

Remuneration Payable to Members of the Supervisory Board

The current remuneration system for members of the Supervisory Board is defined by the Policy on Remuneration and Compensations for the Members of the Supervisory Board approved by the Supervisory Board (Minutes No. 12 as of 28 December 2016) and the Regulations on Remuneration and Compensation Due to Members of the Supervisory Board approved by the Annual General Meeting of Shareholders (Minutes No. 54 as of 27 April 2016). The documents are available at <https://www.moex.com/s798>. The Nomination and Remuneration Committee, which is responsible also for the development and revision from time to time of the Supervisory Board Member Remuneration Policy, as well as control over policy implementation and performance, is actively engaged in improving this system on the basis of best practices in corporate governance and the successful experience of other public companies and global exchange groups. The Policy and the Regulations are applicable to members of the Supervisory Board only. While no changes or amendments were made to those documents in the reporting year, and the remuneration system was not assessed by external entities, the Nomination and Remuneration Committee carried out an expert benchmarking assessment of the existing remuneration adopted by companies of a similar capitalization, and proposed no changes for 2018.

According to the Policy, the remuneration and compensation system for the members of the Supervisory Board is underpinned by the following key interrelated principles:

- ▶ remuneration and compensation are calculated and documented transparently, and are available for review by any stakeholder;
- ▶ information regarding the remuneration and compensation system for the Supervisory Board members, including individual remuneration, is disclosed in a full and timely manner;
- ▶ remuneration is intended to motivate the Supervisory Board to perform effectively;
- ▶ each member's contribution to the Supervisory Board's performance is assessed according to their functions, responsibilities, workload and involvement.

The level of remuneration paid to Supervisory Board members is sufficient to attract, motivate and retain professionals with the relevant skills and qualifications. The Nomination and Remuneration Committee of the Moscow Exchange Supervisory Board provides recommendations on changes to the level of remuneration payable to Supervisory Board members under the Regulations based on the expert assessment of the levels of remuneration adopted by other Russian companies with similar capitalization as well as Moscow Exchange's peers.

The Policy and the Regulations define all types of payments, benefits and perquisites provided to members of the Supervisory Board and specify no additional short- or long-term incentives for them.

In order to ensure independent decision making, Supervisory Board remuneration is not aligned with the Company's performance or share price and do not include stock option plans. Members of the Supervisory Board enjoy no pension contributions, insurance plans (apart from the Supervisory Board member liability insurance and the conventional insurance associated with travelling to perform duties as a director or to participate in Supervisory Board activities), investment plans or other benefits or perquisites, unless specified in the Policy and the Regulations. The Exchange does not provide loans to members of the Supervisory Board or engage them to provide services under civil law contracts.

Remuneration related to performance of Supervisory Board functions is not paid to government officials and employees of the Bank of Russia. Employees and managers of the Exchange are not also paid for performance as a member of the Supervisory Board of the Exchange and its subsidiaries.

Remuneration for performance as a Supervisory Board member is comprised of base and supplementary components.

The base payment of a Supervisory Board member depends on whether such member is independent or not, and is equal to:

- ▶ RUB 5.5 mn for an independent member of the Supervisory Board;
- ▶ RUB 4 mn for a non-independent member of the Supervisory Board.

The following differentiated additional remuneration is paid to Supervisory Board members for performance of additional duties requiring extra time and effort of the Chairman of the Supervisory Board, Deputy Chairman of the Supervisory Board, Chairman of a Supervisory Board Committee or a member of a Supervisory Board Committee:

- ▶ RUB 6 mn for the Chairman of the Supervisory Board;
- ▶ RUB 3 mn for the Deputy Chairman of the Supervisory Board;
- ▶ RUB 2.5 mn for the Chairman of a Supervisory Board Committee;
- ▶ RUB 1.25 mn for a member of a Supervisory Board Committee.

If a member of the Supervisory Board acts as the Chairman and/or a member of more than one Supervisory Board Committee, they are remunerated for the performance of duties as the Chairman and/or a member in each of those cases.

As per a decision of the Annual General Meeting of Shareholders, members of the Supervisory Board may be additionally remunerated for their participation in forums or conferences held on the initiative of, or involving, the Exchange and intended to enhance the Exchange's cooperation with investors or financial market participants. The exact amount of such additional remuneration is determined with due regard to the significance, duration of the event and remoteness of the venue, and may not exceed RUB 400,000.

