

**APPROVED**  
by the Supervisory Board  
of the Moscow Exchange  
on April 29, 2020, Minutes No 1

**REGULATION  
ON THE NOMINATION AND REMUNERATION COMMITTEE  
OF THE MOSCOW EXCHANGE SUPERVISORY BOARD**

**Moscow  
2020**

## **1. General Provisions**

1.1. The Regulation on the Nomination and Remuneration Committee under the Supervisory Board of Public Joint-Stock Company Moscow Exchange MICEX-RTS (hereinafter referred to as the “Regulation”) has been developed in accordance with the laws of the Russian Federation, the Charter of Public Joint-Stock Company Moscow Exchange MICEX-RTS (hereinafter referred to as the “Moscow Exchange” or the “Exchange”), the Corporate Governance Code recommended for application by the Bank of Russia and rules for securities admission to organised trading of the trade organiser responsible for the listing of the Exchange’s securities.

1.2. This Regulation shall set out an establishment procedure and the status of the Nomination and Remuneration Committee of the Moscow Exchange Supervisory Board (hereinafter referred to as the “Nomination and Remuneration Committee” or the “Committee”); determine its purpose, objectives and powers, as well as functioning and decision-making procedures.

1.3. The Nomination and Remuneration Committee is a standing consultative and advisory body of the Supervisory Board of the Exchange set up with the purpose to prepare recommendations to the Supervisory Board on matters falling within the competence of the Committee.

1.4. The members of the Nomination and Remuneration Committee shall be guided in their activity by the current legislation of the Russian Federation, the Charter of the Moscow Exchange, the Provisions on the Supervisory Board of the Moscow Exchange, strategy of the Moscow Exchange, resolutions of the Supervisory Board, this Regulation and other documents adopted by the General Meeting of Shareholders and the Supervisory Board of the Moscow Exchange.

1.5. Unless the present Regulation provides otherwise, the terms used but not defined herein shall have the same meaning as defined in the Charter and the Provisions on the Supervisory Board of the Moscow Exchange.

1.6. The Nomination and Remuneration Committee shall function within the scope of authorities granted by the Supervisory Board of the Moscow Exchange and shall on all matters report to the Supervisory Board of the Moscow Exchange.

1.7. The Nomination and Remuneration Committee shall not act on behalf of the Moscow Exchange, executive bodies or the Supervisory Board of the Exchange, or bind the executive bodies or the Supervisory Board in any way.

1.8. This Regulation with supplements and amendments hereto shall be subject to approval by the Supervisory Board of the Exchange.

1.9. This Regulation shall apply as long as it does not contradict the Charter of the Moscow Exchange.

## **2. Purposes and Objectives of the Nomination and Remuneration Committee**

2.1. The primary purpose of the Nomination and Remuneration Committee shall be to foster effective decision-making by the Supervisory Board on matters concerning activities of the Exchange and other companies directly or indirectly controlled by the Exchange (hereinafter referred to as the “Moscow Exchange Group”) related to nomination of and remuneration to the members of supervisory boards and executive bodies and other key managers.

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

- staff planning (succession planning), enhancement of professional composition and performance efficiency of supervisory boards;

- efficient and transparent remuneration to the members of supervisory boards and the collegial executive body, as well as the person performing the functions of the sole executive body (hereinafter referred to as the “members of executive management bodies”) and to other key managers;

- priorities of the Moscow Exchange and Moscow Exchange Group in relation to nomination of and remuneration to the members of supervisory boards and executive management bodies and other key managers;

- policies and standards on choosing nominees to supervisory boards and executive management bodies, aiming at attracting qualified specialists;

- other matters concerning the Committee’s activity.

2.3. The Committee shall ensure the information awareness of the members of the Supervisory Board of the Exchange and their participation in monitoring the activities of the Moscow Exchange and Moscow Exchange Group in relation to nomination of and remuneration to the members of supervisory boards and executive management bodies, other key managers and the members of revision commissions.

2.4. For the purposes of this Regulation, “other key managers” shall mean members of the collegial executive body of the Exchange.

