

APPROVED

by the decision of Board of Directors
of Mobile TeleSystems
Public Joint Stock Company
December 17, 2020 (Minutes No.306)

REGULATIONS

**ON CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS
OF MOBILE TELESYSTEMS
PUBLIC JOINT STOCK COMPANY
(revision No.4)**

1. GENERAL PROVISIONS

- 1.1. This Regulations is developed in accordance with the existing legislation, the Charter and the internal documents of Mobile TeleSystems Public Joint Stock Company (hereinafter referred to as MTS PJSC or Company).
- 1.2. This Regulations defines the status, goals, objectives and functions of the Corporate Governance Committee of the Board of Directors of MTS PJSC; the procedure of its formation and termination of its powers; rights and duties of its members; its management and decision-making procedures.
- 1.3. The Committee is created to develop and improve corporate governance system and practices in the Company through preliminary review of corporate governance matters relating to the competence of the Board of Directors; regulation of relationships between the shareholders, the Board of Directors and executive bodies of the Company, as well as issues of interaction with subsidiaries¹ of the Company and other stakeholders.
- 1.4. The Committee is a subsidiary collective advisory body of the Board of Directors of the Company. The Committee is not a management body of the Company and the Company shall not assume any rights and obligations through actions of this Committee.
- 1.5. The Committee performs preliminary review of the most important matters and makes recommendations to the Board of Directors to decide on matters within its competence in the field of corporate governance, and, if necessary on matters to be considered by other management bodies of the Company and Committees of the Board of Directors. Decisions of the Committee shall be advisory to the Board of Directors of the Company.
- 1.6. When performing its activities, the members of the Committee shall be guided by current laws, the Charter and internal documents of the Company, the Corporate Governance Code², resolutions of the Company's management bodies and these Regulations.

2. THE COMMITTEE'S TASKS AND FUNCTIONS

- 2.1. The Committee's primary tasks are the following:
 - 2.1.1. Development and improvement of corporate governance system and practices in MTS PJSC;
 - 2.1.2. Preparing recommendations for the Board of Directors on the Company's priority activities to develop and implement corporate governance standards contributing to establishing high appreciation of corporate governance quality (level) in MTS PJSC;
 - 2.1.3. Control over corporate governance practices in MTS PJSC;
 - 2.1.4. Settlement of corporate conflicts.
- 2.2. The Committee's primary functions are the following:
 - 2.2.1. Control of MTS PJSC corporate governance system's effectiveness and reliability, evaluation of effectiveness of corporate governance practices and making proposals to the Board of Directors for their improvement;
 - 2.2.2. Preliminary review of internal documents submitted for approval (preliminary approval) of the Board of Directors which govern the management bodies' authority and activities and the

¹ A subsidiary is a business company, in the authorized capital of which MTS PJSC owns directly or indirectly more than 20% of voting shares or shares.

² The Corporate Governance Code recommended for use by the Bank of Russia (Letter dated April 10, 2014 No. 06-52/2463).

implementation of the main corporate governance rules; issuing an opinion of compliance of provided drafts with provisions of law, MTS PJSC internal documents and interests;

