

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the supreme management body of the Company, exercising its activities in accordance with provisions of the Company's Charter, Regulations on the General Meeting of Shareholders of MTS PJSC, and the requirements of the legislation of the Russian Federation.

In making decisions at the General Meeting of Shareholders, the Company's shareholders take part in governance over the Company and may significantly influence its business. In particular, powers of the General Meeting of Shareholders on their meetings encompass the approval of an annual report and financial statements, distribution of profit, including payment of dividends, election of key management and control bodies of the Company, adoption of decisions on reorganization of the Company and a number of other important matters.

Procedure for holding the General Meeting of Shareholders is aimed at ensuring the adherence to the rights of shareholders, and meets all the requirements of the Russian Federation legislation.

NOTIFYING SHAREHOLDERS ON THE HOLDING OF THE GENERAL MEETING OF SHAREHOLDERS

Shareholders shall be notified on holding of the General Meeting of Shareholders through publication of this information on the official website of the Company¹ at least thirty (30) calendar days prior to its date.

The message on holding of the General Meeting of Shareholders may be additionally sent to the persons entitled to participate in the General Meeting of Shareholders and registered in the Company's shareholders register, by registered mail to the address specified in the register of the Company's shareholders, or delivered personally to such persons against signature simultaneously with sending or handing over the voting ballots. The information and files on the agenda of the General Meeting of Shareholders are provided to persons registering their rights to the Company's shares in a depository by providing them to the Company's

registrar for direction to a nominee holder entered in the register of shareholders in accordance with the Russian Law on securities.

With regard to recommendation of the Corporate Governance Code, aimed at creation for the shareholders of best possible conditions for participation in the general meeting, a model proxy form for voting shall be published on the official website of the Company.

Within the framework of preparation to the General Meeting of MTS Shareholders, the shareholders get the opportunity to ask members of executive bodies and the Board of Directors on issues of the agenda of the General Meeting of Shareholders, and to voice their opinion on issues of the Meeting's agenda by sending e-mails to the address: shareholder@mts.ru.

The Company aims to present materials for the General Meeting in a comprehensible form. That is why we create a special section (micro-site) dedicated to the Annual General Meeting of Shareholders where we publish required documents (presentations, document comparisons, comments to them, details on candidates) and provide an access to the online broadcasting of the Annual Meeting.

HOLDING OF THE GENERAL MEETING OF SHAREHOLDERS

Shareholders may implement their voting right by most simple and convenient for them ways without any encumbrance. Voting at General Meetings of Shareholders is carried out by direct participation in the meeting or by filling out and sending to the Company (as well as its registrar) ballots on agenda items or by filling out an electronic form of voting ballots on the MTS website www.mts.ru/shareholder/ via electronic services.



<https://www.mts.ru/shareholder/>

The General Meetings of Shareholders shall be organized and held in a way allowing for easy access of all the shareholders. General meetings held in the form of joint attendance shall be organized at locations convenient for coming and personal participation of the shareholders and their representatives. During the registration

¹ <https://moskva.mts.ru/about/investoram-i-akcioneram/korporativnoe-upravlenie/obshhie-sobraniya-akcionerov/resheniya-obshhih-sobraniy-akcionerov-paomts>.

and during the break, the innovative technologies of MTS are demonstrated to shareholders, and the shareholders are also provided with an opportunity to receive the necessary consultations on various projects of the Company.

Over the past years, the Company has been giving its shareholders the opportunity to follow the meeting in real time on the MTS website. Video record of the meeting is available after the end of the meeting on the MTS website in the “General Meetings of Shareholders” section.¹

Approach to the annual meetings of MTS shareholders

Over the past years, the annual meetings of MTS shareholders have been held in a unique format. Each meeting has its own concept and original format. We



It is important for us to show that MTS of today is a conduit between shareholder expectations and innovative solutions. We strive to ensure that the idea of changes passes through all channels of interaction with shareholders. At every point of contact with a shareholder, we emphasize that we are living in an era of change, and gradually encourage shareholders to change with the Company, keep up with the times and use the offered products and services to participate in shareholder meetings.

have beyond the traditional view of the shareholders meeting as a purely formal event, and we turn it into a spectacular newsworthy event.

MTS is a company for shareholders

Our services help MTS shareholders save time!

We have created digital products and services targeted at our shareholders.

State-of-the-art technologies make it possible not to waste time attending offline events, but to vote in comfortable conditions right from home.

Introduction of innovations in the voting procedure has a positive impact on the attitude towards MTS on the part of shareholders and investors.