## **3. Functions of the Committee**

3.1. To achieve the set objectives, the Committee shall perform the following functions:

3.1.1. Make recommendations to the Supervisory Board of the Moscow Exchange and Moscow Exchange Group’s supervisory boards regarding key focuses in nomination of and remuneration to the members of supervisory boards and executive management bodies, other key managers and the head of the business

- unit performing the functions of the Corporate Secretary (further referred to as the Corporate Secretary);
- 3.1.2. Define and occasionally review the key focuses of the Moscow Exchange and Moscow Exchange Group concerning nomination of and remuneration, among other the remuneration policy for the members of supervisory boards, executive bodies as well as other key managers and the Corporate Secretary, which includes development of short-term and long-term incentive plans for the members of executive bodies;
  - 3.1.3. Oversee the implementation and execution of the remuneration policy and diverse incentive plans;
  - 3.1.4. Perform benchmarking and advise the Supervisory Board of the Moscow Exchange on the management board members and the Corporate Secretary's remuneration policies applicable in its peers;
  - 3.1.5. Develop principles and criteria to determine the size of remuneration to the members of the Supervisory Board of the Exchange and supervisory boards of the key companies in the Moscow Exchange Group<sup>1</sup>, the members of executive bodies and the Corporate Secretary of the Exchange;
  - 3.1.6. Prepare a report on the implementation of remuneration principles applicable to the members of the Supervisory Board and executive bodies as well as other key managers of the Moscow Exchange to be incorporated into the annual report and other documents of the Exchange;
  - 3.1.7. Assess the composition of the Exchange's Supervisory Board and its Committees and where necessary the composition of supervisory boards of the key companies in the Moscow Exchange Group as regards their professional profiles, experience, independence and involvement of members in their activities;
  - 3.1.8. Develop a self-assessment methodology and advise on the selection of an independent consultant to evaluate the performance of the Supervisory Board of the Moscow Exchange;
  - 3.1.9. Conduct annual detailed formalised performance efficiency self-assessment or external evaluation of the Supervisory Board of the Exchange, its members as well as committees from the standpoint of their general performance and with due account for directors' individual contribution to the work of the Supervisory Board and its committees; draft a performance evaluation report to be incorporated into the Exchange's annual report;
  - 3.1.10. Define key focuses to enhance the composition of the Supervisory Board of the Exchange.
  - 3.1.11. Make recommendations to the Supervisory Board of the Exchange on how to improve the work of the Supervisory Board and its Committees;
  - 3.1.12. Set selection criteria for the nominees to the Supervisory Board of the Exchange and interact with both major and minority shareholders to choose nominees to the Supervisory Board of the Exchange and to make voting recommendations for the shareholders; such interaction should be aimed at forming the Supervisory Board in such a way that it would suit the purpose and objectives of the Exchange to the maximum extent;
  - 3.1.13. Assess professional expertise and independence of all nominees to the Supervisory Board of the Exchange based on information available to the Committee;

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<sup>1</sup> For the purposes of this Regulation, the **key** companies in the Moscow Exchange Group shall mean CCP NCC and the National Settlement Depository.

