

**APPROVED**  
by the resolution of the Supervisory Board  
of the Moscow Exchange  
on April 26, 2018, Minutes No.1

**PROVISIONS ON THE STRATEGY PLANNING COMMISSION OF  
THE SUPERVISORY BOARD OF  
THE MOSCOW EXCHANGE**

**Moscow  
2018**

## **1. General Provisions**

1.1. Provisions on the Strategy Planning Commission under the Supervisory Board of Public Joint-Stock Company “Moscow Exchange MICEX-RTS” (hereinafter referred to as the “Provisions”) have 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 Exchange securities.

1.2. These Provisions shall establish a procedure for setting up and the status of the Strategy Planning Commission under the Supervisory Board of the Moscow Exchange (hereinafter referred to as the “Strategy Planning Commission” or the “Commission”); determine its purpose, objectives and powers, as well as functioning and decision-making procedures.

1.3. The Strategy Planning Commission is a standing consultative and advisory body of the Supervisory Board of the Exchange set up with the purpose to preliminary consider issues related to efficiency enhancement of the Moscow Exchange and companies under the direct or indirect control of the Moscow Exchange (hereinafter referred to as the “Moscow Exchange Group) operations over the long-term and mid-term perspective through making recommendations to the Supervisory Board of the Moscow Exchange necessary for decision-making on these issues, including but not limited on the matters regarding strategic policy of the Moscow Exchange and Moscow Exchange Group, priority activities, efficiency and operational risks assessment, update of existing development strategies of the Moscow Exchange and the Moscow Exchange Group.

1.4. The members of the Strategy Planning Commission shall be guided in their activity by the current legislation of the Russian Federation, the Charter of the Moscow Exchange, the Provisions of the Supervisory Board of the Moscow Exchange, strategy of the Moscow Exchange, resolutions of the Supervisory Board, these Provisions and other documents adopted by the General Meeting of shareholders and the Supervisory Board of the Moscow Exchange.

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

1.6. The Commission 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 Commission 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. These Provisions with supplements and amendments hereto shall be subject to approval by the Supervisory Board of the Exchange.

1.9. These Provisions shall apply as long as they do not contradict the Charter of the Moscow Exchange.

1.10. The Supervisory Board of the Moscow Exchange shall evaluate the performance of the Commission on a regular basis but at least once a year.

## **2. Purpose and Objectives of the Commission**

2.1. The primary purpose of the Commission 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 management bodies, other key managers and the members of the audit commissions.

2.2. The key objectives of the Commission shall be:

2.2.1. Agreeing strategic goals, control over strategy implementation, and strategy adjustment;

2.2.2. Agreeing priority business areas;

2.2.3. Developing recommendations on the dividend policy;

2.2.4. Business performance assessment in the medium and long term;

2.2.5. Tentative consideration and recommendations on participation in other entities;

2.2.6. Evaluation of voluntary and mandatory offers on Moscow Exchange shares purchase;

2.2.7. Financial model review and business/business segments evaluation model review;

2.2.8. Reviewing reorganization and liquidation issues;

2.2.9. Organizational structure review;

2.2.10. Business processes review;

2.2.11. Reviewing other matters concerning Commission’s activity.

## **3. Functions of the Commission**

3.1 The Commission provides recommendations to the Supervisory Board of the Moscow Exchange and, if necessary, to the supervisory boards/board of directors (hereinafter referred to as the “supervisory boards”) of the Moscow Exchange Group on the Moscow Exchange and on the Moscow Exchange Group strategy issues.

3.2. To achieve the set objectives the Commission shall perform the following functions:

- discuss, develop and provide to the Supervisory Board of the Moscow Exchange and to the supervisory boards of the Moscow Exchange Group recommendations on the format of the Moscow Exchange and Moscow Exchange Group strategies with strategies’ description, perform tentative objective assessment of the strategies development process;
- determine strategic goals of the Moscow Exchange and Moscow Exchange Group business, targets prioritization and consistency, as well as prepare proposals to achieve the set goals and objectives over various periods of time, controls strategies implementation and develop recommendations for the Supervisory Board of the Moscow Exchange and to the supervisory boards of the Moscow Exchange Group regarding strategic planning issues and adjustments to be made to the Moscow Exchange and Moscow Exchange Group existing development strategy;
- develop and provide recommendations to the Supervisory Board of the Moscow Exchange and supervisory boards of the Moscow Exchange Group on the business landmarks of the Moscow Exchange and Moscow Exchange Group for medium and long term, establish key strategic indicators, key business-landmarks, as well as make recommendations on approval of the strategies of the Moscow Exchange and Moscow Exchange Group, medium and long term, if

possible, with regard to the interests of all Company's shareholders, customers, employees and other stakeholders;

