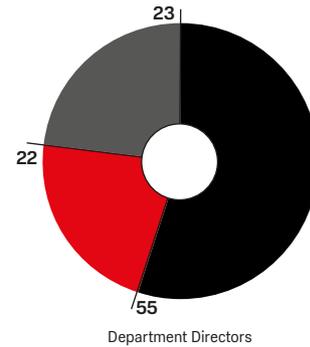
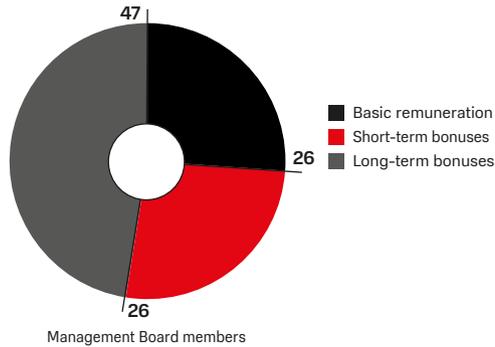


\\ Typical remuneration structure ratio



EVALUATION OF PERFORMANCE OF THE PRESIDENT AND MEMBERS OF THE MANAGEMENT BOARD

One of the tasks of the Board of Directors is to assure control of operation of the President and members of the Management Board, as well as to evaluate their performance which is performed based on materials approved by the Remuneration and Appointment Committee.

The assessment of the President and members of the Management Board for 2020 was performed in accordance with an existing method based on fulfilment of key performance indicators of the Company in general, functional individual tasks and competence development level.

Remuneration for members of the Management Board and senior executive officers based on 2020 results.

\\ Remuneration paid to members of the Management Board in 2020

Indicator Name	Total, RUB
Salary	195,218,600
Bonuses	807,939,057
Cost compensations	27,917,523
Other remuneration types	4,320,072
TOTAL	1,035,395,252

\\ Remuneration paid to senior executive officers in 2020

Indicator Name	Total, RUB
Salary	361,274,463
Bonuses	1,265,774,027
Cost compensations	47,691,309
Other remuneration types	12,865,627
TOTAL	1,687,605,426

Events after the reporting date

In March–April 2021, the amount of participatory interest of some members of the Management Board in the authorized capital of MTS PJSC changed.

MANAGEMENT OF SUBSIDIARIES OF MTS GROUP

Corporate governance at the MTS Group is aimed at strict observance of the rights and legitimate interests of all MTS shareholders, ensuring the sustainable functioning and development of business, the MTS ecosystem, and achievement of the strategic goals of the MTS Group.

The corporate governance system is aimed at ensuring the effective use of shareholders' investments and their protection, assists in development of the digital ecosystem of MTS products and implementation of strategic goals throughout the Group of Companies, taking into account the interconnected relationships and succession in decisions made by the MTS governing bodies.

MTS has the following participants in the system for corporate governance over subsidiaries:

- > Shareholders — election of the Board of Directors

- > Board of Directors — strategy, appointment and control of managers, protection of the rights and interests of shareholders
- > President — General management of the company
- > Management Board — management of ecosystem functions and areas
- > Telecoms
- > Entertainment
- > Venture Investment
- > Financial Services
- > Technology
- > Media
- > Cloud and Digital Solutions
- > Infrastructure
- > Education
- > Artificial Intelligence

In the process of managing SC, MTS adheres to the following principles:

- > SC management is carried out through MTS representatives elected to the SC management bodies;
- > control over subsidiaries is carried out through MTS representatives elected to the control bodies of subsidiaries;
- > uniform corporate governance standards, including unified internal decision-making procedures and standard corporate documents;
- > uniform standards and procedures in the field of anti-corruption compliance.

Corporate governance approaches depend on the ownership interest in the Company.

In companies with a MTS share of less than 50%, the provisions of the Charter or corporate agreement protect the property rights and interests of MTS.

The share of MTS ownership in companies of more than 50% implies the ability to form the composition of the Board of Directors and determine strategic and priority decisions of the Boards of Directors of subsidiaries.

When forming the Boards of Directors in subsidiaries, the following is taken into account:

- > the importance of the company for the overall strategy of the MTS Group;
- > the current and target scale of the company's business;
- > industry / business sector of the company;
- > requirements of laws, regulators and exchanges;
- > balance between the personal and quantitative composition of the Board of Directors.
- > When selecting candidates for members of the Board of Directors of subsidiaries, the following criteria are taken into account:

- > personal skills, qualifications, experience;
- > knowledge of the industry and business sector of the DO;
- > general employment, including on other Boards of Directors;
- > exclusion of a possible conflict of interest;
- > consent of the candidate, including agreement to comply with anti-corruption compliance requirements;
- > positive conclusion based on the results of the audit.

Candidates for nomination to the Board of Directors of subsidiaries are approved by the President of MTS or the responsible vice-presidents of MTS. The Remuneration and Nomination Committee of the MTS Board of Directors approves the list of subsidiaries, according to which it considers information on the formation, termination and change of the composition of the Boards of Directors.

