

# Annex A

## SUPERVISORY BOARD PROFILE

### **General**

The profile, size and composition of the Supervisory Board is structured to reflect the profile and activities of the Company and its subsidiaries (“X5”).

X5 is a leading food retailing group, operating in Russia with several retail formats under strong local brands. The Company is registered in the Netherlands as a public company under Dutch law, with global depositary receipts listed on the London and Moscow Stock Exchanges.

The Company has a two-tier board structure, whereby the duties of the Supervisory Board are to supervise the management and the general affairs of X5, as well as advising the Management Board. A detailed description of the duties and responsibilities of the Supervisory Board is provided in the Rules of Procedure of the Supervisory Board. In performing its duties, the Supervisory Board is guided by the interests of the Company and its business, and shall take into account the relevant interests of the Company’s stakeholders. The Supervisory Board shall also have due regard for corporate responsibility in particular relating to issues that are relevant to the Company.

### **Composition**

The number of members needed for the Supervisory Board depends upon the combined qualifications of the members in relation to those required for the Supervisory Board as a body. Currently the Supervisory Board consists of nine members. The composition of the Supervisory Board shall be such that:

- the combined knowledge, experience and expertise of its members, taken together, enables the Supervisory Board to fully carry out its duties, including positioning the Company for the future with a view to long-term sustainable value creation;
- the members are able to act critically and independently of one another and of the Management Board and the Executive Board and any particular interests;
- backgrounds, skills, approaches and personalities are complementary and diverse, resulting in a combined Supervisory Board that is more than the sum of its individual members.

Members of the Supervisory Board shall possess reputations of high professionalism and high integrity in their current and prior experience and business dealings.

Recognizing the value of leveraging different points of view from amongst its members, the Supervisory Board aims for a diverse composition in particular areas of relevance for X5. Supervisory Board candidates are evaluated against the Board’s profile, existing balance of skills, knowledge and experience, and the need for the Board to be prepared for disruption and change. Supervisory Board members are prompted to be mindful of diversity, inclusiveness and meritocracy considerations when examining and nominating Board candidates. This also includes diversity of gender and age so that when the final appointment is made the Supervisory Board can be confident that the most effective candidate has been selected.

### **Committees**

The performance of the Supervisory Board shall be supported by the active work of three standing committees: Audit and Risk Committee, Nomination & Remuneration Committee and Innovation and Technology Committee. The chairmen of the respective committees commit to driving the relevant agendas and issues of relevance to their committees and to keeping abreast of best practice for Board committees.

The members of the respective committees commit to actively participating in the resolution of issues of relevance to their committees, in support of the Supervisory Board.

Based on the coordination between the committees, each Supervisory Board member shall be capable of assessing the broad outline of the Supervisory Board's overall policy objectives. Each Supervisory Board member assigned to a committee shall have the specific expertise required for the fulfillment of such duties.

### **Qualifications of the Supervisory Board**

The Supervisory Board as a body aims to have the following qualifications:

- (board level) leadership experience with large -listed- companies, in Russia and abroad;
- understanding of the (online) retail industry, in particular the food retail industry in Russia and abroad;
- national and international business experience;
- expertise in financial management, administration, accounting and reporting of a listed company, including insight in administrative processes and internal control systems and knowledge of stock and financial markets;
- knowledge of corporate governance and understanding of legal and tax matters, both national and international;
- knowledge of human resources, organization and management development;
- experience / knowledge in the area of remuneration and incentives;
- affinity with, and knowledge of technological innovations and new business models;
- understanding of sustainability, social and employment matters in the markets in Russia and internationally;
- understanding of disclosure, communication and marketing matters relating to a listed company.

### **Personal qualities of the individual Supervisory Board members**

Individual members of the Supervisory Board should possess the following qualities:

- professionalism and integrity;
- independence, and ability to constructively challenge other's views and open to being challenged on own views;
- relevant experience in strategic leadership and board service;
- team player with a well-developed aptitude for collaboration and communication;
- senior managerial experience with ability to contribute to the shaping and evolution of the Company's strategy;
- breadth of experience that enables proper understanding of and contribution to the Company;
- sound critical judgment, commercial common sense and decisiveness;
- results & performance focus;
- appropriate time commitment and scheduling flexibility (to allow proper preparation, occasional travel and attendance of meetings);
- willingness and openness to continue learning about best practice for the Board and external trends that may impact the Company (learning and horizon scanning).

Following completion of his/her mandate, a Supervisory Board member shall be nominated for re-appointment only after careful consideration. This profile shall also be applied in the case of re-appointment of a Supervisory Board member.

### **Profile amendments**

This profile was adopted by the Supervisory Board on 19 March 2019. It may be amended from time to time, pursuant to annual assessments by the Supervisory Board in accordance with article 14.1 of the Supervisory Board Rules of Procedure.

This profile will be published on the Company's website.