



SpencerStuart

2017

Russia  
Board Index

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# Foreword

The *Spencer Stuart Board Index* is an annual study that analyses aspects of board governance, including composition, committees, and remuneration, among major listed companies. First published over 30 years ago in the US, Board Indexes are produced in 22 countries around the world on an annual or biennial basis.

In 2014, we released the first *Russia Board Index*, which focused on 41 of the top listed companies. This fourth edition updates our analysis of the data available for the most recent fiscal year and looks at the boards of 43 companies.

Our purpose is to provide business leaders with a snapshot of current practices on Russian boards. In addition to data for each company, we have again published a detailed chart showing how Russian boards compare with leading companies in the US and other European markets across a key range of governance measures.

We hope that you will find this new edition of the *Russia Board Index* an interesting read. We welcome your feedback and the opportunity to discuss any of the issues that arise from our research.

Yaroslav Glazunov  
Spencer Stuart Russia

# Highlights of the 2017 Russia Board Index

23.4

The average number of board meetings per company last year

## BOARD MEETINGS

The average number of in-person board meetings among Russian companies is 6.8, an increase from six last year. The figure represents a return to the level seen in 2015, and is on a par with other European countries. However, if we include meetings that take place in absentia, the total number of meetings rises to 23.4, slightly below the previous year's average of 25. See page 11.

36.7%

The percentage of independent directors

## INDEPENDENCE

Our sample this year is made up of 447 directors, of whom 164 or 36.7% were deemed to be independent. This is slightly up on last year's figure of 34%, and remains one of the lowest in Europe. The average number of independent directors on Russian boards has also seen a small increase from 3.3 to 3.8. See page 6.

54.3  
years

The average age of directors

## AGE

The average age of all board directors is 54.3 years, a slight increase on last year's figure of 52.9 years. Russian boards remain the youngest in Europe, ahead of Poland at 55.5 years; at 61.1 years Swiss boards have the highest average age. The average age of chairmen among Russian companies has risen slightly to 58.1 years (from 57.1 years in 2016), although the current cohort remains the second-youngest in Europe. Russia and Poland are the only countries where the average age for chairmen is under 60 years. See page 9.

# 8.1%

The proportion of women sitting on boards

## GENDER DIVERSITY

The proportion of female directors sitting on Russian boards has returned to just over its 2014 level of 8%, having seen a downward trend in both 2016 — when it decreased to 7.2% — and 2015, when it registered 7.6%. Despite this growth, the proportion of women on boards in Russia remains by far the lowest in Europe. Meanwhile, the number of women sitting on executive committees of Russian companies has fallen slightly to 11.6%. See page 7.

# 18.8%

The proportion of board members appointed during the last year

## BOARD TURNOVER

The percentage of board directors appointed to the board within the past 12 months is 18.8%, a slight increase from 2016 when the figure was 17.7%. Women account for 11.9% of the 84 new directors appointed to the board in the past year, which is slightly below last year's figure of 12.3%. See pages 24-31.

# 7,858,262 ₺

The average pay for non-executive directors

## DIRECTOR REMUNERATION

While almost all of the companies in our survey disclosed some information around board remuneration, only 10 out of 43 companies declared detailed remuneration on individual board members. The average retainer fee paid to independent, non-executive directors is 7,858,262₺ (€105,934). See page 15.

# Our survey approach

The 2017 *Russia Board Index* covers 43 of the top listed companies by market value in the Russian Trading System Index at the end of May 2017. Subsidiary companies are generally excluded from our analysis, along with several companies for which limited data was available, or not yet reported. This year's index saw the addition of DIXY Group, LSR Group, Mosenergo, PIK Group, Tatneft, and United Wagon Company.

All 43 companies featured in this year's Board Index are listed in the company tables, starting on page 24. In some instances data is missing from these tables and this is because companies do not disclose the detail. Non-disclosure of remuneration information is common.

Globaltrans, Lenta, Mail-Ru Group, Pharmstandard, TransContainer, VSMPO-AVISMA Corporation, and X5 Retail Group are no longer included in our analysis. Norilsk Nickel has changed its name to Nornickel.

We analysed board size and composition, committee structure and director compensation for the 2016 financial year, compiling our research from a combination of publicly available sources such as company annual reports and websites, minutes and agendas of general meetings, and from BoardEx.

## **The following elements were measured as of 31 May 2017:**

- » Supervisory board composition
- » Management board composition
- » Female representation
- » Independence
- » Tenure
- » Board commitments
- » Age
- » Foreign representation

## **Measured as of 31 December 2016:**

- » Board Meetings
- » Board committee meetings
- » Board evaluations

## **Measured as of 2016 Annual General Meeting:**

- » Board remuneration

The *Russia Board Index* focuses on quantifiable data pertaining to boards of directors and offers comparisons with leading companies in a number of other European countries, namely Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Poland, Spain, Sweden, Switzerland, Turkey and the UK, as well as with S&P 500 companies in the USA.

# Board size and composition

## BOARD SIZE

The average board in Russia now comprises 10.4 directors, reversing the trend seen in the previous three years when boards reduced in size from 10.6 in 2014 to 10.1 in 2016. Six companies have a board of seven members, the smallest size noted in our survey, while the largest, Rusal, has 18. Boards at the majority of companies continue to consist of between nine and 11 directors.

### Board size

Number of directors	Percentage of companies
≤ 8	16%
9 to 11	63%
12 to 14	12%
15 and more	9%

Among European countries covered in our sample, the average number of directors on the board is 10.5, the same as 2016. The table below shows the figures across the region. Whereas in 2016 average board sizes across Europe ranged from 8.2 to 14.1, in 2017 the range is from eight, as in Poland, to 16.3 in Germany (includes employee representatives).

### THE BROADER VIEW: Average board size

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Average	10.4	10.1	9.8	8.2	13.9	16.3	11.5	8.3	8.4	8	11	10.9	10.6	9.9	10.2	10.8

## EXECUTIVE DIRECTORS

Executive directors account for 14.3% of all board members in Russia, excluding chairmen. LSR Group has the highest percentage of executive directors, with half the board composed of executives. Conversely, four companies do not have any executives on their boards.

Across our sample, no company combines the role of chairman and chief executive. Acron is the only company to have an executive chairman. The chief executive is a member of the board in 83.7% of companies.

## THE ROLES OF CHAIRMAN AND VICE CHAIRMAN

According to the 2014 Russian Code of Corporate Governance (Moscow Exchange, translated by EBRD), it is recommended that the chairman be independent. In instances where this is not possible, a senior independent director is recommended. The chairman is independent in 18.6% of companies in our sample.

Nineteen companies (44.2%) have at least one vice chairman, and six companies have two individuals in this role: Alrosa, MTS, Rosneft, Sberbank, Surgutneftegas, and Uralkali. Eight companies (18.6%) have the role of senior independent director (SID) on their board. Acron, Sberbank, and Uralkali are the only companies with both a senior independent director and a vice chairman sitting on the board.

### THE BROADER VIEW: Companies with a vice chairman

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Percent %	41.9	20.7	100	96	73	30	50	68	52	75	n/a	48	85	93.1	10	n/a

## INDEPENDENT DIRECTORS

In the companies we surveyed, 36.7% of all board directors are deemed to be independent. This is at the low end for Europe, with only Turkey having a smaller percentage of independent directors (32.7%). In contrast, boards in Finland, the Netherlands, and Switzerland have the highest number of independent directors, each at 84%.

### THE BROADER VIEW: Independent directors

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Percent %	36.7	45.9	77.2	84	69.1	60	51	83.6	76.3	49.4	44	69.6	84	32.7	61.4	85



## WOMEN ON THE BOARD

Women occupy 8.1% of all board seats, and although this is an increase from 7.2% in 2016, it is only just ahead of the level seen in 2014. Norway continues to lead Europe in this regard with 45.4% of all board seats held by women, followed by France which, thanks to legislation, has increased the percentage of women on boards from 11.5% in 2009 to 42% in 2017. At the time of writing, there is no legislation in Russia pertaining to gender diversity on boards and it appears that without this the number of women on boards will remain static.

When looking only at non-executive directors, the percentage of female directors is now 10.2%, up from 8.6% in 2016; 26.4% of all female NEDs were appointed to the board within the last year. Yet almost one-third of all female non-executive directors are concentrated in three companies: Alrosa, PIK, and Rusal. Of the 71 executive directors who sit on Russian boards, only two (2.8%) are women.

