues and preparation of recommendations for the Supervisory Board:

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

Members of the committees are selected annually from among the members of the Supervisory Board. Four of the six Supervisory Board Committees are headed by independent directors; the Audit Committee and the Nomination and Remuneration Committee are composed only of independent directors. Non-Board member IT experts are also invited to participate in the Technical Policy Committee.

In 2019, an Interim Corporate Governance Committee was created as a working group on revision of the shareholder agreement with respect to NSD. The main task of the committee was to prepare amendments to the shareholder agreement with respect to NSD and develop corresponding recommendations for the Supervisory Board. Following the signing of the shareholder agreement by NSD shareholders, the Interim Committee was dissolved.

The Supervisory Board is comprised of members who have the experience and professional skills required to oversee implementation of the Exchange's strategy. Members of the Supervisory Board of the Exchange are experts in financial market infrastructure, international organized trading, IT in the financial sector, operational and financial risk management, financial reporting and budgeting. They also have skills in personnel policy and modern approaches to incentivizing top managers.

Following the election at the 2019 Annual General Meeting of Shareholders, the Supervisory Board included five independent directors who met all the independence criteria set forth in the Listing Rules (no relationship with the Exchange, its significant shareholders, significant competitors, or counterparties, as well as no relationship with the government), and seven non-executive directors. At the first meeting, two additional directors were qualified as independent directors, notwithstanding existing formal relationship with counterparties. Oleg Viyugin is also a member of the Board of Directors of the National Association of Securities Market Participants (NAUFOR) and Mikhail Bratanov is a member of the Board of Directors of the National Financial Association (NFA), for which the Exchange is a significant counterparty.

The Exchange did not receive information related to conflict of interests of Supervisory Board members and Executive Board members (including those relating to the participation of the said persons in the governing bodies of the Exchange's competitors).