- 3.1.14. Organise preliminary discussion of nominees to the Supervisory Board of the Exchange with the shareholders, among other collect shareholders' opinions on nominees' compliance with independence criteria;
- 3.1.15. Develop and communicate to the shareholders voting recommendations on nominee election to the Supervisory Board of the Exchange;
- 3.1.16. Draft a description of individual duties of the members and the Chair of the Exchange Supervisory Board, specifying the time dedicated to the discussion of Exchange activity-related matters during and outside its meetings in the course of scheduled and off-schedule activity. Individual duties description shall be subject to an approval by the Supervisory Board of the Exchange and must be handed over to each new member of the Supervisory Board of the Exchange and its Chair after election for information;
- 3.1.17. Develop induction courses for newly elected members of the Supervisory Board of the Exchange, to inform the new directors on the key assets of the Exchange, its strategy and business environment; organisational structure and key managers as well as work procedures of the Supervisory Board of the Exchange; oversee the induction course implementation;
- 3.1.18. Elaborate training and professional development programmes for the members of the Supervisory Board of the Exchange fitting their individual needs; oversee the development programme implementation;
- 3.1.19. Perform preliminary assessment of candidates to the Exchange executive bodies and for the Corporate Secretary's post, as well as key managers' posts; draft recommendations regarding candidates for the above positions and submit them to the Supervisory Board;
- 3.1.20. Develop and submit to the Supervisory Board of the Exchange recommendations on terms and conditions of contracts to be signed with the members of the Exchange's executive bodies, the Corporate Secretary and other key managers, including remuneration amount, payment terms and procedure, provide recommendations to the supervisory boards and/or committees of the supervisory boards of the Moscow Exchange Group regarding sole executive bodies of the key companies;
- 3.1.21. Define terms and conditions for early termination of employment contracts with members of executive bodies of the Exchange, the Corporate Secretary and other key managers of the Exchange, including all financial obligations of the Exchange and conditions on which such obligations shall be assumed, including severance pay, compensations and (or) other payments in any form on top of those set by the legislation;
- 3.1.22. Review performance results of the members of the Exchange executive bodies, other key managers and the Corporate Secretary, as well as sole executive bodies of the key Moscow Exchange Group, among other with a view to change the remuneration amount and other forms of incentive provision;
- 3.1.23. Conduct a preliminary performance assessment of the collegial executive body and the sole executive body, other key managers and the Corporate Secretary of the Exchange, as well as of the sole executive bodies of the key Moscow Exchange Group companies based on their year-end results and pursuant to the remuneration policy (with regards to the criteria set forth in the remuneration policy) as well as conduct a preliminary assessment of whether the above persons achieved their goals under the LTI programme;
- 3.1.24. Provide recommendations and opinions to the Supervisory Board of the Exchange on corporate and individual KPIs (targets) of the members of the executive bodies,

- the Corporate Secretary and other key managers for the reporting year, and as relates to sole executive bodies of the key Moscow Exchange Group companies – to their supervisory boards and/or supervisory boards’ committees;
- 3.1.25. Review annual and, if required, interim performance reports of the Exchange executive bodies, the Corporate Secretary and other key managers as well as of the sole executive bodies of the key Moscow Exchange Group companies and provide recommendations and opinions to the Supervisory Board of the Exchange based on such reviews, and as relates to sole executive bodies of the Moscow Exchange Group key companies – to their supervisory boards and/or supervisory boards’ committees;
  - 3.1.26. Provide recommendations and opinions to the Supervisory Board of the Exchange on the amount of the annual bonus to be paid to the members of the Exchange executive bodies and other key managers (among other on payment of deferred parts thereof, if any);
  - 3.1.27. Provide recommendations and opinions on the amount of the annual bonus to be paid to the sole executive bodies of the Moscow Exchange Group key companies, to their supervisory boards and/or supervisory boards’ committees (among other on payment of deferred parts thereof, if any);
  - 3.1.28. Develop recommendations for the Supervisory Board of the Exchange as to the incentive principles applicable to the Exchange Corporate Secretary, and submit proposals concerning bonus payments to the Corporate Secretary to the Supervisory Board;
  - 3.1.29. Submit proposals to the Supervisory Board of the Exchange on the possibility and advisability of the re-appointment of the members of Exchange’s executive bodies;
  - 3.1.30. Make recommendations to the Supervisory Board concerning members of executive management bodies’ positions overlap in case they hold positions in the management bodies of companies outside the Moscow Exchange Group;
  - 3.1.31. Develop and regularly review STI and LTI programs, including share-based ones, parameters applicable to the members of the Exchange’s executive bodies and the Corporate Secretary as well as sole executive bodies of the key companies in the Moscow Exchange Group; draft recommendations for the Supervisory Board of the Exchange concerning changes in the principles and parameters of the Long-Term share-based Incentive Programmes (hereinafter referred to as the “Programmes”), participation principles, and as relates to the sole executive bodies of the key companies in the Moscow Exchange Group – to their supervisory boards and/or supervisory boards’ committees, and to the Chairman of the Executive Board of the Moscow Exchange as well;
  - 3.1.32. Review current and anticipated demand of the Exchange and the Moscow Exchange Group in terms of the members of executive bodies and key managers professional qualification determined by the strive for competitiveness and development perspectives;
  - 3.1.33. Plan appointments, in particular, to ensure succession planning for the members of executive bodies of the Exchange;
  - 3.1.34. Select an independent consultant on matters, related to remuneration of the members of Exchange’s executive management bodies and other key managers, and if the policy of the Exchange provides for tender selection of the above consultant – define tender conditions and perform the role of the tender commission.