At the executive committee level, only 8.9% of members are female and none of them holds the position of chief executive. This figure is down from 12% in 2016.

## THE BROADER VIEW: Women on the board

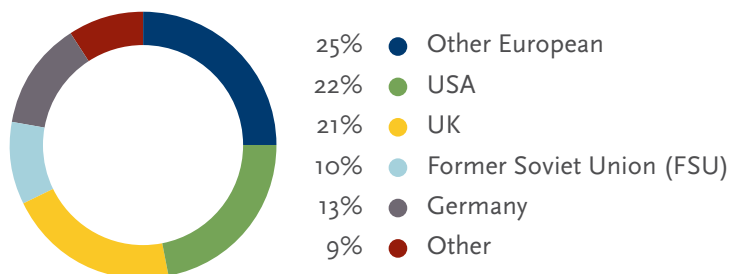
	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Percent %	8.1	30.4	28	33	42	28.7	31	30.4	45.4	21.4	17	38.3	22.2	11.1	25.5	22.2

## FOREIGN DIRECTORS

The percentage of foreign directors serving on Russian company boards is 22.8%, a decrease from 28.2% last year. Non-nationals account for 46.3% of independent directors. An average of 2.8 nationalities are represented on Russian boards, while 13 companies (30.2%), have no foreign directors at board level. In total, 26 nationalities are represented across our sample.

Of all foreign directors, 67% come from other European countries. Germany and the UK account for 34% of foreign directors, while, at 22.3%, the USA is the largest single country of origin for foreign directors.

Foreign directors: Origins of non-Russian nationals



There are nine foreign chairmen, which is a decrease from 12 in 2016 but an increase from seven in 2015. Of these chairmen, 33.3% are American and 55.6% are European. No company has both a foreign chairman and foreign CEO.

Of the 71 executive directors who sit on the board, two are foreign nationals, both of whom were appointed to their respective boards in the past year.

Among the new non-executive directors who were appointed to the board in the previous 12 months, 21.7% are foreign.

**THE BROADER VIEW: Foreign directors**

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Percent %	22.8	31.2	42.1	36.5	37	31	9.4	57	24.3	18.8	19	30.9	59	16	32.3	7

## NEW DIRECTORS

Eighty-four new directors on Russian boards were appointed in the 12 months prior to 31 May 2017, 18.8% of the total. Of these new directors, 11.9% are female and 20.2% foreign. The vast majority of the newly appointed directors are non-executives; only 10 executive directors were appointed during the past year.

### THE BROADER VIEW: New directors

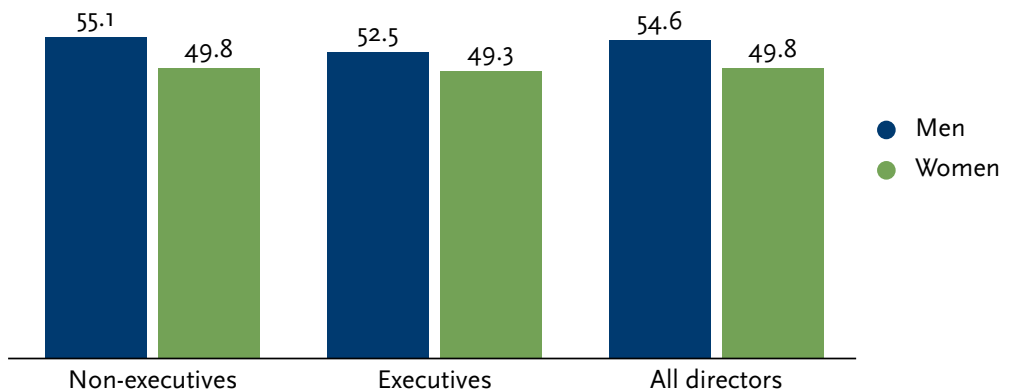
	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Percent %	18.8	10.4	17.5	16	17.9	19.7	18	9.2	17.8	27.5	14.6	15.2	9.9	12.2	12	7.5

## AVERAGE AGE OF DIRECTORS

With an average age for all directors of 54.3 years, Russian boards are again the youngest in Europe, even though that average is slightly up from last year's 53.3 years. Germany and Switzerland have the oldest directors at 61 years. The average age of chairmen on Russian boards is 58.1 years, which is also a one-year increase. Female directors on Russian boards are significantly younger than their male counterparts: 49.8 years compared to 54.6 years.

The average age of CEOs is 54.9 years, while the average age of all executive directors on the board is 52.5, an increase from 49.2 years in 2016.

### Average age of female and male directors



## THE BROADER VIEW: Average age of directors

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Average	54.3	57.7	58.3	57.9	58.8	61	58.4	61	56.2	55.5	60.4	57.8	61.1	59.7	56.7	62.6

## LENGTH OF SERVICE

The average tenure of non-executive directors is 4.3 years, rising from 3.1 years in 2016. Chairman tenure has also increased, to 5.4 years (4.2 years in 2016), as did tenure of executive directors, to 6.8 years.

### Average tenure of directors

	2017	2016	2015	2014
Chairmen (in role)	5.4	4.2	4.7	5.8
Non-executive directors (on board)	4.3	3.1	3.8	3.8
Executive directors (on board)	6.8	6.1	6.3	6.3
All (on board)	4.7	3.9	4.2	4.3

## THE BROADER VIEW: Average tenure

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Average	4.3	6.1	4.8	4.8	5.9	6.3	5.3	4.9	4.3	3.4	5.3	5.3	6.6	5.7	4.4	8.2

## EXTERNAL COMMITMENTS

Non-executive directors in Russia sit on an average of 1.7 boards, which is the same as last year. Chairmen serving on Russian boards, however, hold on average 1.9 board seats, which is slightly above last year's figure of 1.8. Twenty per cent of executive directors in Russia also sit on an external board.

# Board meetings and evaluation

## BOARD MEETINGS

Russian boards continue to meet the most frequently in Europe when meetings that take place in absentia are included alongside in-person meetings. This takes the average number of meetings to 23.4 (in person and in absentia), although this is a decrease from 25 reported in the previous year's Board Index. The nearest comparable country is Turkey where boards meet on average 17.9 times per annum.

When in-person meetings only are counted, the average decreases to 6.8 which, along with Germany at 6.7, is the lowest among the countries in our sample.

### Board meetings in person

	<5	5	6	7	8	9	10	11	>11	Unknown
Number of companies	12	3	4	1	4	5	2	1	3	8

### Board meetings in absentia + in person

	<5	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 39	40 – 59	60+	Unknown
Number of companies	0	4	8	9	6	7	3	2	3	1

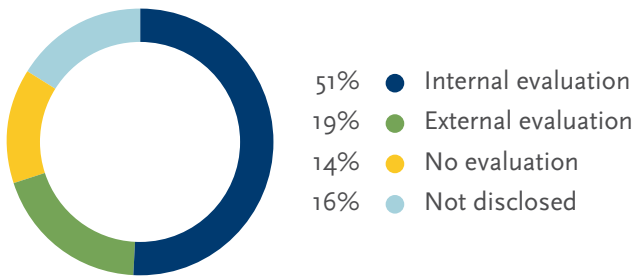
### THE BROADER VIEW: Scheduled board meetings

	Russia	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Spain	Sweden	Switzerland	Turkey	UK	USA
Average	6.8	8.4	9	11.8	9	6.7	11.6	7.4	9	9.5	10.8	9.9	9	17.9	7.7	8.2

### BOARD EVALUATION

In 2016, 19% of companies used an external facilitator to provide a board evaluation. This figure is the highest we have seen in the three years we have collected data in this area, an increase from 11% in 2015 and 6% in 2014. The Russian Code of Corporate Governance recommends that independent evaluations of the board’s work be conducted by third parties at least once every three years. Beyond this, boards should evaluate their work annually through internal or external evaluations. In our sample, 30% of companies either did not conduct evaluations in 2016 or did not disclose information in this regard.

Board evaluations by type



# Board committees

The average number of committees per board is 3.3, on a par with last year. All companies in our sample have more than one committee except for Surgutneftegas, which only has an audit committee.