- 2.2.3. Monitoring the implementation of resolutions approved by the Board of Directors dealing with issues which relate to the Committee's tasks and functions;
- 2.2.4. Determination of MTS PJSC voluntary disclosure policies;
- 2.2.5. Monitoring compliance with the corporate disclosure policy of MTS PJSC;
- 2.2.6. Control over the system of compliance with the legislation on combating illegal use of inside information and market manipulation;
- 2.2.7. Monitoring the compliance with the law, the Charter of MTS PJSC, internal normative documents of MTS PJSC with regard to compliance with corporate governance rules;
- 2.2.8. Submitting for consideration of the Board of Directors proposals for making amendments and addenda to the Company's Charter and internal documents to improve corporate governance standards in MTS PJSC;
- 2.2.9. Support in preventing and resolving corporate conflicts between shareholders of the Company, as well as between shareholders and executive bodies of the Company;
- 2.2.10. Provision on a regular basis of reports relating to the Committee's tasks and functions status as well as measures taken by the Committee to improve corporate governance in MTS PJSC to the Board of Directors;
- 2.2.11. Guaranteeing the actual participation of the Company's Board of Directors members in monitoring process and ensuring their personal knowledge in relation to the Company's activities in the sphere of corporate governance;
- 2.2.12. Collaboration with the Sole Executive Body (the President) of the Company, other organization departments and officials of the Company within the framework of their tasks and functions;
- 2.2.13. Carrying out a comparative analysis and informing the Board of Directors about corporate governance policy and programs in other companies;
- 2.2.14. Processing shareholders' complaints and applications in relation to relations with the Company;
- 2.2.15. Preliminary review of the Company's Annual Report;
- 2.2.16. Arranging and conducting performance evaluation of the Board of Directors on a yearly basis;
- 2.2.17. approval of the list of subsidiaries, the importance of which is a priority for the ecosystem of MTS PJSC due to the scale of the business, growth potential, development strategy, or other criteria, and in relation to the activities of which additional corporate governance procedures may be applied related to interaction with the largest shareholders of PJSC MTS;
- 2.2.18. Performing other functions within the scope of the Committee's tasks.

3. THE COMMITTEE'S COMPOSITION AND ITS FORMATION PROCEDURE

- 3.1. As for the personal composition of the Committee, the latest shall be formed of Board of Directors members, the Company's management body staff and external experts.
- 3.2. The Committee shall consist of at least three (3) members.

- 3.3. The personal and quantitative composition of the Committee shall be approved by the resolution of the Board of Directors.
- 3.4. The issues of approving the quantitative and personal composition of the Committee as a rule shall be considered at the first meeting of the Board of Directors of the Company elected with a new composition.
- 3.5. The powers of the Committee shall be terminated on the date of termination of the powers of the Board of Directors. The powers of all members of the Committee, as well as of any members of the Committee may be termination at any time also by the resolution of the Board of Directors.
- 3.6. The Board of Directors may at any time adopt a resolution to increase (or decrease) the number of Committee members and to elect new Committee members.
- 3.7. The Board of Directors shall appoint the Chairman of the Committee responsible for management of the Committee's activities, The Deputy Chairman of the Committee may also be appointed by the resolution of the Board of Directors to perform functions and exercise powers of the Chairman of the Committee, if the latter may not participate in the Committee's meetings.
- 3.8. The Company's employees, representatives of the shareholders, and other persons (specialists, experts etc.) may be involved into operation of the Committee.
- 3.9. The Chairman of the Committee, Secretary of the Committee as well Committee members can abnegate powers by sending a corresponding application to the Committee Chairman and the Chairman of the Board of Directors.

4. RIGHTS AND OBLIGATIONS OF THE COMMITTEE'S MEMBERS

- 4.1. The Committee's members shall be entitled to the following:
 - 4.1.1. Request and collect from the officials of the Company, the Board of Directors, the Management Board of the Company's President, the Auditing Commission, external and internal auditors of the Company the information and the documents related to the issues of the Committee's competence;
 - 4.1.2. request summoning of the Committee's meeting, present issues for the Committee's review;
 - 4.1.3. request filing of their special written opinion to the Committee's meeting minutes;
 - 4.1.4. by agreement with the Committee's Chairman, use the services of external consultants.
- 4.2. The Committee's members shall be obliged to:
 - 4.2.1. attend (participate in) Committee's meetings and actively participate in preparation and discussion of issues considered at the Committee's meetings;
 - 4.2.2. participate in making the Committee's resolutions by voting on agenda items of its meetings;
 - 4.2.3. make justified resolutions, for which purpose study all the necessary information (materials) and notify all information related to the resolutions made to all the members of the Committee;
 - 4.2.4. inform the Chairman of the Committee about inability to personally attend a scheduled meeting of the Committee;
 - 4.2.5. when making resolutions, act fairly and reasonably for the benefits of the Company's shareholders and all stakeholders;
 - 4.2.6. perform the instructions of the Committee's Chairman;
 - 4.2.7. in accordance with the requirements of the internal documents of the Company, not disclose information related to confidential information and trade secret that has become known to them, maintain confidentiality of the discussed issues, not disclose insider information to third

parties and not use such information for personal purposes and for the purposes of their affiliates;

