













Activity of Committees in 2016

Information on Supervisory Board Members' Attendance at Committee Meetings









In 2016, the Strategic Planning Committee held six meetings in total; two meetings were held before and four meetings after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Beattie, Nicola Jane, Chairwoman (Chairwoman until 27 April 2016)	2 	100
Wang Yuan	6 	100
Sean Glodek	5 	83,3
Golikov, Andrey Fedorovich	6 	100
Denisov, Yury Olegovich	5 	83,3
Rainer Riess (member and Chairman since 27 April 2016)	6 	100
Duncan Paterson (since 27 April 2016)	4 	100





In 2016, the Audit Committee held eight meetings in total, including five full-time meetings; four meetings were held before and four meetings after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Rainer Riess (Chairman until 27 April 2016)	8 	100
Bratanov, Mikhail Valeryevich (until 27 April 2016)	4 	100
Wang Yuan (until 27 April 2016)	3 	75
Duncan Paterson (Chairman since 27 April 2016)	4 	100
Gordon, Maria Vladimirovna (since 27 April 2016)	3 	75




In 2016, the Nomination and Remuneration Committee held 14 meetings in total, 10 of which were in-person meetings; six meetings were held before and eight meetings after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Golikov, Andrey Fedorovich (Chairman until 27 April 2016)	6 	100
Bratanov, Mikhail Valeryevich (until 27 April 2016)	6 	100
Zlatkis, Bella Ilyinichna (until 27 April 2016)	5 	83,3
Shershun, Kirill Yevgenyevich (until 27 April 2016)	4 	66,7
Denisov, Yury Olegovich (until 28 October 2016)	1 	50
Karachinsky, Anatoly Mikhailovich (from 27 April 2016 until 28 October 2016)	3 	50
Rainer Riess (Chairman until 27 April 2016)	8 	100
Gordon, Maria Vladimirovna (since 27 April 2016)	8 	100





In 2016, the Budget Committee held 11 meetings in total, six of which were in-person meetings; four meetings were held before and seven meetings after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Bratanov, Mikhail Valeryevich (Chairman until 27 April 2016)	4 	100
Sean Glodek	11 	100
Golikov, Andrey Fedorovich (Chairman since 27 April 2016)	11 	100
Goreglyad, Valeriy Pavlovich	10 	90,91

In 2016, the Technical Policy Committee held four meetings in total, two of which were in-person meetings; three meetings were held before and one meeting after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Karachinsky, Anatoly Mikhailovich, Chairman	3 	75
Bratanov, Mikhail Valeryevich (until 27 April 2016)	3 	100
Golikov, Andrey Fedorovich	4 	100

In 2016, the Risk Management Committee held six in-person meetings in total; two meetings were held before and four meetings after the date of the AGM, i.e. 27 April 2016.

Name	Number of meetings attended	% of total meetings attended
Denisov, Yury Olegovich, <i>Chairman</i>	6 	100
Goreglyad, Valeriy Pavlovich	5 	88,33
Rainer Riess <i>(until 27 April 2016)</i>	2 	100
Sean Glodek <i>(from 27 April 2016)</i>	3 	75

Audit Committee

The primary purpose of the Audit Committee is to ensure the efficient work of the Supervisory Board of Moscow Exchange in making decisions on issues concerning oversight of financial and economic operations.

The Commission's key objectives are:

- oversight, analysis and participation in the consideration of issues in the area of bookkeeping (financial statements);
- oversight, analysis and assessment in the area of risk management and internal control;
- maintenance of independence and impartiality in the area of internal and external audit;
- oversight in the area of the prevention of, and response to, mala fide actions taken by the Company's employees and third parties;
- support for members of the Supervisory Board in supervising the business activities of Moscow Exchange and Moscow Exchange Group companies and their personal awareness of such activities;

- preview, analysis, preparation and provision of opinions and recommendations to the Supervisory Board of Moscow Exchange on issues with regard to functions and objectives of the Audit Commission; and
- preparation and assessment of the Moscow Exchange auditor's report and delivery of said assessment in the materials for Moscow Exchange's AGM.

Committee members:

- Duncan Paterson, Chairman;
- Rainer Riess; and
- Maria Gordon.