- develop proposals and give recommendations on determining priority areas of the Moscow Exchange and Moscow Exchange Group business;
- develop recommendations on the Moscow Exchange and Moscow Exchange Group dividend policy in accordance with the goals, objectives and functions of the Commission;
- assess Moscow Exchange and Moscow Exchange Group strategies' efficiency and business performance in the medium and long term;
- evaluate voluntary and mandatory offers on the Moscow Exchange shares purchase;
- review financial models and a business/business segments' assessment models of the Moscow Exchange and Moscow Exchange Group;
- review, assess and develop recommendations for the Supervisory Board of the Moscow Exchange on the strategy issues which are subject to simultaneous consideration by several respective commissions of the Supervisory Board;
- assist Moscow Exchange Supervisory Board and Companies' Supervisory Boards and provide recommendations on new business opportunities beyond the scope of the companies' current activities;
- consider any matters in relation to reorganization and liquidation of the Moscow Exchange and Moscow Exchange Group Companies;
- review and develop recommendations to the Supervisory Board on various matters regarding Moscow Exchange participation and termination of participation in other organizations (including direct and indirect acquisition and disposal of shares/share in the authorized capital of organizations, encumbrance of shares/portions, establishing/liquidating another organization, on joining or withdrawing from an existing organization, changing the number of shares or the nominal value of shares that belong to the Moscow Exchange);
- review and provide recommendations to the Supervisory Board on disposal the of assets, whose value constitutes more than 25% (twenty-five per cent) of the Moscow Exchange book value according to its financial statements for the last reporting date;
- assess changes in business trends with respect to the Moscow Exchange and Moscow Exchange Group business areas, political trends, draft legislative changes; provide Moscow Exchange Supervisory Board with proposals on updating current Moscow Exchange and Moscow Exchange Group strategy;
- provide advice to the Supervisory Board on Moscow Exchange business and its competitors' business;
- control the scope and the contents of strategic information disclosed;
- submit proposals on Moscow Exchange and Moscow Exchange Group's locative, regional and international policy principles;
- review and provide recommendations on the Moscow Exchange and Moscow Exchange Group's key innovation and investment projects, evaluate projects compliance with approved strategies, projects detalization and associated risks assessment;

- consider organizational structure changes of the Moscow Exchange and Moscow Exchange Group;
- consider business-processes reorganization of the Moscow Exchange and Moscow Exchange Group;
- make projections on the mid-term and long-term development prospects of the Moscow Exchange and Moscow Exchange Group;
- preliminarily review of the Moscow Exchange executive bodies' reports on the strategies implementation, paying particular attention to the extent to which the achieved results meet the requirements of the Moscow Exchange and Moscow Exchange Group strategies and whether Moscow Exchange business reflects the strategies approved;
- participate in working groups discussing significant changes in the previously approved strategy of the Moscow Exchange, strategic issues, strategy implementation and update; submit respective information to the Supervisory Board (at least annually);
- tentatively examine and assess the documents regarding strategic planning issues, key focus areas of the Moscow Exchange and Moscow Exchange Group activity and development that fall within competence of Supervisory Board, including preparation of conclusions and recommendations to enable efficient decision-making;
- provide opinions upon request of the Supervisory Board of the Moscow Exchange or recommendations on particular matters within the competence of the Commission at its own initiative.

3.3. Commission shall prepare and submit to the Supervisory Board the strategies and key strategic indicators of the Moscow Exchange and Moscow Exchange Group which should contain clear criteria to allow the Supervisory Board assess compliance of the economic and financial results with the scheduled indexes, practical strategic steps efficiency, the extent of strategy implementation and regularly monitor strategy implementation. Most of the criteria shall be quantifiable indicators, and supported by intermediate benchmarks.