The MTS Board of Directors is the center for making strategic decisions, which are transmitted to SCs through the representatives of MTS in the governing bodies.

Impact of the MTS Board of Directors on the main business processes:

- > strategy and investment;
- > business plan and budget;
- > functional strategies;
- > system of rewards;
- > management control, audit, compliance;
- > control of assets.

Representatives of MTS participate in the work of the management bodies of subsidiaries, guided by the provisions of the internal documents of MTS.

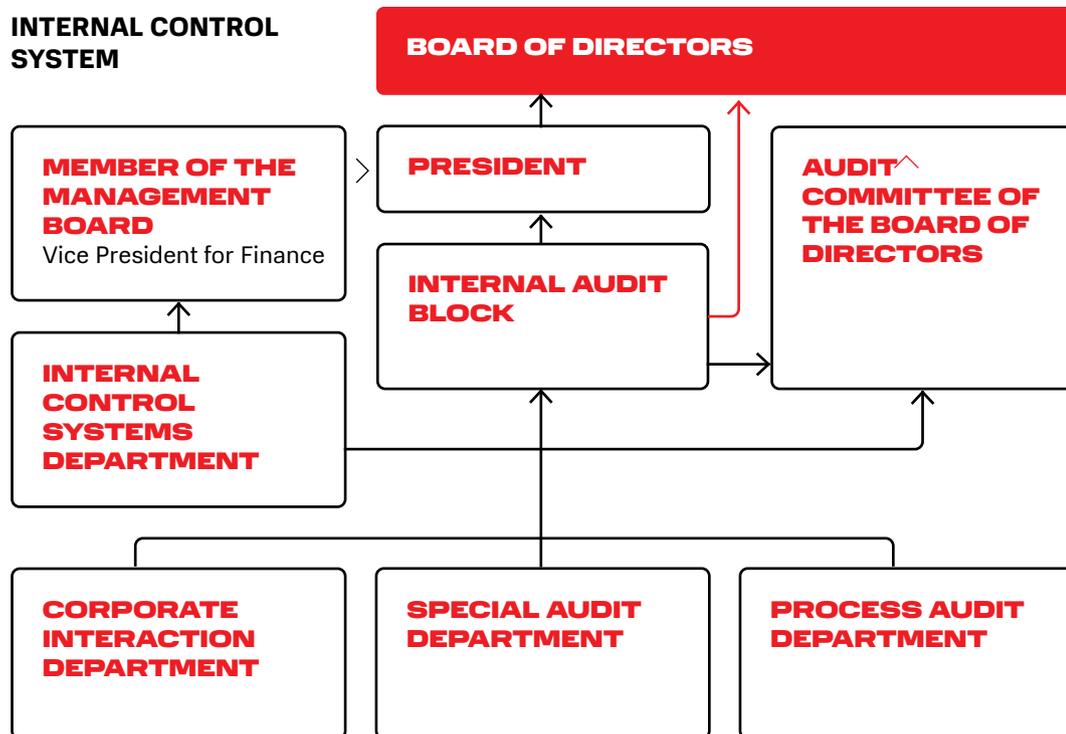
In order to effectively perform their duties, representatives:

- > receive and analyze information about the company's activities;
- > initiate issues on the agenda of the governing bodies;
- > take an active part in meetings of management bodies;
- > vote taking into account the position of the MTS governing bodies;
- > control the implementation of the decisions taken;
- > participate in fostering a culture of ethical business conduct and compliance with applicable anti-corruption laws;
- > inform MTS about the occurrence of a conflict of interest and possible violations of the requirements of the applicable anti-corruption legislation by the company.

Management Board member	Size of the share of the corresponding person in the charter capital of MTS PJSC before the transaction	Amount of the share of the corresponding person in the authorized capital after the transaction	Date, from which the share of the corresponding person in the authorized capital of MTS PJSC
Inessa Galaktionova First Vice President for Telecommunication Business, Management Board Member	did not own shares	0.0008%	12.03.2021
Alexandr Evgenievich Gorbunov Management Board Member, Vice President for Strategy & Development	0.001%	0.0016%	09.04.2021
Ruslan Sultanovich Ibragimov Management Board member, Vice President for GR Activity and Public Relations	0.0190%	0.0197%	09.04.2021
Andrey Mikhailovich Kamensky Member of the Management Board, Vice President for Finance	0.0030%	0.0036%	09.04.2021
Alexey Valerievich Kornya Board of Directors member	0.0469%	0.0571%	09.04.2021
Vyacheslav Konstantinovich Nikolaev President, Management Board Chairman	0.0051%	0.0058%	09.04.2021
Dmitry Alexandrovich Khomchenko Management Board Member, Vice President for Information Technology;	0.0087%	0.0091%	09.04.2021

MONITORING AND AUDIT

INTERNAL CONTROL SYSTEM



- Functional subordination
- Administrative (direct) reporting relationship
- Accountability