

Issues and recommendations reviewed

In 2020, the Special Committee reviewed reports on the results of working visits and events held in the Company's branches as part of the project to strengthen the corporate compliance program, reviewed a report and recommendations for strengthening the compliance program, a progress report on the audit of technology lease agreements, and other issues.

The Committee provided the following recommendations to the Company's Board of Directors

None.

Work results in 2020

In the reporting year, the Committee reviewed issues related to compliance supervision measures implemented by the Company.

Events after the reporting date

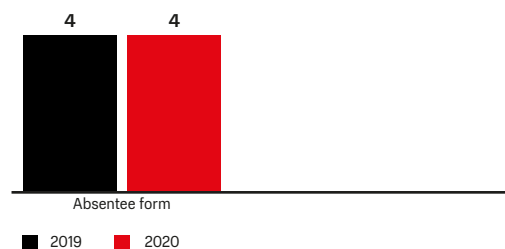
By passing the resolution of the Board of Directors of MTS PJSC on March 18, 2021, the following decisions were made.

The Corporate Governance Committee under the Board of Directors of MTS PJSC was transformed into the Committee for Corporate Governance, Environmental and Social Responsibility under the Board of Directors of MTS PJSC.

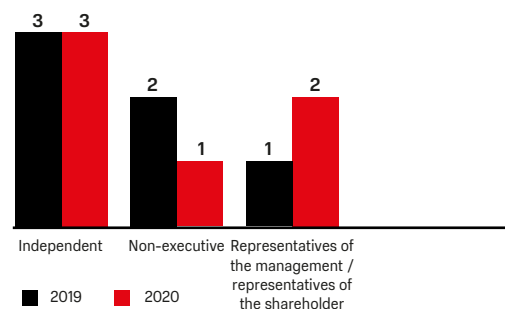
Members of the Committee:

- > Regina von Flemming — Committee Chairperson;
- > Valentin Borisovich Yumashev;
- > Konstantin Lvovich Ernst;
- > Artem Ivanovich Zassoursky;
- > Alexey Vizskopbovich Barsegyan;
- > Polina Veniaminovna Ugryumova;
- > Elena Ivanovna Kokhanovskaya.

Meetings of the Special Committee



Composition of the Special Committee in 2019–2020.



REMUNERATION PAID TO MEMBERS OF THE BOARD OF DIRECTORS

The procedure and terms of remuneration payment to members of the Board of Directors of MTS PJSC are defined in accordance with the Regulations on remunerations and compensations paid to members of the Board of Directors of MTS PJSC¹.

The remuneration system applicable to the members of the Board of Directors provides for approach of financial interests of directors with long-term financial interests of shareholders.

Detailed information is disclosed in clause 4.2.1. Report on the fulfilment of the principles and recommendations of the Corporate Governance Code.

Remuneration paid to members of the Board of Directors in 2020

Indicator Name	Total, RUB
Remuneration for participation in operations of the management body	166,121,304.55
Cost compensations	577,424.10
TOTAL	166,698,728.65

¹ <https://moskva.mts.ru/about/investoram-i-akcioneram/korporativnoe-upravlenie/dokumenti-pao-mts/polozhenie-ovoznagrazhdenii-chlenov-soveta-direktorov-paomts/>

What is remuneration made of?

The remuneration is paid to directors not being employees and members of the executive bodies of MTS, companies of the MTS Group, as well as the controlling shareholder of MTS or persons controlled by it. Overheads are compensated to all directors in accordance with actually made and documented target expenses.

TOTAL AMOUNT:

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CHAIRMAN/ OTHER DIRECTORS

**no more than USD 600,000
for the chairman
no more than USD 500,000
for other directors**

BASIC REMUNERATION

+

CHAIRMAN/DIRECTOR

\$400,000 / \$300,000

- > paid for performing the duties of a member of the Board of Directors of the Company during the Corporate Year

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REMUNERATION FOR SITTING ON COMMITTEES

+

CHAIRMAN/DIRECTOR

\$50,000 / \$30,000

for sitting on a mandatory committee

\$30,000 / \$25,000

for sitting on another committee

\$50,000 / \$30,000

for sitting on a special committee

- > paid for fulfilment of additional obligations related to work on the Committees under the Board of Directors

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GRANTING OF SHARES

- > additional remuneration in the form of remuneration with shares is paid following work results for the corporate year. There are restrictions in respect to shares¹



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Information
in more detail disclosed
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¹ The Director is not entitled to alienate or otherwise dispose of the Shares received as a remuneration within three years from the date of the first receipt of the shares as a Remuneration.