3.4. Commission shall cooperate with the Supervisory Board and ensure that the process of strategies development at Moscow Exchange and Moscow Exchange Group is supported by appropriate resources, the strategies are developed in the format specified by the Supervisory Board (with a mandatory strategy description). The Commission shall also conduct preliminary discussions and objective evaluation of the strategy development process. The strategies shall be submitted to the Supervisory Board for evaluation and approval.

Strategy evaluation shall include strengths and weaknesses analysis of the Moscow Exchange and Moscow Exchange Group and current and projected economic and financial conditions allowing the Supervisory Board decide whether such strategy is implementable.

3.5. At least annually, the Commission shall hold a special meeting to discuss the issues of the Moscow Exchange and Moscow Exchange Group strategies, strategies implementation and update, and provide respective information on the results to the Supervisory Board after such meeting. The frequency of such meetings shall be appropriate to the nature and scope of activities of the Moscow Exchange and Moscow Exchange Group, and accepted risks including those associated with changes in the economic and legal environment the Moscow Exchange and Moscow Exchange Group operate in.

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

4.1. The Supervisory Board of the Moscow Exchange decides on the personal composition and on the size of Commission, the Commission to be composed of at least 3 members.

Members of the Commission shall be elected by a simple majority of votes of all elected members of the Supervisory Board of the Moscow Exchange, at one of the first meetings after the election of the new Supervisory Board of the Exchange.

4.2. The Chair of the Commission and, if necessary, his deputy are elected by the Supervisory Board of the Moscow Exchange from the members of the Commission. It is recommended that the Commission shall be headed by an independent director (Chair of the Commission to be an independent director).

Majority of the Commission members shall be the members of the Supervisory Board. Rest of the Commission members shall be elected by the Supervisory Board of the Moscow Exchange from the members of the Moscow Exchange Group companies' Supervisory Boards.

4.3. The members of the Commission 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.

4.4. Persons other than members of the Commission may attend the meetings of the Commission only if they are invited to do so by the Chair of the Commission. If necessary the members of the Commission may invite to their meetings leaders of the structural units and employees of the Moscow Exchange and Moscow Exchange Group, and other persons with professional skills and competence required to make decisions on issues reviewed by the Commission.

The invitees shall have the right to attend the meeting, to speak at the meetings of the Commission and to provide recommendations on the agenda issues, but have no voting rights.

4.5. A member of the Commission may resign earlier by submitting a written notice of resignation to the Chair of the Exchange Supervisory Board and the Chair of the Commission at least one month prior to the expected resignation date.

4.6. The authority of the Commission member who gave a written notice of resignation is terminated after the Supervisory Board of the Moscow Exchange take a respective resolution.

4.7. The Supervisory Board of the Exchange may at its sole discretion release all or any Commission member from their responsibilities. In this case the members of the Supervisory Board of the Exchange shall elect a new member (members) of the Commission at the meeting that decides on the early release, or shall adopt a decision to reduce the size of the Commission.

4.8. In case the number of Commission members does not meet the required quorum for holding Commission's meetings, the Chair of the Exchange Supervisory Board, as advised by the Chair of the Commission, 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 Commission shall be governed and organised by the Chair of the Commission. In case of absence of the Chair of the Commission, his functions shall be performed by the Deputy Chair of the Commission.

## 5. Commission's Proceedings

5.1. In organizing the work of the Commission, the Chair shall:

- ensure the unbiased character of recommendations developed by the Commission 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 the list of invitees to the Commission meeting in praesentia;
- organise the discussion of agenda items at Commission meetings and listen to the opinions of invitees;
- organise minutes keeping and sign the minutes;
- draft, where necessary, a forward schedule of Commission meetings taking into account the schedule of the Supervisory Board meetings;
- allocate responsibilities among Commission members;
- represent the Commission in interaction with executive bodies of the Moscow Exchange and Moscow Exchange Group, other bodies and persons;
- maintain official correspondence of the Commission, sign enquires, letters and other documents on behalf of the Commission;
- ensure compliance of the Commission activities with current legislation of the Russian Federation, the Charter of the Moscow Exchange, other bylaws of the Moscow Exchange and these Provisions;
- on a regular basis advise the Supervisory Board and its Chair on activities of the Commission;
- perform other functions as assigned by the current legislation, the Charter of the Moscow Exchange, other bylaws of the Exchange and these Provisions.