The amount of the base payment and supplementary remuneration due to Supervisory Board members is fixed and reflects the expected time expended to perform duties as a Supervisory Board member; it does not depend on actual attendance of Supervisory Board or Supervisory Board Committee meetings (including unscheduled meetings). However, the amount may be reduced by 25% or 50% in the event that a member of the Supervisory Board attended less than 75% or 50% of the meetings of the Supervisory Board or Committee, respectively. If a member of the Supervisory Board participated in one third of all Supervisory Board meetings or less, or attended one fourth of the in-person Supervisory Board meetings or less, the Annual General Meeting of Shareholders may resolve to pay any remuneration to such member of the Supervisory Board.

In the event of early termination of powers, the remuneration payable to each member of the Supervisory Board is based on their actual tenure. In this case, any other payments or compensation are not provided.

Apart from the remuneration for their work on the Supervisory Board and on Supervisory Board Committees, pursuant to the approved Policy, Supervisory Board members are entitled to reimbursement (compensation) of travel expenses related to their participation in in-person Supervisory Board or Supervisory Board Committee meetings and General Meetings of Shareholders, as well as other events which they attend in their capacity as Supervisory Board members. In addition, Supervisory Board members who need to travel to meetings and other events held outside their place of residence are entitled to reimbursement (compensation) of hospitality expenditures.

Amounts of remuneration and compensation paid to each member of the Supervisory Board in 2017, RUB thousand

No.	Name	Basic remuneration	Additional remuneration	Compensation for expenses, in total
1	Kudrin, Alexey Leonidovich	4,000	6,000	0
2	Afanasiev, Alexander Konstantinovich	0	0	0
3	Goreglyad, Valery Pavlovich	0	0	0
4	Glodek, Sean Ian	4,000	2,613.5	122.7
5	Golikov, Andrey Fedorovich	4,000	8,000	0
6	Denisov, Yury Olegovich	4,560.4	3,870.1	0
7	Zlatkis, Bella Ilyinichna	4,000	0	0
8	Karachinsky, Anatoly Mikhailovich	5,500	3,317.4	0
9	Wang, Yuan	5,500	1,585.5	1,742.8
10	Riess, Rainer	5,500	4,447.4	1,586.5
11	Gordon, Maria Vladimirovna	5,500	2,500	1,882.8
12	Paterson, Duncan	5,500	1,490.9	1,578.9
	Total	48,060	33,825	6,914

Supervisory Board members are entitled to the same classes of travel and accommodation as members of the Exchange's executive bodies in accordance with relevant internal documents on reimbursement of expenses incurred during business travel.

In order to maintain the necessary level of skills of Supervisory Board members, the Nomination and Remuneration Committee of the Moscow Exchange Supervisory Board may recommend paying for professional training and refresher courses.

The exhaustive list of reimbursable expenses is defined in the Regulations.

The remuneration paid in 2017 to members of the Supervisory Board for their performance in the period from the election date in 2016 to the termination of their powers in 2017 (the corporate year) have been determined in accordance with the Policy.

The resolution on the payment of remuneration to the Supervisory Board members for performance of their functions during their term of office and on the amount of remuneration payable to each individual director elected on 27 April 2016 was made at the Annual General Meeting of Shareholders held on 27 April 2017.

Prior to that, the amount of remuneration to the Supervisory Board members had been reviewed by the Nomination and Remuneration Committee of the Supervisory Board, and by the Supervisory Board of the Moscow Exchange.

	2017	2016	2015
Remuneration for membership in management bodies of subsidiaries	Total	Total	Total
0	10,000	8,020	3,424.6
0	0	0	0
0	0	0	0
0	6,736.2	6,348.5	2,500
5,250	17,250	12,711.5	6,537.1
6,000	14,430.5	9,086.5	6,412.1
4,750	8,750	7,375	5,125
0	8,817.4	6,500	3,500
0	8,828.3	7,971.4	4,251.1
0	11,533.9	9,746.3	4,939
0	9,882.8	340.6	0
0	8,569.8	362.9	0
16,000	104,799	68,463	36,689