- 4.2.8. avoid actions that may bring discredit upon the Committee or question the professionalism of its members;
- 4.2.9. approve any of their actions taken on behalf of the Company or the Committee with the Chairman of the Board of Directors, the Chairman of the Committee.
- 4.3. The member of the Committee shall abstain from the following:
 - 4.3.1. actions that will or may potentially result in a conflict of interest, and if such conflict arises – disclose information about to the Secretary and the Board of Directors of MTS PJSC with subsequent actions to resolve the conflict of interest in accordance with the procedure provided for by the corresponding internal documents and local regulations of MTS PJSC³;
 - 4.3.2. voting on the issues as to which he or she has conflict of interest. Besides, the member of the Committee shall immediately disclose the fact of such conflict of interest and the grounds of its occurrence to the Committee through the Chairman of the Committee or the Secretary of the Committee.
- 4.4. The members of the Committee shall be responsible to the Board of Directors of the Company for quality and results of following the resolutions of the Committee or the instructions of the Chairman of the Committee.

5. CHAIRMAN AND SECRETARY OF THE COMMITTEE

- 5.1. The Chairman of the Committee shall be responsible for the results of the Committee's work and achievement of the objectives set thereto.
- 5.2. The Chairman of the Committee shall:
 - 5.2.1. provide for development and presentation of the Committee's Work Plan for approval by the Committee;
 - 5.2.2. organize work and summon meetings of the Committee, chair thereon;
 - 5.2.3. determine the form of the Committee's meetings, their date, time, venue and agenda;
 - 5.2.4. determine the list of persons invited to attend the Committee's meeting;
 - 5.2.5. organize keeping the Committee's meeting minutes and sign Committee's meeting minutes;
 - 5.2.6. distribute duties between the Committee's members;
 - 5.2.7. give instructions to the Committee's members related to the need for more detailed study of the issues and preparation of the materials for review at the Committee's meeting;
 - 5.2.8. report to the Board of Directors of the Company on the Committee's work results;
 - 5.2.9. control the performance of the resolutions made;
 - 5.2.10. perform other functions arising from the goals and substance of the Committee's activities.
- 5.3. The Secretary of the Committee shall be approved by the resolution of the Committee as advised by the Committee's Chairman. If the Secretary is absent at the meeting, its functions shall be performed by the secretary of the Board of Directors of the Company or another person

³ Management of the situation of the conflict of interest between the members of the Committee shall be carried out in accordance with Policy "Conflict of Interest Management in MTS PJSC" and other by-laws of the Company.

appointed by the members of the Committee at the meeting. Within his or her powers, the Secretary of the Committee shall:

- 5.3.1. prepare the Committee's Work Plan based on the proposals of the members and the Chairman of the Committee;
- 5.3.2. by approval with the Chairman of the Committee, prepare and send notices to the members of the Committee about future meetings and materials provided by the responsible persons on the agenda items;
- 5.3.3. collect voting ballots in case of a Committee's meeting in absentia;
- 5.3.4. prepare the draft minutes of the Committee's meeting, prepare and sign the extracts from the Committee's meeting minutes;
- 5.3.5. organize storage of Committee's meeting minutes and materials copies;
- 5.3.6. support technical and procedural issues of Committee's cooperation with the bodies and officials of the Company;
- 5.3.7. perform instructions of the Committee's Chairman.