## Committees of Russian boards

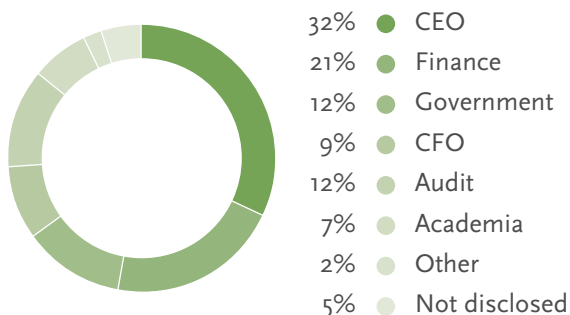
	Number of committees					
	1	2	3	4	5	6
Percentage of companies	2.3%	11.6%	51.2%	20.9%	11.6%	2.3%

## AUDIT COMMITTEE

While all companies have an audit committee, as recommended by the Russian Code of Corporate Governance, 9.3% of companies combine their audit committee with the risk committee. Alrosa is the only company to have appointed a woman in the role of audit committee chairman.

For the first time, we looked at the experience of audit committee chairmen. Almost one-third have a CEO or general management background, and just over one-fifth have worked in the finance function.

## Audit committee chairmen experience



## REMUNERATION AND NOMINATION COMMITTEE

All except one of the organisations surveyed have a remuneration committee. At 86% of companies it is combined with the nomination committee. Only 9.3% of companies do not combine the remuneration committee with another committee. Only 7% of companies have a standalone nomination committee.

## COMMITTEE MEETINGS

As seen with overall board meeting averages, the average number of committee meetings in Russia is significantly higher than in other European countries. Audit committees in Russia met just over eight times on average in 2016. At United Wagon Company the audit committee met only twice, while at Inter RAO the same committee met 23 times.

### Average number of meetings

	Audit	Remuneration	Nomination
Number of meetings	8.1	7.1	7.3



# Remuneration

Data on remuneration in Russia is among the least transparent in Europe, with only 10 companies disclosing figures on individual board director remuneration. Three companies do not disclose any remuneration data. The remaining survey constituents all give a figure for entire board compensation, and many also disclose the retainer amounts pertaining to board and committee membership. Five companies state that additional attendance fees may be paid; however, they vary greatly depending on the role and location of the board director.

Board remuneration policies in Russia are also highly diverse. Some companies compensate in foreign currency, while others state that they have adopted policies that offset the potential devaluation of the Russian ruble. On average, total board spending increased by 13.6% over 2015 figures, with Aeroflot having the largest increase in total board spending, at 165%. However, this can be attributed to the fact that the company paid out on a stock option plan in 2016 and not in 2015.

## CHAIRMEN

The average chairman fee is 13,748,824₽ (€185,342), which is a slight decrease from last year's figure of 14,251,830₽ (€209,834). This is from a sample of 26 companies — the remaining sample constituents do not disclose this data. FGC UES had the lowest retainer at 900,000₽ (€12,133), while Nornickel had the highest at 66,945,470₽ (€902,464).

### THE BROADER VIEW: Average fees for chairmen\*

Country	Average fees	Country	Average fees
Russia	€ 185,342	Norway	€ 68,109
Belgium	€ 118,497	Poland	€ 47,461
Denmark	€ 194,392	Spain	€ 316,946
Finland	€ 133,069	Sweden	€ 239,701
France	€ 627,654	Switzerland	€ 1,913,819
Germany	€ 374,869	Turkey	n/a
Italy	€ 879,000	UK	€ 314,731
Netherlands	€ 254,319	USA	€ 346,683

\* Information on the companies included can be found on page 18

## NON-EXECUTIVE DIRECTORS

While the final director remuneration is voted on at the annual shareholder meeting, many companies remunerate based upon the overall company profit. Some pay fixed fees, others provide an additional bonus that is benchmarked to the overall performance of the company. One company did not disclose payments to directors, although they state that directors were offered a restricted share unit (RSU) exchange on their outstanding options. Of the companies for which individual remuneration data was available, the average retainer fee for independent, non-executive directors was 7,858,262P (€ 105,934). When taking into account additional remuneration paid for committee membership, the average total fee paid to non-executive directors was 10,536,075P (€142,032).

Rosneft board directors were again the highest paid, receiving an annual retainer fee of 33,472,735P (€451,230). Directors serving a full year on the Rosneft board attend 27 meetings, five of which are in person. The smallest retainer paid to non-executive directors is 40,000P (€539), awarded by NMTP.

### THE BROADER VIEW: Average fees for non-executive directors\*

Country	Average fees	Country	Average fees
Russia	€ 142,032	Norway	€ 40,034
Belgium	€ 51,859	Poland	€ 33,531
Denmark	€ 85,462	Spain	€ 131,518
Finland	€ 70,307	Sweden	€ 77,338
France	€ 87,780	Switzerland	€ 272,673
Germany	n/a	Turkey	€ 58,089
Italy	€ 92,000	UK	€ 107,106
Netherlands	€ 93,699	USA	€ 260,984

\* Information on the companies included can be found on page 18

## COMMITTEE REMUNERATION

For the first time, we have looked at committee membership fees, as just over half of all companies in our sample disclose retainer details.

The average audit committee chairman fee was 2,086,659P (€28,129) and the average audit committee membership fee was 946,370P (€12,758). For the remuneration committee chairmen, the average fee was 2,014,326P (€27,154) while the average member received 988,451P (€13,325).

The average nomination chairman fee was 2,134,932P (€28,780) and the average nomination member fee was 1,044,999P (€14,087).

# Comparison Tables

# International comparison

In this edition of the *Russia Board Index*, we provide two sets of tables.

In addition to the detailed company data for the top companies from the Russia Trading System (RTS) Index (beginning on page 24), we are publishing a chart comparing aggregated data from 17 countries (pages 20-23).

All data is taken from individual country Board Indexes published by Spencer Stuart in 2017.

Visit the Spencer Stuart website and discover “Boards Around the World”, a visual tool that compares the composition, diversity, compensation and board evaluation practices of different countries.

## Composition information

BELGIUM	Bel20 + BelMid
CANADA	100 TSX Listed Companies (revenue C\$1billion to C\$53.3 billion)
DENMARK	OMX Copenhagen
FINLAND	OMX Helsinki
FRANCE	CAC40
GERMANY	DAX30
ITALY	38 (FTSE MIB) + 62 (Mid Cap, Small Cap, Other)
NETHERLANDS	AEX
NORWAY	Oslo Stock Exchange
POLAND	WIG
RUSSIA	Top companies from the Russia Trading System (RTS) Index
SPAIN	IBEX-35 + top companies by market cap
SWEDEN	OMX Stockholm
SWITZERLAND	SMI
TURKEY	BIST 30
UK	FTSE 150
USA	S&P 500

Denmark, Finland, Norway and Sweden's top companies are analysed together in the *Nordic Board Index*

## INTERNATIONAL COMPARISON FOOTNOTES

### General

N/A = Not applicable.

A blank cell denotes that either the information is not available or we did not include it our research.

#### Belgium

- 1 11 companies did not disclose whether they conducted a board evaluation
- 2 One company does not disclose
- 3 45 companies do not remunerate company separate
- 4 Five companies do not remunerate chairman
- 5 12 companies do not remunerate
- 6 18 companies do not remunerate

#### Canada

- 7 Does not include companies with term limits.
- 8 Includes share grants

#### Denmark

- 9 Age of the only executive director
- 10 Excludes employee representatives

#### Finland

- 11 3 companies have employee representatives on the board
- 12 Age of the only executive director
- 13 Excludes employee representatives
- 14 Fee calculated by multiply per meeting fee by number of meetings held in 2016

#### France

- 15 70 % of external evaluations done by Spencer Stuart in 2016 and 80 % of the CAC 40 companies perform an external evaluation at least every 3 years
- 16 Including chairmen who are also CEO
- 17 According to Afep/Medef corporate governance code (Employees excluded)
- 18 85 % of the CAC 40 companies have set up a limit which is individual for 35 % of them and collective for the 50 % left (Maximum 1/3 of board members > 70 years old)
- 19 Additional remuneration for vice-chairmen or lead directors (paid in addition to ordinary director's fees)
- 20 Non-executive chairmen only
- 21 Total additional fee for remuneration committee, calculation based on the number of meetings held during 2016 FY
- 22 45 % of remuneration and nominations committees are merged