- 3.1.35. Oversee information disclosure on the remuneration policy and practice as well as on the members of the Supervisory Board, executive management bodies and other key managers holding shares of the Exchange in the annual report and on the website.
- 3.1.36. Provide opinions upon request of the Supervisory Board of the Moscow Exchange, or, at its own initiative, recommendations on particular matters within the competence of the Committee.
- 3.1.37. Draft an annual performance report of the Committee and submit it for review by the Supervisory Board of the Exchange.

#### **4. Committee's Composition and Formation Procedure**

- 4.1. The number of members and personal composition of the Committee shall be determined by the Supervisory Board of the Moscow Exchange. The number of its members may not be less than three (3).

The Committee member may not be elected to more than 3 (three) committees of the Exchange's Supervisory Board.

- 4.2. Members of the Committee shall be elected by a simple majority of votes of members of the Moscow Exchange Supervisory Board taking part in the meeting at one of the first meetings after the election of the new Supervisory Board of the Moscow Exchange.
- 4.3. The Committee shall consist of independent directors, and in case it is impossible for objective causes, independent directors shall constitute the majority on the Committee. Other positions in the Committee may be taken by non-executive directors. The Committee shall be chaired by an independent director.
- 4.4. The members of the Committee shall serve during the term of the Supervisory Board of the Moscow Exchange office until their successors are duly elected by the Annual General Shareholders Meeting or Extraordinary Meeting in the event of early termination of the Supervisory Board's office.
- 4.5. Persons other than members of the Committee not reporting or participating in the discussion on agenda items or not being regular invitees based on the Committee's resolutions or the Supervisory Board's assignments may attend the meetings of the Committee only if they are invited to do so by the Chair of the Committee. If necessary, the Chair of the Committee may invite to its meetings members of management bodies and employees of the Moscow Exchange and Moscow Exchange Group, and, if agreed on by the Chair of the Exchange's Executive Board, experts/specialists with professional skills and competence required to make decisions on issues reviewed by the Committee.
- 4.6. A member of the Committee may resign earlier by submitting a written notice of resignation to the Chair of the Exchange Supervisory Board and the Chair of the Committee at least one month prior to the expected resignation date.
- 4.7. The Supervisory Board of the Exchange may at its sole discretion decide on early termination of powers of all the Committee or any Committee member.  
In this case, the Supervisory Board of the Exchange shall elect a new membership or a new member of the Committee at the meeting that decides on such early termination, or shall decide on reduction of the Committee's size.
- 4.8. In case the number of Committee members does not meet the required quorum for holding Committee's meetings, the Chair of the Exchange Supervisory Board, as

advised by the Chair of the Committee, shall convene an extraordinary meeting of the Supervisory Board to hold new elections or shall include the election issue into the agenda of the next scheduled meeting of the Supervisory Board of the Exchange.

4.9. The work of the Committee shall be governed and organised by the Chair of the Committee elected by a majority vote of the attending members of the Supervisory Board of the Exchange.

If the Chair of the Supervisory Board chairs the Committee he/she may not chair the Committee meeting where succession planning for the Chair of the Supervisory Board is reviewed or recommendations on his/her election are developed.

4.10. If necessary, in the absence of the Chair of the Committee the members of the Committee shall have the right to elect a Deputy Chair by a majority vote of the attending members.

## **5. Committee's Proceedings**

5.1. In organising the work of the Committee, the Chair shall:

- ensure the unbiased character of recommendations developed by the Committee for the Supervisory Board of the Moscow Exchange;
- convene and chair the meeting;
- decide on the form of the meeting and approve its agenda;
- decide on a possibility of using information and communication technologies;
- decide on the list of invitees to the Committee meeting in praesentia;
- organise the discussion of agenda items at Committee meetings and listen to the opinions of invitees;
- organise minutes keeping and sign the minutes;
- draft, where necessary, a forward schedule of Committee meetings taking into account the schedule of the Supervisory Board meetings;
- allocate responsibilities among Committee members;
- represent the Committee in interaction with executive bodies of the Moscow Exchange, other bodies and persons;
- maintain official correspondence, including signing of enquires, letters and other documents on behalf of the Committee;
- ensure compliance of the Committee activities with current legislation of the Russian Federation, the Charter of the Moscow Exchange, other bylaws of the Moscow Exchange and this Regulation;
- on a regular basis advise the Supervisory Board and its Chair on activities of the Committee;
- perform other functions as assigned by the current legislation, the Charter of the Moscow Exchange, bylaws of the Exchange and this Regulation.