GENERAL MEETINGS OF SHAREHOLDERS IN 2020

Hybrid formats for holding meetings of shareholders: experience and expectations

The experience gained over previous years in holding general meetings of shareholders enabled us, for the first time in our practice, to hold an annual general meeting in a hybrid format in 2020 — absentee voting and an online conference following the results of the AGMS held.

Information support for the shareholders when holding the 2020 AGMS

On June 24, 2020, MTS PJSC held the Annual General Meeting of Shareholders (AGMS) using the E-Voting services of the National Settlement Depository (NSD) and Registry-Online of “Reestr” JSC.

According to the recommendation of the Bank of Russia, aimed at containment of the spread of coronavirus, the MTS AGMS was held in absentia. The shareholders were provided with the most comfortable conditions for the exercise of their rights with the possibility to choose an electronic voting system.

On June 25, an online conference following the results of the 2020 AGMS was held on the dedicated website named “2020 AGMS”, and the top management of MTS presented their speeches with a detailed review of the results of MTS work in 2019 and answers to questions in real time..

Electronic services for shareholders

In 2020, the successful experience in using e-voting through the internet when holding shareholder meetings was continued. For the first time, MTS shareholders voted electronically at the extraordinary general meeting of shareholders on September 30, 2016. For the last years of using e-voting, the number of shareholders voting through the Internet has increased substantially. At the annual General Meeting of Shareholders held on June 24, 2020, 82% of those participating in the meeting voted electronically.



One of the important tasks faced by MTS as a joint stock company is to improve the level of its corporate governance.

¹ <https://moskva.mts.ru/about/investoram-i-akcioneram/korporativnoe-upravlenie/obshhie-sobraniya-akcionerov/>.

Following the trends in the financial market, we have provided our investors with more opportunities and a chance to choose from two services for e-voting at the AGMS: through the Registry-Online service ("Reestr" JSC) and E-voting (National Settlement Depository).

This was especially relevant during the pandemic, when shareholder meetings were held in absentia. The synergy of the companies' services enabled us to offer shareholders the maximum range of services, and also ensured security and confidentiality.

Trend of holding hybrid meetings of shareholders

We can expect a further strengthening of the role and spread of hybrid forms of shareholder meetings. This is facilitated by a variety of factors.

Factors contributing to more frequent use of hybrid forms of meetings

Global factors

- › Development of information technologies that allow people to communicate effectively and make joint decisions without being physically present all together in one venue.
- › This gives impetus to new forms of interaction between people in the area of business, culture and social life, teaches people to use remote forms of communication, and makes them a new norm of life.
- › The situation with COVID is a new factor that exponentially increases the global trend for remote forms of communication in all (or virtually all) spheres of life and the demand for improvement of information technologies.

Factors specific to MTS meetings of shareholders

- › Thousands (tens of thousands) of shareholders worldwide, it is not possible to ensure their joint attendance at the meeting.
- › The AGMS is not just a meeting, but an annual milestone event for investors, which requires a special format covering all shareholders, investors and stakeholders.

Results of the 2020 General Meetings of Shareholders

- › Extraordinary general meeting of shareholders of MTS JSC on February 4, 2010 — Report (mts.ru).
- › Annual general meeting of shareholders of MTS PJSC on June 14, 2020 — Report (mts.ru).
- › Extraordinary general meeting of shareholders of MTS PJSC on September 30, 2020 — Report (mts.ru).

Events after the reporting date

- › Extraordinary general meeting of shareholders of MTS PJSC on February 15, 2021 — Report (mts.ru).

BOARD OF DIRECTORS

A high-quality corporate governance system and an efficiently operating Board of Directors are the most important prerequisites for long-term sustainable development of a modern company.

The role of the Board of Directors increases dramatically at companies aimed at long-term successful development.

The Board of Directors is a strategic management body, whose main objective is to implement general (directing) management of the company's activities, as well as to exercise supervisory and overseeing functions. First of all, its competences include the most important issues of the Company's management, such as strategy definition, investment and budget planning, developing management motivation and assessment system, as well as supervision of the company's assets, reliability and effectiveness of risk management systems, internal control, internal audit and corporate governance system.

The Board of Directors of MTS PJSC exercises general governance over the Company's activities in accordance with the provisions of the Company's Charter, the Regulations on the Board of Directors of MTS PJSC, and the requirements of the legislation of the Russian Federation.

The primary goals of the Board of Directors include:

- › developing and analyzing general corporate strategy, and exercising control over its implementation;
- › providing for the control over executive bodies and chief executive officers of the Company, and assessing their activities;
- › increasing the Company's capitalization, expanding its market positions, achieving and preserving the Company's competitiveness;
- › maintaining financial stability, and increasing revenues and profitability;
- › protecting rights and lawful interests of the Company's shareholders.