#### Germany

- 23 Average minimum proportion of members that shall be independent
- 24 Remunerations committees are very rare in Germany
- 25 Except for banks, German nominations committees only deal with non-executive director nominations and committee membership is rarely compensated

#### Italy

- 26 "Only four companies have set an age restriction for directors; the age limits are 75 (3 companies) and 77 Three companies have an age restriction for CEOs and the age limits are 67 and 65 (2 companies) Two companies have an age restriction for chairmen and the age limits are 65 and 70"
- 27 Average fee for SIDs is € 90,000
- 28 Only 20 companies in the Index have an Executive Committee

#### Netherlands

- 29 One company did not disclose whether they conducted a board evaluation
- 30 9 companies do not disclose

#### Norway

- 31 Excludes employee representatives

#### Poland

- 32 2 companies have employee representatives on the board
- 33 Excludes 76 of 160 directors whose age is not disclosed
- 34 Excludes 8 chairmen whose age is not disclosed
- 35 Excludes 64 of 134 directors whose age is not disclosed
- 36 Excludes employee representatives

#### Russia

- 37 8 companies do not disclose
- 38 11 companies did not disclose whether they conducted a board evaluation
- 39 16 companies do not disclose remuneration
- 40 34 companies do not disclose remuneration
- 41 42 companies do not disclose remuneration
- 42 22 companies do not disclose remuneration
- 43 23 companies do not disclose remuneration
- 44 24 companies do not disclose remuneration
- 45 26 companies do not disclose remuneration

#### Spain

- 46 Top 50 companies only
- 47 Includes both executive and non-executive directors
- 48 Average additional fee paid to senior/lead independent directors
- 49 Only 14 % of companies in Spain have divided the nominations & remunerations committee into separate committees. The average fee for members of the nominations & remunerations committee is 18,543€

#### Sweden

- 50 Excludes employee representatives

#### Switzerland

- 51 Excludes social contributions

#### Turkey

- 52 9 companies do not disclose

#### UK

- 53 TUI is the only company without a senior independent director as it has a two-tier board.
- 54 94 % of non-executive directors are independent
- 55 Includes the 142 part-time chairmen only. Six chairmen are full-time and remunerated on a different basis. Two chairmen receive no fee.
- 56 Based on 47 companies that have a nomination chairman separately remuneration for this role

#### USA

- 57 CEOs only
- 58 Average tenure of independent directors only
- 59 Non-executive chairmen only

INTERNATIONAL COMPARISON

	BELGIUM	CANADA	DENMARK	FINLAND	FRANCE	GERMANY	ITALY		NETHERLANDS	NORWAY	POLAND	RUSSIA	SPAIN	SWEDEN	SWITZERLAND	TURKEY	UK	USA
GENERAL INFORMATION	Size of sample	58	100	25	25	40	30	100	25	25	20	43	100	25	20	29	150	491
	Supervisory board/unitary board of directors	1/57	n/a	25/0	0/25	5/35	30/0	2/97	18/7	0/25	20/0	7/36	0/100	0/25	0/20	0/29	1/149	0/491
	Average number of board meetings per year	8.4	8	9	11.8	9	6.7	11.6	7.4	8.9	9.5	6.8 <sup>37</sup>	10.8	9.9	9	17.9 <sup>32</sup>	7.8	8.2
	% companies that conducted an external board evaluation	8.6 % <sup>1</sup>	n/a	16 %	12 %	40 % <sup>15</sup>	17 %	28 %	20 % <sup>29</sup>	12 %	0 %	18.6 % <sup>38</sup>	30 %	12 %	15 %	n/a	43.3 %	2 %
	Combined chairman and CEO	1.7 %	12 %	0 %	0 %	52.5 %	n/a	19 %	4 %	0 %	0 %	0 %	66 %	4 %	0 %	13.8 %	0.67 %	49 %
	% boards with senior independent director (SID)	1.7 %	32 %	0 %	0 %	48 %	n/a	39 %	16 %	0 %	0 %	20.9 %	63 %	4 %	15 %	0 %	99.3 % <sup>53</sup>	85 %
	% of boards with vice/deputy chairmen	20.7 %	18 %	100 %	96 %	73 %	30 %	50 %	68 %	52 %	75 %	41.9 %	-	48 %	85 %	93.1 %	10 %	-
BOARD	Average board size (total)	10.1	11	9.8	8.2	13.9	16.3	11.5	8.3	8.4	8	10.4	11	10.9	10.6	9.9	10.2	10.8
	Average board size (excl. employee representatives)	10.1	10	6.8	8 <sup>11</sup>	12.3	8.7	n/a	n/a	6.1	7.7 <sup>32</sup>	n/a	n/a	9.2	n/a	n/a	10.1	n/a
	Average number of independent board members	4.7	9.1	5.3	6.7	8.5	-	5.9	6.9	4.6	3.8	3.8	4.8	6.4	8.9	3.1	6.2	9.2
	% independent board members	45.9 %	80 %	77.2 %	84 %	69.1 %	60 % <sup>23</sup>	51 %	83.6 %	76.3 %	49.4 %	36.7 %	44 %	69.6 %	84 %	32.7 %	61.4 <sup>54</sup>	85 %
	Average number of non-executive directors	7.8	9	5.8	7	10.9	7.7	8.6	6.8	5	6.7	7.8	8.7	7.5	9.3	7.9	6.6	1.6
	Average number of executive directors	0.6	1	0	0.04	1	n/a	2.4	0.5	0	0	1.7	1.8	0.8	0	1.2	2.5	15 %
AGE	Av. age: all directors	57.7	62	58.3	57.9	58.8	61	58.4	61	56.2	55.5 <sup>33</sup>	54.3	60.4	57.8	61.1	59.7	56.7	62.6
	Av. age chairmen	62.6	64	61.7	61	61.6	68	64.9	65.9	65.4	54.1 <sup>34</sup>	58.1	64.2	63.9	63.2	60	64.8	-
	Av. age CEOs who sit on the board	54.8	56	n/a	57.4	58.5	n/a	57.6	58.1	n/a	n/a	51.8	55.3 <sup>46</sup>	54.1	56.5	57.4	54.8	57.4
	Av. age all CEOs, including those not on the board	54.5	56	54.5	55.8	57.7	n/a	58	56.7	45.4	53.1	54.9	55.3	54.6	54.3	56.2	53.9	57.4
	Av. age: non-executive directors	57.5	62	57.8	57.5	59.4	61	58.5	60.9	54.9	55.6 <sup>35</sup>	54.1	-	57.4	61	60.3	59.9	63.1
	Av. age: executive directors	55.3	57	46.6 <sup>9</sup>	57.4 <sup>12</sup>	58.7	n/a	58.1	53.3	63.9	n/a	52.5	-	53.7	58	55.8	53.4	-
FOREIGN	% foreign board members (all)	31.2 %	27 %	42.1 % <sup>10</sup>	36.5 % <sup>13</sup>	37 %	31 %	9.4 %	57 %	24.3 % <sup>31</sup>	18.8 % <sup>36</sup>	22.8 %	19 %	30.9 % <sup>50</sup>	59 %	16 %	32.3	7 %
	% foreign chairmen	13.8 %	15 %	28 %	16 %	23 %	20 %	5 %	32 %	8 %	10 %	20.9 %	6 %	12 %	42.9 %	6.9 %	21.3	-
	% foreign non-executive directors	32 %	29 %	44.8 %	39.7 %	40 %	31 %	11 %	59.4 %	27.8 %	20.1 %	26.6 %	20.4 %	36.4 %	60.9 %	17.9 %	35.6	-
	% foreign executive directors	33.8 %	16 %	0 %	0 %	21 % <sup>16</sup>	n/a	4.5 %	76.9 %	0 %	n/a	2.8 %	9 %	0 %	71.4 %	8.6 %	22.3	-
	Av. # nationalities represented on the board	3.1	-	3.4	3.2	5	3.1	1.8	4.3	2.2	1.7	2.8	-	3.3	6	1.9	3.3	-
GENDER	% female board directors (all)	30.4 %	26.8 %	28 % <sup>10</sup>	33 % <sup>13</sup>	42 % <sup>17</sup>	28.7 %	31 %	30.4 %	45.4 % <sup>31</sup>	21.4 % <sup>36</sup>	8.1 %	17 %	38.3 % <sup>50</sup>	22.2 %	11.1 %	25.5	22.2 %
	% female chairmen	5.2 %	8 %	0 %	4 %	2.5 %	3.3 %	9 %	4 %	12 %	30 %	0 %	7 %	8 %	4.8 %	6.9 %	4.7 %	6 %
	% female CEOs	9.8 %	4 %	8 %	0 %	2.5 %	n/a	8 %	0 %	0 %	0 %	0 %	2 %	12 %	0 %	4.3 %	5.6 %	6.2 %
	% female non-executive directors	36.2 %	31 %	33.1 %	37.4 %	46 %	32 %	37 %	32 %	52.4 %	20.1 %	10.2 %	19.5 %	44.9 %	24.9 %	12.2 %	34.8 %	-
	% female executive directors	14.9 %	5 %	0 %	0 %	2.6 %	n/a	10 %	7.7 %	0 %	n/a	2.8 %	3.4 %	10.5 %	0 %	11.4 %	8.9 %	-
	% boards with at least one female director	100 %	99 %	96 %	100 %	100 %	100 %	99 %	84 %	100 %	80 %	48.8 %	90 %	100 %	95 %	62.1 %	98.7 %	99.2 %