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

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

To facilitate the work of the Commission technical communication means (teleconferences and etc.) may be used.

5.4. The invitees to the meeting in praesentia, inclusive of the members of the Commission who cannot attend the meeting may submit their written opinions on the agenda items. Such written opinions must be read out at the Commission meeting by the Commission Chair. The Commission 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 Commission 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 Commission 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 Commission 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 Commission minutes.

Written opinions sent by persons unable to attend the Commission meeting in presentia must be signed by them, indicating their surnames and initials and submitted prior to the beginning of the Commission 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 Commission the members shall adopt resolutions by voting in absentia.

5.6. The Chair of the Commission shall develop its forward schedule in consideration of the approved schedule of the Exchange Supervisory Board meetings and proposals by the Supervisory Board Chair, members of the Supervisory Board and the Commission, Chair and members of the Executive Board, the HR Director, the Corporate Secretary and structural units of the Exchange concerned.

5.7. When convening a Commission meeting the Chair of the Commission shall decide on the date, time, agenda, venue, and form of the meeting as well as the list of invitees.

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

Commission Chair shall decide to convene an extraordinary meeting or to include an item into 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 Commission subject to these Provisions. 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 Commission meeting or even making it impossible and the Commission members have been notified about such a meeting, the Chair may decide to adjoin the meeting to a different date with the same agenda.

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

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

5.11. The meeting of the Commission shall be deemed quorate if at least half of the total number of members enjoying a right to vote are attending the meeting. When opening the meeting the Chair of the Commission 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 Commission, inclusive of its Chair, shall have one vote. The members of the Commission may not delegate their votes to any other member of the Commission.

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 Commission.

5.14. The Commission shall take decisions by a simple majority vote of the members taking part in the meeting. The Chair shall be entitled to a casting vote, and the Deputy Chair shall not be entitled to a casting vote when votes are equally divided.

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

5.16. When filling in a voting ballot for an absentee vote (or sending a written opinion by those members who cannot 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 Commission member and delivered to the specified address in the original copy or by fax with the original copy to be delivered later.

5.17. The resolutions of the Commission shall be reflected in the minutes, drafted by the Secretary of the Commission no later than 10 (ten) business days after the meeting. The Chair of the meeting and the Secretary of the Commission shall sign the minutes. The Chair shall be responsible for the accuracy of the minutes.

5.18. The minutes of the meetings shall state: the form, venue, date and time of the meeting (deadline for the filled in voting ballots submission), names of attendees, agenda of the meeting, items put to vote, draft resolutions, voting results, adopted resolutions, opinions in writing of the absent members, key points of delivered reports (optional), opinions and recommendations of invitees.

An individual opinion of the Commission 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.

5.19. Where the Commission provides recommendations on the agenda items to be further decided on at the meeting of the Supervisory Board of the Moscow Exchange, the reference to such recommendations must be made in the pre-reads for this item, submitted for the review by the Exchange Supervisory Board.

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

5.21. The copies of the meetings’ minutes or abstracts thereof shall be forwarded by the Commission Secretary to persons, responsible for the implementation of the relevant Commission resolutions, members of the Commission, as well as to the members of the Exchange Supervisory Board Moscow Exchange Group supervisory boards upon their written request, 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.

5.22. Commission members must refrain from actions which will or may result in a conflict of interests between them and the Moscow Exchange. They must not disclose or otherwise use any

confidential or insider information of the Moscow Exchange in their personal interests or in the interests of any third parties. To that end the Commission members must undertake a written confidentiality obligation.

## **6. Evaluation and Accountability**

6.1. The Chair of the Commission shall provide the Supervisory Board with regular summaries on the Commission's activities as required by the Chair of the Supervisory Board.

6.2. The Commission shall perform and submit to the Supervisory Board an annual review and self-evaluation of the Commission performance including its compliance with terms of reference.

## **7. Concluding Provisions**

7.1. Any issues that are not regulated by these Provisions 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 these Provisions 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 Provisions shall become ineffective, and the Commission shall be governed by the provisions of the abovementioned statutes and bylaws up to the time these Provisions are amended accordingly.