5.2. An employee of the Exchange, appointed by the CEO of the Exchange or in his/her absence at the meeting – any employee elected by a majority vote of the total attending Committee members shall perform the functions of the Committee Secretary and shall ensure the preparation for and holding of Committee meetings, collection and filing of pre-reads, timely notification of the members of the Committee and, if needed, invitees on the meeting date and agenda, taking meeting minutes, keeping all relevant materials and other functions upon assignment of the Chair of the Committee.



5.3. Normally the Committee shall hold meetings in praesentia (joint attendance). At meetings held in praesentia the Committee members, with consent of all attending Committee members, may review issues not included in the agenda in advance.

Information and communication technologies may be deployed to hold meetings in praesentia. Such technologies enable remote participation in the meeting, discussion of agenda items and adoption of resolutions on the issues put to vote without physical presence at the place of holding the meeting. A conference call is also considered such means. Remote participation of the Committee's members may be regarded as their personal attendance provided they are duly identified and/or authenticated. The Chair of the Committee shall decide on a possibility of using information and communication technologies when convening a meeting of the Committee.

5.4. The members of the Committee who cannot attend the meeting in praesentia may submit their written opinions on the agenda items in exceptional events and not more than twice in a corporate year<sup>2</sup>. Such written opinions must be read out at the Committee meeting by the Committee Chair. The Committee shall take account of such written opinions at decision-making and they shall be attached to the meeting minutes.

The written opinion of a non-attending Committee member shall be taken into account when determining the presence of quorum and voting results on the agenda item if the following conditions are met:

- a written opinion has been received prior to the beginning of the meeting.
- a Committee member has expressed his/her viewpoint on the issue in unmistakable terms, having indicated in the written opinion one of the voting options for the proposed draft resolution – “for”, “against” or “abstained”.

A written opinion containing adjustments or reservations as to the proposed draft resolution shall not be taken into account when determining the presence of quorum and voting results. Neither the written opinion shall be taken into account when determining the presence of quorum and voting results, if the draft resolution is adjusted at the Committee meeting. Written opinions shall be taken into account when determining the presence of the quorum and voting results separately for each agenda item and reflected in the Committee minutes.

Written opinions sent by Committee members unable to attend the Committee meeting in presentia must be signed by them, indicating their surnames and initials and submitted prior to the beginning of the Committee meeting in the original copy or by fax with further submission of the original copy.

5.5. Exceptionally upon decision of the Chair of the Committee the members adopt resolutions by voting in absentia.

5.6. The Chair of the Committee shall develop its forward schedule (if needed) in consideration of the approved schedule of the Exchange Supervisory Board meetings and proposals of members of the Supervisory Board and the Committee, Chair and members

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<sup>2</sup> A corporate year shall mean a period from the date Supervisory Board members are elected by the annual General Meeting of Shareholders until the date of holding the Supervisory Board meeting at which a recommendation is given on the size of remuneration payable to Supervisory Board members to the annual General Meeting of Shareholders. In case one or more extraordinary General Meetings of Shareholders were held during the corporate year to resolve on early termination of Supervisory Board members' powers and election of new Supervisory Board members, the number of written opinions submitted during this corporate year shall also not exceed two.

of the Exchange's Executive Board, the Corporate Secretary and structural units of the Exchange concerned.

5.7. When convening a Committee meeting the Chair of the Committee shall decide on the date, time, agenda, venue, form of the meeting and voting mode as well as the list of invitees. The agenda and pre-reads on the agenda items shall be provided at least in 1 (one) week before the meeting, unless decided otherwise by the Chair of the Committee.

The Committee Chair shall take a decision to convene an extraordinary meeting of the Committee basing on the relevant requests and proposals from persons specified in Clause 5.6 hereof.