## INTERNATIONAL COMPARISON

	BELGIUM	CANADA	DENMARK	FINLAND	FRANCE	GERMANY	ITALY		NETHERLANDS	NORWAY	POLAND	RUSSIA	SPAIN	SWEDEN	SWITZERLAND	TURKEY	UK	USA
NEW MEMBERS	% new board members	10.4 %	8 %	17.5 %	16 %	17.9 %	19.7 %	18 %	9.2 %	17.8 %	27.5 %	18.8 %	14.6 %	15.2 %	9.9 %	12.2 %	12 %	7.5 %
	% women among new board members	45.9 %	41 %	33.3 %	50 %	37.5 %	40 %	46 %	36.8 %	40.1 %	27.3 %	11.9 %	28 %	40 %	33.3 %	5.6 %	42 %	36 %
	% non-nationals among new board members	42.1 %	40 %	56.7 %	53.1 %	35.9 %	13.3 %	12 %	68.4 %	33.3 %	9 %	20.2 %	39 %	34.3 %	71.4 %	19.4 %	43.3 %	8 %
OTHER BOARDS	Av. # quoted boards per director (total)	1.9	2	1.9	1.8	2.1	-	3.4	2.1	1.7	1.2	1.7	1.1	2.5	2.2	1.8	2.0	2.1
	Av. # quoted boards per chairman (total)	2.4	2	2.3	2.3	2	2.8	3.8	2.4	2.2	1.2	1.9	1.3	2.9	2.4	2.6	2.4	1.4 <sup>57</sup>
	% executive directors with an outside board	29.9 %	39 %	0 %	0 %	56 %	-	52.5 %	38.5 %	0 %	n/a	19.7 %	9.6 %	57.9 %	14.3 %	20 %	26.4 %	46 %
	% non-executives with a full-time executive role	70.1 %	-	65.9 %	56.3 %	58 %	31 %	-	39.4 %	77.8 %	74.6 %	74.3 %	-	50.8 %	44.3 %	53.8 %	31.5 %	-
TENURE/RETIREMENT	% companies with a mandatory retirement age	46.6 %	26 % <sup>7</sup>	64 %	8 %	35 % <sup>18</sup>	83.3 %	4 %	16 %	n/a	n/a	0 %	23 %	n/a	55 %	0 %	0 %	73 %
	Average mandatory retirement age	69.9	73	70.8	66.5	72.1	-	75.5 <sup>26</sup>	72.3	n/a	n/a	n/a	72.1	n/a	71.3	n/a	n/a	73
	Average tenure (chairman and non-executives)	6.1	7.8	4.8	4.8	5.9	6.3	5.3	4.9	4.3	3.4	4.3	5.3 <sup>47</sup>	5.3	6.6	5.7	4.4	8.2 <sup>58</sup>
REMUNERATION	Av. retainer for non-executive directors (excluding chair and vice chair/SID)	€ 30,589	€ 108,744 <sup>8</sup>	€ 51,968	€ 55,436	€ 34,900	€ 83,867	€ 59,000	€ 68,712	€ 31,532	€ 32,539	€ 105,934 <sup>39</sup>	€ 71,758	€ 62,416	€ 197,458	€ 58,089	€ 82,295	€ 108,771
	Av. total fees for non-executive directors (excluding chair and vice chair/SID)	€ 51,859 <sup>2</sup>	€ 123,648	€ 85,462	€ 70,307	€ 87,780	-	€ 92,000	€ 93,699	€ 40,034	€ 33,531	€ 142,032 <sup>40</sup>	€ 131,518	€ 81,656	€ 272,673 <sup>51</sup>	€ 58,089	€ 107,106	€ 260,984
	Av. total fee for vice chairman (or SID)	€ 98,501 <sup>3</sup>	€ 153,562	€ 130,790	€ 93,784	€ 53,513 <sup>19</sup>	-	€ 616,000 <sup>27</sup>	€ 133,823 <sup>30</sup>	€ 42,280	€ 33,771	n/a <sup>41</sup>	€ 30,292 <sup>48</sup>	€ 110,408	€ 389,317	n/a	€ 129,779	-
	Av. total fee for chairmen	€ 118,497 <sup>4</sup>	€ 272,999	€ 194,392	€ 133,069	€ 627,654 <sup>20</sup>	€ 374,869	€ 879,000	€ 254,319	€ 68,109	€ 47,461	€ 185,342 <sup>42</sup>	€ 316,946 <sup>49</sup>	€ 239,701	€ 1,913,819	n/a	€ 314,731 <sup>55</sup>	€ 346,683 <sup>59</sup>
	Av. fee for audit committee membership	€ 11,695 <sup>5</sup>	€ 5,877	€ 20,874	€ 5,482 <sup>14</sup>	€ 20,851 <sup>21</sup>	€ 42,458	€ 18,000	€ 13,432	€ 7,670	n/a	€ 12,758 <sup>43</sup>	€ 26,925 <sup>49</sup>	€ 16,859	€ 49,806	n/a	€ 16,720	€ 12,146
	Av. fee for remuneration committee membership	€ 7,754 <sup>5</sup>	€ 5,432	€ 16,683	€ 4,521 <sup>14</sup>	€ 16,198 <sup>21,22</sup>	- <sup>24</sup>	€ 13,000	€ 9,895	€ 4,485	n/a	€ 13,325 <sup>44</sup>	€ 42,703	€ 10,738	€ 36,653	n/a	€ 15,468	€ 10,666
	Av. compensation for nomination committee membership	€ 8,042 <sup>6</sup>	€ 4,792	€ 15,713	€ 3,800 <sup>14</sup>	€ 15,625 <sup>21,22</sup>	- <sup>25</sup>	€ 12,000	€ 8,880	n/a	n/a	€ 14,087 <sup>45</sup>	€ 42,188	n/a	€ 38,736	n/a	€ 10,198 <sup>56</sup>	€ 8,522
EXCOM	Average board size of executive committee	6.5	-	5.5	9.8	12	-	5 <sup>28</sup>	5.6	8.3	6.3	9.8	-	9.7	10.2	8.9	-	-
	% foreigners on the executive committee	34 %	-	42 %	35 %	35 %	-	6.5 %	54 %	19 %	11.9 %	4.0 %	-	21.8 %	62.1 %	5.4 %	-	-
	% women on the executive committee	18.2 %	-	13.3 %	18.9 %	15 %	-	12 %	11.5 %	23.6 %	11.9 %	11.6 %	-	24.3 %	8.4 %	8.9 %	-	-

