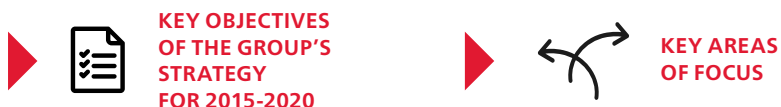


## Strategic Priorities 2015-2020



### DIVERSIFICATION

Substantially increase revenues from classic infrastructure services and create new trading markets

- ▶ Market data and information services
- ▶ Technical services
- ▶ Indices
- ▶ Listing
- ▶ OTC derivatives clearing
- ▶ On-exchange trading of standardised products

### OPTIMISATION

Improve operational efficiency and streamline the Group's business processes

- ▶ Strengthening corporate culture
- ▶ Optimisation and harmonisation of business processes
- ▶ Improving the customer experience
- ▶ Implementation of a cost savings program
- ▶ Tariff optimisation

### STANDARDISATION

Complete upgrade of key elements of the Russian financial market infrastructure in accordance with evolving international standards

- ▶ Alignment of local financial market practices with international standards in terms of key aspects relevant for foreign investors
- ▶ Developing the NSD product offering
- ▶ Streamlining of exchange interfaces for market participants and investors in line with best global practices
- ▶ Promoting better corporate governance at Russian companies

### MARKET DEVELOPMENT

Develop the local investor base and facilitate greater liquidity of the Russian financial markets

- ▶ Support of the regulator in implementing reforms
- ▶ Development of the local investor base
- ▶ Development of the Bond Market (bondisation)
- ▶ Customisation of Repo and derivatives products
- ▶ Attracting new issuers
- ▶ Implementation of liquidity protection programs

### INTEGRATION

Develop an advanced comprehensive system for managing risks, collateral pool and settlements extending to all Group markets

- ▶ Development and harmonisation of the risk management system across all markets
- ▶ Unified clearing and settlement pool
- ▶ Single collateral pool and new collateral management services
- ▶ New triparty post-trading services



## PROJECTS COMPLETED IN 2017

- ▶ Launch of trading in FX fixing instruments
- ▶ Creation of the Growth Sector to attract SMEs to raise capital via the exchange
- ▶ Launch of weekly options on USD/RUB futures contracts and the RTS Index
- ▶ Launch of trading in sugar and swaps contracts on grain
- ▶ Changes in the index methodology, raising security liquidity requirements and enabling a floating number of shares in the indices

- ▶ Batch client registration introduced in all markets
- ▶ More functionality added to the Trading Participant Online Account service that allowed paperless document submission
- ▶ Derivatives Market tariff reform completed to align tariffs and fees across MOEX markets
- ▶ A corporate competency model was developed to ensure business results are achieved.
- ▶ The annual employee recognition program Building the Future was enhanced.

- ▶ MSCI, the global index provider, started using MOEX's closing auction prices to calculate its indices
- ▶ Clients of trading members on the FX and Equity & Bond Markets were offered Sponsored Market Access (SMA)
- ▶ The listing reform was completed with the quality of corporate governance practices in public Russian companies substantially improved
- ▶ E-voting service was developed to provide shareholders with remote access to meetings
- ▶ Valuation Centre established by the NSD was accredited by the Bank of Russia

- ▶ Launch of DMA for corporates on the Money and FX Markets. By the end of 2017, 34 corporates were registered on the Money Market and 20 corporates on the FX Market
- ▶ Streamlining bond issuance procedures
- ▶ A new bond type: bond for public
- ▶ Extension of maturities of GCC repos and deposits with the CCP to up to one year
- ▶ Non-government pension funds can now invest in the IIM-Prime segment's issuers
- ▶ About 400 events were held for retail investors, including Invest Trial and Best Private Investor competitions as well as FINFAIR, a large scale retail event in Moscow
- ▶ Internet portal for new retail investors, place.moex.com, was launched
- ▶ Moscow Exchange Forums were held in Moscow, New York, London and Shanghai

The first phase of the Unified Collateral Pool project, enabling unified account technology, was completed. Market participants can now benefit from:

- ▶ An option to substitute cash posted as collateral for securities on the FX and Derivatives Markets;
- ▶ Cross market collateral management;
- ▶ Synchronization of clearing and settlement sessions;
- ▶ Netting of RUB settlement across markets.