In 2016, the Audit Committee held eight meetings (six of which were in-person meetings), where 50 agenda items were discussed.

The main issues considered by the Committee in 2016 were: performance and findings of the external auditor of Moscow Exchange Group; consolidated financial statements; Internal Audit Service reports; oversight over compliance with the Corporate Governance Code recommendations and Listing Rules requirements; selection of an external auditor and the amount of the auditor's remuneration. In 2016, the Commission was engaged in the selection of the auditor for the next three years and an assessment of internal controls.

The Committee assessed efficiency of external and internal audit processes on a regular basis, invited representatives of independent audit firms and the head of internal audit, heard their reports and gave recommendations. It determined their functions as well performed.

The Committee also reviewed the auditor's report on the 2015 accounting (financial) statements for Moscow Exchange and presented relevant recommendations to the Supervisory Board on bonuses to be paid to the Head and employees of the Internal Audit Service of Moscow Exchange for 2015.

Nomination and Remuneration Committee

The primary purpose of the Nomination and Remuneration Committee is to foster effective decision-making by the Supervisory Board of Moscow Exchange on matters concerning the operations of Moscow Exchange and of other companies directly or indirectly controlled by Moscow Exchange related to the nomination of, and remuneration paid to, members of supervisory boards and executive management bodies, other key executives and members of revision commissions.

The key objective of the Nomination and Remuneration Committee is preliminary review, development and provision of recommendations and conclusions to the Supervisory Board of Moscow Exchange and to supervisory boards of Moscow Exchange Group companies regarding the following matters:

- staff planning (succession planning), enhancement of the professional composition and performance efficiency of supervisory boards;
- efficient and transparent remuneration for members of supervisory boards and the collegial executive body, as well as for the person performing the functions of the sole executive body (hereinafter, the members of executive management bodies) and for other key executives;
- priorities of Moscow Exchange and Moscow Exchange Group activities in relation to the nomination of, and remuneration paid to, the members of supervisory boards and executive management bodies, other key executives and the members of revision commissions;
- policies and standards on choosing nominees for supervisory boards and executive management bodies that are aimed at attracting qualified specialists;
- identifying and measuring key performance indicators for top managers.

Committee members:

- Rainer Riess, Chairman;
- Maria Gordon; and
- Yury Denisov.

In 2016, the Nomination and Remuneration Committee held 14 meetings, where 57 agenda items were discussed.

The main issues considered by the Committee in 2016 were: planning of the personal composition of the supervisory boards of Moscow Exchange, NSD and NCC Clearing Bank; Supervisory Board performance assessment by an independent advisor; verifying the independence of candidates and members of the Supervisory Board of Moscow Exchange; setting the goals of the Supervisory Board of Moscow Exchange for the corporate year; assessment and training of members of the Supervisory Board of Moscow Exchange; the nomination of candidates to the Supervisory Board and the induction of new directors; developing recommendations on the identification and measurement of key corporate performance indicators (targets) for Moscow Exchange Group and the key individual performance indicators for members of executive bodies, the Director of the Corporate Governance Department of Moscow Exchange and other key executives of Moscow Exchange Group companies; the succession planning programme, prolongation of the powers of members of the executive bodies and the stock option programme for top managers.

Strategic Planning Committee

The primary purpose of the Strategic Planning Committee is to improve the efficiency of Moscow Exchange's operations, as well as that of its subsidiaries and affiliates, including companies under its direct or indirect control in both the medium and the long term.

The key objectives of the Strategic Planning Committee are:

- endorsement of strategic objectives, oversight over strategy implementation and amending the existing strategy;
- endorsement of priority business areas;

- issuing recommendations on the dividend policy;
- performance evaluation in the medium and long term;
- preliminary review and issuing recommendations on membership in her companies;
- review of voluntary and mandatory offers to acquire shares in Moscow Exchange;
- consideration of the financial model and the business and business segments valuation model;
- consideration of reorganisation and liquidation matters;
- consideration of changes in the organisational structure;
- consideration of the reorganisation of business processes.

Committee members:

- Rainer Riess, Chairman;
- Yuan Wang;
- Sean Glodek;
- Andrey Golikov;
- Yury Denisov; and
- Duncan Paterson.