# Board composition

COMPANY NAME	CHAIRMAN & CEO			LEAD NON-EXECUTIVE			NATIONALITIES ON THE BOARD INCL. CHAIRMAN	NON-EXECUTIVE DIRECTORS (EXCLUDING CHAIRMAN)				NON-EXECUTIVES APPOINTED 1 JUNE 2016 - 30 MAY 2017			EXECUTIVES ON THE BOARD (EXCL. CHAIRMAN)	MANAGEMENT BOARD		
	TOTAL NUMBER OF DIRECTORS	CHAIRMAN ALSO CEO?	FOREIGN CHAIRMAN	FOREIGN CEO	VICE CHAIRMAN	SID / LEAD DIRECTOR		TOTAL	INDEPENDENT	FOREIGN	WOMEN	TOTAL	FOREIGN	WOMEN		TOTAL NUMBER OF DIRECTORS	FOREIGN	WOMEN
ACRON	7	No	No	No	1	1	1	5	3	0	0	0	N/A	N/A	2	6	0	1
AEROFLOT	11	No	No	No	0	0	1	9	3	0	0	1	0	0	1	11	1	0
ALROSA	15	No	No	No	2	0	2	14	4	1	4	2	0	1	0	12	1	0
BASHNEFT	10	No	No	No	0	0	1	8	0	0	1	7	0	1	1	7	0	1
CREDIT BANK OF MOSCOW	10	No	Yes	No	0	1	5	8	3	5	1	2	2	0	1	10	0	3
DIXY	11	No	No	Yes	1	0	3	7	6	3	0	5	2	0	3	5	0	0
FGC UES	11	No	No	No	0	0	2	9	3	1	0	6	1	0	1	9	0	1
GAZPROM	11	No	No	No	1	0	2	7	3	1	0	2	0	0	3	17	0	2
INTER RAO	11	No	No	No	1	0	2	9	5	1	1	2	0	1	1	10	0	1
LSR	10	No	No	No	1	0	2	4	3	1	1	0	N/A	N/A	5	6	0	1
LUKOIL	10	No	No	No	1	0	4	6	5	4	1	1	1	1	3	12	0	0
MAGNIT	7	No	No	No	1	0	1	5	3	0	0	1	0	0	2	4	1	2
MECHEL	9	No	No	No	1	0	1	6	4	0	0	1	0	0	2	8	0	2
MEGAFON	7	No	No	No	0	0	4	6	3	4	1	3	1	0	0	17	1	2
MMK	10	No	No	No	0	0	3	6	5	2	2	0	N/A	N/A	3	13	0	1
MOSCOW EXCHANGE	12	No	No	No	1	0	4	9	6	3	2	2	0	0	1	5	0	1
MOSENERGO	13	No	No	No	0	0	1	11	3	0	2	3	0	1	1	9	0	5
MTS	9	No	Yes	No	1	0	4	7	4	5	1	1	1	0	1	10	1	0
MVIDEO	9	No	Yes	No	0	0	3	6	4	4	0	2	1	0	2	7	2	3
NLMK	9	No	No	No	0	0	4	7	5	5	0	1	1	0	1	8	1	1
NMTP	7	No	No	No	0	0	1	6	1	0	1	4	0	1	0	7	0	0
NORNICKEL	13	No	Yes	No	1	0	4	10	4	2	0	1	0	0	2	13	0	5
NOVATEK	9	No	No	No	0	0	3	7	3	2	0	0	N/A	N/A	1	11	0	0
PHOSAGRO	8	No	Yes	No	0	0	4	6	2	3	0	0	N/A	N/A	2	5	0	0

<sup>1</sup>One vice chairman is also a SID



BOARD COMPOSITION

COMPANY NAME	TOTAL NUMBER OF DIRECTORS	CHAIRMAN & CEO		LEAD NON-EXECUTIVE			NATIONALITIES ON THE BOARD INCL. CHAIRMAN	NON-EXECUTIVE DIRECTORS (EXCLUDING CHAIRMAN)				NON-EXECUTIVES APPOINTED 1 JUNE 2016 - 30 MAY 2017			EXECUTIVES ON THE BOARD (EXCL. CHAIRMAN)	MANAGEMENT BOARD		
		CHAIRMAN ALSO CEO?	FOREIGN CHAIRMAN	FOREIGN CEO	VICE CHAIRMAN	SID / LEAD DIRECTOR		TOTAL	INDEPENDENT	FOREIGN	WOMEN	TOTAL	FOREIGN	WOMEN		TOTAL NUMBER OF DIRECTORS	FOREIGN	WOMEN
PIK	9	No	No	No	0	0	1	8	2	0	3	0	N/A	N/A	0	12	0	0
POLYMETAL	9	No	Yes	No	0	1	6	7	4	7	2	0	N/A	N/A	1	14	0	3
POLYUS	9	No	Yes	No	0	0	2	5	2	2	2	0	N/A	N/A	3	14	0	2
ROSNEFT	9	No	No	No	2	0	4	7	3	4	0	0	N/A	N/A	1	9	1	0
ROSSETI	15	No	No	No	0	0	1	13	5	0	0	5	0	0	1	5	0	0
ROSTELECOM	11	No	No	No	0	1	1	9	4	0	0	0	N/A	N/A	1	8	1	1
RUSAL	18	No	Yes	No	0	0	8	14	5	7	4	2	2	0	3	20	1	3
RUSHYDRO	13	No	No	No	1	0	1	11	3	0	0	4	0	0	1	5	0	0
SBERBANK	14	No	No	No	2	1	4	12	6	3	2	3	0	1	1	10	0	2
SEVERSTAL	10	No	No	No	0	1	3	7	5	3	0	0	N/A	N/A	3	12	1	1
SISTEMA	11	No	No	No	1	0	4	8	6	6	0	0	N/A	N/A	2	14	0	0
SURGUTNEFTGAS	10	No	No	No	2	0	1	9	2	0	0	1	0	0	2	2	0	0
TATNEFT	15	No	No	No	0	0	2	9	3	1	0	0	N/A	N/A	5	11	0	0
TMK	11	No	No	No	0	0	2	8	5	2	0	1	0	0	2	8	1	0
TRANSNEFT	7	No	No	No	0	0	2	6	1	1	1	1	0	1	1	10	0	1
UNITED WAGON COMPANY	10	No	No	No	0	0	1	6	3	0	1	1	0	0	3	23	0	2
URALKALI	9	No	No	No	2 <sup>1</sup>	1	5	7	3	4	0	3	2	0	1	7	0	1
VTB	11	No	No	No	0	1	4	9	<sup>5</sup>	3	0	2	0	0	1	14	1	1
YANDEX	7	No	Yes	No	0	0	3	5	3	3	1	0	N/A	N/A	1	3	3	0

<sup>1</sup>One vice chairman is also a SID

# Board Statistics, Meetings and Committees

COMPANY NAME	TENURE			SERVICE ON OUTSIDE QUOTED BOARDS			AVERAGE AGE OF ALL DIRECTORS	BOARD MEETINGS		NUMBER AND TYPE OF COMMITTEES	BOARD EVALUATION
	NON-EXECUTIVES (EXCL. CHAIRMAN)	CHAIRMAN	CEO	CHAIRMAN	CEO	NON-EXECUTIVES (AVERAGE)		SCHEDULED	AD HOC		
ACRON	6.6	1.0	5.8	0	0	1	62.0	1	21	3: A, SP&CG, N&R	Not disclosed
AEROFLOT	4.6	2.9	3.9	0	0	2	48.7	9	9	3: A, P&R, S	No
ALROSA	2.4	1.9	0.2	1	0	1	50.2	4	7	3: A, HR&R, SP	No
BASHNEFT	0.5	2.2	2.2	0	1	1	49.1	Not disclosed	Not disclosed	5: A, B, EHS, N&R, S	Yes, internal
CREDIT BANK OF MOSCOW	1.3	1.9	1.9	3	0	2	51.1	4	21	3: A&Ri, SCM, C&CG&N	Yes, internal
DIXY	1.4	2.4	0.7	0	0	2	54.6	Not disclosed	Not disclosed	3: A, N&R, SP	No
FGC UES	2.4	1.0	3.0	1	1	2	44.9	9	39	4: A, HR&R, S, I	Yes, internal
GAZPROM	7.6	2.0	6.0	0	2	2	55.8	10	54	2: A, N&R	Not disclosed
INTER RAO	3.9	3.1	4.0	2	0	2	50.1	4	26	3: A, HR&R, S&I	Yes, external
LSR	3.2	1.2	6.9	0	0	2	50.9	6	5	3: A, HR&R, S&I	Yes, external
LUKOIL	6.6	24.2	8.0	0	0	1	69.7	8	19	3: A, HR&C, S&I	Yes, internal
MAGNIT	5.2	7.0	3.0	0	1	1	49.4	11	0	2: A, HR&R	Yes, internal
MECHEL	3.6	1.2	3.0	0	0	1	60.9	Not disclosed	Not disclosed	3: A, I, N&C	Not disclosed
MEGAFON	3.5	1.0	1.1	1	0	2	56.6	5	16	3: A, F&S, R&N	Not disclosed
MMK	5.5	3.2	3.1	0	0	1	50.0	Not disclosed	Not disclosed	3: A, N&R, S	Yes, internal
MOSCOW EXCHANGE	0.1	4.3	4.0	1	0	2	57.0	6	11	5: A, B, N&R, RM, SP, TP	Yes, internal
MOSENERGO	5.1	10.0	1.0	2	0	2	44.6	Not disclosed	Not disclosed	4: A, HR&R, Re, S&I	No
MTS	4.6	2.0	1.5	2	1	2	53.5	6	5	5: A, B, C&G, R&N, S	Yes, external
MVIDEO	4.2	4.2	1.0	2	0	2	55.1	4	9	2: A, R&N	Yes, external
NLMK	5.7	12.9	12.9	0	1	1	59.8	3	6	3: A, HR&R&SoPo, SP	Yes, internal
NMTP	0.8	0.0	2.8	0	0	1	52.1	1	24	2: A, N&R	No
NORNICKEL	5.6	6.3	4.5	2	0	1	48.1	7	43	4: A, B, CG&N&R, S	Yes, internal