The Committee Chair shall decide to convene an extraordinary meeting or to include an item in the agenda within 5 (five) business days following the relevant request or proposal taking into account the importance and urgency of the proposed item.

5.8. The Chair may refuse to convene an extraordinary meeting if the items proposed for inclusion into the agenda are not within the competence of the Committee subject to this Regulation. The motivated refusal shall be provided to the initiator within 5 (five) business days following the relevant request or proposal.

5.9. If there are circumstances impeding the holding of a Committee meeting or even making it impossible and the Committee members have been notified about such a meeting, the Chair may decide to adjourn the meeting to a different date with the same agenda.

The Committee Secretary instructed so by the Chair shall notify all Committee members on the change of the meeting date and (or) time.

5.10. The Chair of the Committee or in his/her absence the Deputy Chair shall preside at the meetings of the Committee. If neither of them is present, the members of the Committee shall elect the Chair from attending members by a simple majority vote.

5.11. The meeting of the Committee shall be deemed quorate if at least half of the total number of members are participating in the meeting. When opening the meeting the Chair of the Committee shall decide whether the meeting is quorate. In the absence of quorum, the meeting shall be adjourned by the Chair and postponed to another date with the same agenda, or the issues to be discussed at such adjourned meeting shall be included into the agenda of the next scheduled meeting.

5.12. Each member of the Committee, inclusive of its Chair, shall have one vote. The members of the Committee may not delegate their votes to any other member of the Committee.

5.13. In the course of the meeting any information about members having interest in any agenda item must be disclosed and advised to the members of the Committee.

5.14. When making decisions, members of the Committee present at the meeting shall express their opinion (vote on agenda items) by open voting or by voting using information and communication technologies in any way that allows them to clearly express their position, or using special e-voting software.

The Committee shall take decisions by a simple majority vote. The Chair of the Committee shall be entitled to a casting vote when votes are equally divided, and the Deputy Chair of the Committee shall not have such right.

5.15. If the meeting of the Committee is held in absentia the members of the Committee shall receive voting ballots along with the pre-reads.

5.16. Voting by ballots can be carried out both in hard copy and using e-voting software, if sufficient reliability and data security as well as identification and/or authentication of the Committee members participating in the voting are provided.

Those members of the Committee whose voting ballots were received in hard copy (on postal address of the Exchange or received by the Exchange via e-mail followed by submission of the original ballot to the Committee Secretary) or those who voted using special e-voting software prior to or at the closing date of the voting ballots acceptance shall be deemed taken part in the Committee meeting held in the form of absentee voting.

5.17. When filling in a voting ballot for an absentee vote (or sending a written opinion by those Committee members who could not attend the meeting) all voting options, except one (“for”, “against” or “abstained”) in each item put to vote must be crossed out. The filled in voting ballot must be signed with indication of the surname and initials of such Committee member and delivered to the specified address in the original copy or by fax with the original copy to be delivered later.

5.18. The resolutions of the Committee shall be reflected in the minutes, drafted by the Secretary of the Committee no later than 10 (ten) business days after the meeting. The minutes drafted upon the results of the meeting shall be submitted to the person having presided at the Committee meeting to get his/her comments. The time frame for providing such comments shall not exceed 5 (five) business days. As soon as this time elapses, the Committee Secretary shall hand over the draft minutes of the Committee meeting to the person having presided at the meeting for signing and disclose it in the electronic systems used to share pre-reads with Committee members and organise voting. The Committee members shall be informed of such disclosure. The Exchange’s employees that may be interested in the meeting results shall be informed of the Committee’s resolutions by the Committee Secretary via corporate e-mail and (or) the electronic document management system.

The Chair of the meeting and the Secretary of the Committee shall sign the minutes. The Chair shall be responsible for the accuracy of the minutes.

5.19. The minutes of the meetings shall state: the form, venue, date and time of the meeting (deadline for the filled in voting ballots submission), quorum, names of attendees, agenda of the meeting, items put to vote, draft resolutions, voting results, key points of reports delivered on agenda items, adopted resolutions, opinions in writing of the absent members, opinions or recommendations of invitees, use of information and communication technologies and (or) special software for holding the meeting as well as a voting mode and the date of drafting the minutes.