In 2016, the Strategic Planning Committee held six meetings, where 40 agenda items were discussed.

The main issues considered by the Committee in 2016 were: innovation management; strategy implementation monitoring procedure development; strategies by business lines (financial, marketing, risk management, market data, OTC services, NCC Clearing Bank and NSD strategies); capturing global clients; development of services involving bond placement and trading; retail investor development; listing strategy; IT development; development of KPIs; implementation of priority projects; 2017 priority projects; the impact of key global events on financial and commodities markets; Moscow Exchange Group restructuring.

Risk Management Committee

The primary purpose of the Risk Management Committee is to contribute to improvements in managing operating, legal, reputational, strategic and other nonfinancial risks that Moscow Exchange and Moscow Exchange Group companies may face, with a view to enhancing the stability and effectiveness of Moscow Exchange's operations. The Committee works closely with the Risk Committee of NCC Clearing Bank, which analyses financial and non-financial risks of the credit institution as part of Moscow Exchange Group..

Committee members:

- Yury Denisov, Chairman;
- Valery Goreglyad; and
- Sean Glodek.

In 2016, the Risk Management Committee held six meetings, where 34 agenda items were discussed.

The main issues considered by the Committee in 2016 were: commodities market development; business continuity of Moscow Exchange Group companies; unification of risk management strategy across Moscow Exchange Group companies; Moscow Exchange Group companies safety from risks involving various risk scenarios. Over the reporting period, the Committee also gave detailed consideration to reports on financial and non-financial risks.

Budget Committee

The Budget Committee's primary purpose is to ensure oversight on the part the Supervisory Board over the accumulation and spending of funds intended for financial support for Moscow Exchange and companies that are part of Moscow Exchange Group.

The Committee's key objectives are:

- determining the key principles for Moscow Exchange's and Moscow Exchange Group's budgeting and budget spending;
- preparing a timely and accurate target budget for Moscow Exchange and Moscow Exchange Group;
- ensuring day-to-day management in budget-related matters for Moscow Exchange and Moscow Exchange Group; and
- assessing the effectiveness of budgeting at Moscow Exchange and Moscow Exchange Group.

Committee members:

- Andrey Golikov, Chairman;
- Sean Glodek; and
- Valery Goreglyad.

In 2016, the Budget Committee held 10 meetings, where 57 agenda items were discussed.

The main issues considered by the Committee in 2016 were: planning and oversight over execution of the consolidated budget; determination of the size of dividends in accordance with the dividend policy; setting fees to be applied across Moscow Exchange markets; development of recommendations regarding premises owned by Moscow Exchange; Moscow Exchange Group restructuring; budgetary oversight in relation to Moscow Exchange's priority projects.

Technical Policy Committee

The Committee's primary purpose is to develop and enhance the efficiency of Moscow Exchange and Moscow Exchange Group operations by preparing recommendations and expert opinions for the Supervisory Board of Moscow Exchange and for the Boards of Directors (Supervisory Boards) and their committees of Moscow Exchange Group companies regarding technical policy and the development of IT and software solutions at Moscow Exchange and Moscow Exchange Group companies.

The Committee's key objectives are:

- fostering efficient collaboration between Moscow Exchange and Moscow Exchange Group companies with Securities and Commodities Market participants using the Exchange's software and hardware facilities on matters regarding technical policy and the development of IT and software solutions;
- optimising the processes for conducting a complete and comprehensive assessment of the needs of Securities and Commodities Market participants in terms of the development of IT and software solutions; and
- coordinating activities related to technical policy matters within Moscow Exchange Group and ensuring a centralised policy on matters falling within the Commission's remit.

Committee members:

- Anatoly Karachinsky, Chairman;
- Andrey Golikov;
- Vladimir Gibenko;
- Vladimir Kurlyandchik;
- Alexander Chetverukhin;
- Mikhail Khasin; and
- Yury Yartsev.

In 2016, the Technical Policy Committee held four meetings, where 10 agenda items were discussed.

The main issues considered by the Committee in 2016 were: IT strategy implementation; IT development planning in the medium term; implementation of new instruments for software development and software testing methods; IT policy; data centre modernisation; evaluation of Moscow Exchange's IT architecture.