## Key to committees:

A	Audit	D	Development	F	Finance	M	Marketing	Re	Reliability	SP	Strategic Planning
B	Budget	DEFE	Development of Energy in the Far East	HR	Human Resources	N	Nomination	RM	Risk Management	TP	Technology Policy
C	Compensation	EE	Energy Efficiency	I	Investment	O	Operations	S	Strategy		
CG	Corporate Governance	EHS	Environmental, Health & Safety	In	Innovation	P	Personnel	SaSu	Safety & Sustainability		
CM	Corporate Management	EtCo	Ethics & Control	IRDIP	Investor Relations & Dividend Policy	R	Remuneration	SCM	Strategy & Capital Markets		
CSR	Corporate Social Responsibility					Ri	Risk	SoPo	Social Policy		

BOARD STATISTICS, MEETINGS AND COMMITTEES

COMPANY NAME	TENURE		SERVICE ON OUTSIDE QUOTED BOARDS			AVERAGE AGE OF ALL DIRECTORS	BOARD MEETINGS		NUMBER AND TYPE OF COMMITTEES	BOARD EVALUATION	
	NON-EXECUTIVES (EXCL CHAIRMAN)	CHAIRMAN	CEO	CHAIRMAN	CEO		NON-EXECUTIVES (AVERAGE)	SCHEDULED			AD HOC
NOVATEK	6.8	3.1	10.5	0	0	2	65.8	4	6	3: A, R, S	No
PHOSAGRO	3.8	3.8	4.0	0	0	3	54.1	10	Not disclosed	4: A, EHS HR&R, S	Not disclosed
PIK	3.4	1.9	3.0	0	0	1	Not disclosed	5	21	3: A&Ri, P&R, S	Yes, internal
POLYMETAL	5.2	5.6	5.6	0	0	2	54.5	3	4	4: A&Ri, R, N, SaSu	Yes, external
POLYUS	1.3	2.8	1.1	3	2	2	46.4	16	Not disclosed	4: A, N&R, O, S	Yes, internal
ROSNEFT	3.5	2.0	3.0	0	2	2	60.3	5	22	3: A, HR&R, S	Yes, internal
ROSSETI	3.6	1.0	1.0	3	2	2	49.5	Not disclosed	Not disclosed	4: A, I&TP&Re&EE&In, N&R,S	Yes, external
ROSTELECOM	3.3	4.0	0.2	0	0	2	50.5	3	24	5: A, CG, I, N&R, S	Yes, internal
RUSAL	4.3	7.3	3.9	3	1	2	53.8	9	Not disclosed	3: A, CG, R	Yes, internal
RUSHYDRO	2.6	0.9	0.9	0	1	2	51.0	6	10	6: A, DEFE, HR&R, I, Re&EE&In, S	Yes, internal
SBERBANK	7.3	2.1	0.0	0	2	2	57.9	9	51	4: A, HR&R, RM, S	Yes, external
SEVERSTAL	6.4	2.0	2.0	1	0	2	54.3	4	18	3: A, EHS, R&N	Yes, external
SISTEMA	6.8	5.0	2.0	1	0	2	58.7	8	5	5: A&F&Ri, EtCo, IRDiP, N&R&CG, S	Yes, internal
SURGUTNEFTGAS	9.7	3.0	9.5	0	0	1	68.1	Not disclosed	Not disclosed	1: A	Yes, internal
TATNEFT	13.2	11.0	16.4	0	1	1	61.2	12	1	3: A, CM, HR&R	Yes, internal
TMK	7.8	10.6	6.0	0	0	1	56.1	8	24	3: A, N&R, S	Yes, internal
TRANSNEFT	4.2	3.9	3.9	2	0	2	55.1	4	23	3: A, HR&R, S&I&In	Yes, internal
UNITED WAGON COMPANY	1.9	2.1	1.2	0	0	1	Not disclosed	17	Not disclosed	2: A, R&N	Not disclosed
URALKALI	3.3	3.2	0.7	5	0	2	57.8	9	8	4: A, CSR, I&D, N&R	Yes, internal
VTB	4.8	0.9	0.1	1	0	2	54.4	8	13	3: A, S&CG, P&R	Yes, internal
YANDEX	5.5	6.1	4.1	0	0	2	55.8	Not disclosed	Not disclosed	3: A, C, N&CG	Not disclosed

Key to committees:

A	Audit	D	Development	F	Finance	M	Marketing	Re	Reliability	SP	Strategic Planning
B	Budget	DEFE	Development of Energy in the Far East	HR	Human Resources	N	Nomination	RM	Risk Management	TP	Technology Policy
C	Compensation	EE	Energy Efficiency	I	Investment	O	Operations	S	Strategy		
CG	Corporate Governance	EHS	Environmental, Health & Safety	In	Innovation	P	Personnel	SaSu	Safety & Sustainability		
CM	Corporate Management	EtCo	Ethics & Control	IRDiP	Investor Relations & Dividend Policy	R	Remuneration	SCM	Strategy & Capital Markets		
CSR	Corporate Social Responsibility					Ri	Risk	SoPo	Social Policy		

# Remuneration

COMPANY NAME	CURRENCY	RETAINER FEE			CHAIRMAN - AUDIT	MEMBER - AUDIT	COMMITTEE FEES				TOTAL BOARD FEE (₽)
		CHAIRMAN	NON-EXECUTIVES				CHAIRMAN - REMUNERATION	MEMBER - REMUNERATION	CHAIRMAN - NOMINATION	MEMBER - NOMINATION	
ACRON	N/A	Not disclosed	2,200,000 <sup>1</sup>		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	359,001,000
AEROFLOT	RUB	8,100,000	1,800,000		3,600,000	2,700,000	3,600,000	2,700,000	3,600,000	2,700,000	69,620,769
ALROSA	RUB	9,000,000	6,000,000		1,200,000	0 <sup>8</sup>	1,200,000	0 <sup>8</sup>	1,200,000	0 <sup>8</sup>	49,066,667
BASHNEFT	RUB	Not disclosed	Not disclosed		500,000 <sup>1</sup>	250,000 <sup>1</sup>	500,000 <sup>1</sup>	250,000 <sup>1</sup>	500,000 <sup>1</sup>	250,000 <sup>1</sup>	60,209,457
CREDIT BANK OF MOSCOW	USD	150,000	80,000		20,000	10,000	20,000	10,000	20,000	10,000	77,721,000
DIXY	USD	Not disclosed	25,000		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed
FGC UES	RUB	900,000	16,758,500		138,462	69,231	138,462	69,231	138,462	69,231	6,317,300
GAZPROM	RUB	26,073,280	20,880,280		0 <sup>8</sup>	577,000	0 <sup>9</sup>	0 <sup>9</sup>	0 <sup>9</sup>	0 <sup>9</sup>	321,547,000
INTER RAO	RUB	7,305,278	3,000,000		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	32,692,778
LSR	RUB	Not disclosed	244,000		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed
LUKOIL	RUB	1,500,000	6,000,000		700,000 <sup>6</sup>	150,000 <sup>6</sup>	700,000 <sup>6</sup>	150,000 <sup>6</sup>			192,421,000
MAGNIT	RUB	Not disclosed	1,440,000 <sup>2</sup>		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	13,405,103
MECHEL	USD	Not disclosed	250,000		15,000	15,000	15,000	15,000	15,000	15,000	143,854,000
MEGAFON	RUB	4,000,000	Not disclosed		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	95,000,000
MMK	N/A	Not disclosed	Not disclosed		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	59,124,800
MOSCOW EXCHANGE	RUB	8,020,000	5,000,000 <sup>1</sup>		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	87,083,414
MOSENERGO	N/A	Not disclosed	Not disclosed		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed
MTS	RUB	16,500,000 <sup>1</sup>	15,000,000 <sup>3</sup>		1,500,000	900,000	1,500,000	900,000	150,000	900,000	760,000,000
MVIDEO	N/A	Not disclosed	Not disclosed		Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	54,250,000
NLMK	USD	240,000	160,000		64,000	40,000	64,000	40,000	64,000	40,000	132,305,000
NMTP	USD	Not disclosed	597 <sup>4</sup>		0 <sup>8</sup>	179	0 <sup>8</sup>	0 <sup>8</sup>	0 <sup>8</sup>	0 <sup>8</sup>	9,593,000
NORNICKEL	USD	1,000,000	120,000		150,000	50,000	50,000	50,000	150,000	50,000	252,356,000