An individual opinion of the Committee member having voted against the proposed resolution or of the member abstained from voting may be recorded in the minutes of the meeting if so requested.

5.20. Where the Committee provides recommendations about resolutions on agenda items to be adopted by the Supervisory Board of the Moscow Exchange, such recommendations must be drafted as an extract from the minutes of the Committee's meeting to be included in the pre-reads on a certain item to be considered at the Moscow Exchange Supervisory Board's meeting.

5.21. The Corporate Secretary of the Exchange shall ensure that minutes of meetings are duly kept. The minutes of the meetings of the Committee shall have a continuous numbering starting from the date of approval of the effective composition of the Committee till the date of election of a new composition of the Committee by the Supervisory Board of the Moscow Exchange.

5.22. The copies of the meetings' minutes or abstracts thereof shall be forwarded by the Committee Secretary to persons, responsible for the implementation of the relevant Committee resolutions, members of the Committee, as well as to the members of the Exchange Supervisory Board and Moscow Exchange Group supervisory boards upon their written request under the procedure established at the Exchange, and to the Exchange structural units only if so sanctioned by the Chair of the Executive Board of the Exchange or the person authorised by him/her.

5.23. Committee members shall refrain from actions which will or may result in a conflict of interest between their interests and the interests of the Moscow Exchange. They shall not disclose or otherwise use any confidential or insider information of the Moscow Exchange in their personal interests or to the benefit of any third parties. Thus, the Committee members shall sign a confidentiality agreement.

5.24. By the decision of the Chair, the Committee may hold joint meetings with the Moscow Exchange Group companies' committees performing similar functions (hereinafter referred to as the "joint meetings"). The joint meetings shall be held in praesentia after the Committees' Chairs agree on the issues to be discussed at the meeting, date, time and venue of the meeting.

The procedure for preparing and holding joint meetings will be similar to the procedures set by this Regulation.

5.25. The chairs of committees concerned shall co-chair the joint meetings or take the chair by rotation.

The Secretary of the Supervisory Board of the Moscow Exchange shall act as the Secretary of the joint meeting.

5.26. The joint meeting shall be deemed duly held if it meets the quorum required by each committee's bylaw. If case a committee is not quorate, the meeting shall only be deemed duly held for the quorate committee. Members of the no quorum committee shall be entitled to a consultative vote, their opinion is not taken into account during voting and may be included into the minutes if the members of the quorate committee decide so.

5.27. Voting on the agenda items at a joint meeting shall be separate for each committee. Resolutions on the issues put to vote at each committee shall be deemed passed in accordance with the bylaws of each committee. Resolution of the joint meeting shall be deemed passed if adopted by each committee. If committees adopt different decisions on the same issue, both proposed wordings will be recorded in the minutes of the joint meeting.

5.28. Following the results of joint meetings joint minutes must be taken subject to requirements of this Regulation.

Joint minutes shall be signed by the committees' chairs and the Secretary of the joint meeting in 2 (two) copies for each committee. Joint minutes shall be numbered. Their numbers shall include sequence numbers of the committees' minutes.

## **6. Assessment and Reporting**

6.1. The Chair of the Committee shall submit summaries on the Committee's activities to the Supervisory Board at the request of the Chair of the Exchange's Supervisory Board.

6.2. The Exchange's Supervisory Board shall regularly, at least once a year, assess the Committee's work.

6.3. The Committee shall consider results of its activities and perform self-assessment annually, including from the viewpoint of compliance with this Regulation. The results of such self-assessment shall be submitted to the Supervisory Board.

## **7. Concluding Provisions**

7.1. Any issues that are not covered by this Regulation shall be regulated by the Charter of the Moscow Exchange, the Provisions on the Supervisory Board of the Moscow Exchange, other bylaws of the Moscow Exchange and the applicable laws.

7.2. Should certain items of this Regulation come into conflict with the laws, the Charter of the Moscow Exchange, the Provisions on the Supervisory Board, or any bylaws of the Moscow Exchange approved by its General Shareholders Meeting due to any amendments introduced therein, such Regulation shall become ineffective, and the Committee shall be governed by the provisions of the abovementioned statutes and bylaws up to the time this Regulation is amended accordingly.