

# Minutes

of the

Extraordinary General Meeting of Shareholders (the "EGM") of

## **X5 Retail Group N.V.**

(hereinafter: the "Company")

held on

19 July 2013 at Parkstraat 20, 2514 JK The Hague, The Netherlands

### **1. Opening and announcements**

Mr. Dmitry Dorofeev, chairman of the Supervisory Board of the Company and chairman of the EGM (the "Chairman") in accordance with article 34.1 of the Articles of Association (hereinafter: the "Articles of Association" or the "Articles") of the Company, opens the EGM at 15.00 CET and welcomes (the representatives of) the shareholders present.

It is recorded that the EGM was convened with due observance of all provisions set out by law and the Articles. In the convocation letter to the shareholders was stated the place, the date, the starting time and the agenda (including the explanatory notes to the agenda) of the EGM (the "Agenda").

Pursuant to the power of attorney (including the list of attendance and voting instructions) as provided by The Bank of New York Mellon to the Secretary (as defined below) (the "Proxy"), a total number of 67,853,283 shares were being represented at the EGM, from the total number of outstanding shares of the Company which is 67,893,218.

As (i) the EGM has been convened in accordance with the Articles, and (ii) the quorum as mentioned in Article 37.1 of the Articles is represented, valid resolutions can be passed by the general meeting of shareholders (the "General Meeting").

Mr. Frank Lhoëst is appointed secretary at this EGM (the "Secretary") and holds the Proxy to vote on behalf of all shareholders being represented (i.e. The Bank of New York Mellon).

### **2. Appointment of members of the Supervisory Board**

#### **2A. Appointment of Mr. Alexander Malis**

The Supervisory Board proposes to appoint Mr. Alexander Malis as member of the Supervisory Board for a term ending on the day of the annual general meeting of shareholders to be held in 2017, which is the fourth year after the year of the appointment.

Alexander Malis (4 September 1972), a Russian citizen, is CEO of Euroset Group since April 2009. From 2008 to 2009 he was heading the broadband access development at VimpelCom Group. From 1995 Alexander served in various capacities at Corbina Telecom, of which the last two years as CEO. Since 2006 he also served as CEO of CJSC Investelectrosvyaz and acting CEO of CJSC Cortec (a Corbina Telecom trademark). From 1990 to 1995 he was financial consultant at RusConsult. Alexander graduated

from Moscow State University of Commerce with a specialization in Financial Accounting and Audit. He received his PhD from the Research Institute of Finance in 1998.

The Secretary states that 67,727,587 votes are in favour of this proposal, 88,355 votes are against and 37,341 votes abstained, so the General Meeting appoints Mr. Alexander Malis as member of the Supervisory Board of the Company with effect per the date of this meeting for a period of four years.

## **2B. Appointment of Mr. Igor Shekhterman**

The Supervisory Board proposes to appoint Mr. Igor Shekhterman as member of the Supervisory Board for a term ending on the day of the annual general meeting of shareholders to be held in 2017, which is the fourth year after the year of the appointment.

Igor Shekhterman (9 November 1970), a Russian citizen, is the managing partner in RosExpert, the Russian alliance partner of Korn/Ferry International. He is one of the founders of RosExpert Company in 1996. Igor started his carrier as finance manager at the Russian branch of Beoluna, the Japanese jewelry producer. He holds a Bachelor's Degree in Finance and a BA Degree at Business Schools in France and Denmark.

The Secretary states that 66,054,692 votes are in favour of this proposal, 654,289 votes are against and 1,144,302 votes abstained, so the General Meeting appoints Mr. Igor Shekhterman as member of the Supervisory Board of the Company with effect per the date of this meeting for a period of four years.

## **3. Supervisory Board Remuneration**

In 2010 the General Meeting of Shareholders approved the following remuneration principles for members of the Supervisory Board:

- Supervisory Board membership: € 100,000
- Chairman of Audit Committee, Strategy Committee or Nomination and Remuneration Committee: € 200,000 (including remuneration for membership)
- Chairman of the Supervisory Board: € 250,000 (including remuneration for membership)

It is currently proposed that any non-independent member of the Supervisory Board who is affiliated with, engaged or employed by, either directly or indirectly, a legal entity or person, including through an affiliated entity (other than the Company and its downstream affiliates), that holds at least thirty per cent of the voting rights in the Company, shall waive his/her remuneration entitlement for acting as a member of the Supervisory Board. Based on these principles the following remuneration schedule is proposed for the members of the Supervisory Board, effective as per 1 July 2013 (gross per annum, in Euro):

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>
Dmitry Dorofeev	Chairman	-
Mikhail Fridman	Member	-
David Gould	Chairman of the Audit Committee	-
Alexander Tynkovan*	Chairman of the Related Party Committee	120,000
Christian Couvreur	Chairman of the Strategy Committee	200,000
Alexander Malis	Member	100,000
Igor Shekhterman	Chairman of the Nomination and Remuneration Committee	200,000

\* To the extent the new remuneration principles would lead to a reduction of the current remuneration of individual members, the current remuneration will prevail.

In addition to their fixed remuneration, independent members of the Supervisory Board shall continue to be able to participate in the Company's Restricted Stock Unit Plan, as X5 believes it is necessary to allow members of the Supervisory Board to align their interests with those of shareholders and strengthen their commitment and confidence in the future of the Company.

The Chairman puts this proposal into discussion and concludes that 66,708,982 votes have been issued in favour and 1,144,301 votes abstained, so the proposal is adopted.

#### **4. Appointment of Mrs. Vladlena Yavorskaya as member of the Management Board**

The Supervisory Board proposes to appoint the Company's General Counsel, Mrs. Vladlena Yavorskaya, as member of the Management Board for a term ending on the day of the annual general meeting of shareholders to be held in 2017, which is the fourth year after the year of the appointment.

Vladlena Yavorskaya (23 March 1957), a Russian citizen, has over 30 years of legal experience in both Russian and multinational enterprises. Prior to joining X5, she was the director of the legal department for Rolf, a leading automotive retail business in Russia. From 2001 to 2006, Vladlena was the director of the legal department of Wrigley, where she was responsible for Eastern Europe and Middle East countries. Vladlena graduated from the legal faculty of Moscow State University in 1982.

The Secretary states that 66,708,982 votes are in favour of this proposal and 1,144,301 votes abstained. The General Meeting therefore adopts the appointment of Mrs. Vladlena Yavorskaya as member of the Management Board with effect per the date of this meeting for a period of four years.

#### **5. Any other business and conclusion**

No other items were brought to the attention of the General Meeting.

As the Agenda contained no further issues to be deliberated, the EGM was closed.

Signed:

Mr. Dmitry Dorofeev  
Chairman of the EGM

Mr. Frank Lhoest  
Secretary of the EGM

*In accordance with Article 35 of the Articles of Association, these minutes shall, upon request, be made available to the shareholders and depository receipt holders ultimately three months after the EGM. During a period of three months, shareholders have the right to comment. Following this, the minutes shall be adopted and signed by the Chairman and the Secretary.*