<sup>1</sup> If independent

<sup>2</sup> Plus additional bonus if independent

<sup>3</sup> Plus additional 30,000 USD if independent

<sup>4</sup> For non-state employees

<sup>5</sup> If Russian tax resident

<sup>6</sup> Plus 350,000 if intercontinental travel

<sup>7</sup> Plus 4,445 per meeting

<sup>8</sup> Not remunerated separate fee

<sup>9</sup> Committee did not meet

<sup>10</sup> Non-executives were offered an option for RSUs

REMUNERATION

COMPANY NAME	CURRENCY	RETAINER FEE		CHAIRMAN - AUDIT	MEMBER - AUDIT	COMMITTEE FEES				TOTAL BOARD FEE (₽)
		CHAIRMAN	NON-EXECUTIVES			CHAIRMAN - REMUNERATION	MEMBER - REMUNERATION	CHAIRMAN - NOMINATION	MEMBER - NOMINATION	
NOVATEK	RUB	20,000,000	10,000,000	0 <sup>8</sup>	2,000,000	0 <sup>8</sup>	2,000,000	0 <sup>8</sup>	2,000,000	133,380,000
PHOSAGRO	RUB	Not disclosed	20,083,641 <sup>1</sup>	6,703,400	0 <sup>8</sup>	6,703,400	0 <sup>8</sup>	6,703,400	0 <sup>8</sup>	92,471,000
PIK	RUB	7,200,000	4,800,000	960,000	0 <sup>8</sup>	960,000	0 <sup>8</sup>	960,000	0 <sup>8</sup>	Not disclosed
POLYMETAL	USD	370,400	148,160	44,448 <sup>7</sup>	14,816 <sup>7</sup>	44,448 <sup>7</sup>	14,816 <sup>7</sup>	44,448 <sup>7</sup>	14,816 <sup>7</sup>	82,970,006
POLYUS	USD	300,000	165,000	50,000 <sup>1</sup>	10,000 <sup>1</sup>	30,000 <sup>1</sup>	10,000 <sup>1</sup>	30,000 <sup>1</sup>	10,000 <sup>1</sup>	37,921,000
ROSNEFT	USD	600,000	500,000	50,000	30,000	50,000	30,000	50,000	30,000	151,966,217
ROSSETI	RUB	1,300,000	1,000,000	200,000	100,000	200,000	100,000	200,000	100,000	Not disclosed
ROSTELECOM	RUB	6,000,000	4,000,000	500,000	400,000	475,000	320,000	475,000	320,000	32,246,839
RUSAL	GBP/USD	\$400,000	£120,000	£15,000	£10,000	£15,000	£10,000	£15,000	£10,000	1,187,077,074
RUSHYDRO	RUB	1,170,000	900,000	180,000	90,000	180,000	90,000	180,000	90,000	5,561,538
SBERBANK	RUB	7,670,000	5,900,000	1,180,000	590,000	1,180,000	590,000	1,180,000	590,000	41,600,000
SEVERSTAL	N/A	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed
SISTEMA	RUB	15,100,000	13,700,000 <sup>5</sup>	280,000	30,000	280,000	30,000	280,000	30,000	925,043,085
SURGUTNEFTGAS	RUB	5,000,000	4,000,000	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	50,443,500
TATNEFT	N/A	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	148,842,247
TMK	N/A	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	160,669,128
TRANSNEFT	RUB	1,500,000	1,000,000	200,000	100,000	200,000	100,000	N/A	N/A	43,800,000
UNITED WAGON COMPANY	RUB	0 <sup>8</sup>	3,000,000	0 <sup>8</sup>	500,000	0 <sup>8</sup>	500,000	0 <sup>8</sup>	500,000	Not disclosed
URALKALI	N/A	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	182,293,464
VTB	RUB	5,980,000	4,600,000	920,000	460,000	920,000	460,000	920,000	460,000	53,820,000
YANDEX	N/A	Not disclosed	Not disclosed <sup>10</sup>	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed	Not disclosed

<sup>1</sup> If independent

<sup>2</sup> Plus additional bonus if independent

<sup>3</sup> Plus additional 30,000 USD if independent

<sup>4</sup> For non-state employees

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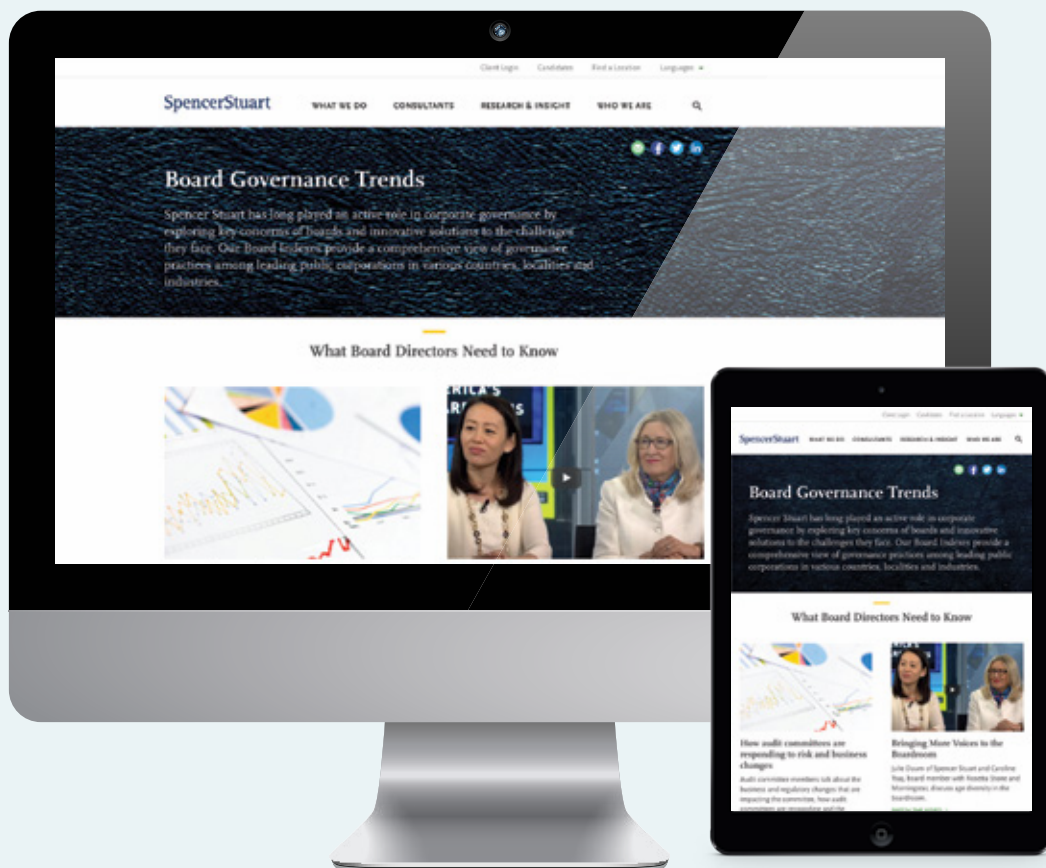
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# Board Governance Trends: A Global View



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