6. COMMITTEE'S WORK ORGANIZATION

- 6.1 The Committee shall operate on the basis of this Regulations and the Committee's Work Plan approved in accordance with clauses 6.2–6.4. hereof.
- 6.2 The Plan of the Committee's Activities shall be made for one year taking into account the Plan of Activities of the Board of Directors and the proposals of the Chairman and Committee members. The Plan of Committee's Activities shall be approved usually at the first meeting of the Committee elected with a new composition.
- 6.3 The Committee's meetings shall be held in accordance with the Committee's Work Plan, when necessary, and also at the initiative of the Chairman of the Committee, proposal of any of the Committee's members, the Board of Directors or the President of the Company, but at least once in six (6) months.
- 6.4 The Committee's Work Plan may be amended by the resolution of the Committee based on the proposals delivered by the Committee's members.
- 6.5 By the resolution of the Committee's Chairman, other persons may be invited to participate in the meeting. Persons who are not members of the Committee may participate in the meeting of the Committee exclusively by invitation of the Committee's Chairman.
- 6.6 Agenda for the Committee's meeting shall be determined by the Chairman of the Committee. Agenda may include, if necessary, review of the results of previous meeting.
Any Committee member is entitled to initiate inclusion of an item on the agenda of the Committee's meeting.
Board of Directors members who are not Committee members, the President of the Company, members of the Company's Audit Commission as well as experts involved in work in the Committee may approach the Chairman of the Committee and propose to examine any issue within the competence of the Committee. Such issue shall be examined at the next scheduled regular meeting of the Committee or at specially convened meeting if this is a matter of special importance and brooks no delay.
- 6.7 In order to ensure the efficient organization of the Committee's work and the highest quality preparation for the Committee meetings, the Secretary of the Committee should strive to

ensure that the agenda of the planned meeting of the Committee, draft materials on agenda items and (or) draft decisions are discussed by him in advance (preferably 14 calendar days in advance) with the Chairman of the Committee at working meetings with the involvement, if necessary, of persons responsible for the preparation of materials on the agenda items.

7. PROCEDURE FOR HOLDING COMMITTEE'S MEETINGS

- 7.1. A notice about the future meeting of the Committee shall be sent by the Secretary of the Committee by email to the members of the Committee not later than five (5) calendar days before the date of the meeting. Materials on the agenda items of the Committee's meeting shall be provided not later than three (3) calendar days before the meeting to the Secretary of the Committee by a person responsible for the preparation of the item, in the form of a presentation or otherwise. Materials on the agenda items shall contain the necessary and sufficient scope of information enabling the members of the Committee to make a grounded and objective decision on the agenda item. Materials shall be provided to the members of the Committee by the Secretary of the Committee not later than two (2) calendar days before the date of the Committee's meeting. Materials on the agenda items of the Committee's meeting may be placed in the electronic document control system for work of the collective management bodies of the Company or sent to the members of the Committee by email.
- 7.2. If the timing specified by clause 7.1 hereof to send the materials to the members of the Committee may not be complied with in connection with missing materials (poor quality of materials preparation) on the agenda items, the Secretary of the Committee shall immediately report this to the Chairman of the Committee with a proposal to exclude the corresponding item (items) from the agenda of the Committee's meeting. The Chairman of the Committee, following the results of materials review, may decide to exclude the corresponding issue (issues) from the agenda of the meeting, to cancel or transfer the meeting of the Committee. A notice to exclude the corresponding item (items) from the agenda, to cancel or transfer the meeting of the Committee by the instruction of the Chairman shall be prepared by the Secretary of the Committee and sent to the Committee's members.
- 7.3. In exceptional cases, it is possible to send a notice about the Committee's meeting and materials on the agenda items within the time shortened by the decision of the Committee's Chairman.
- 7.4. Meetings of the Committee may be held in the form of joint attendance of the Committee's members (meeting in praesentia) or in the form of absentee voting on the meeting's agenda items (meeting in absentia).
- 7.5. The meeting of the Committee shall be legal (has quorum), if the majority of the elected members of the Committee attend (participate in) the meeting.
- 7.6. The Committee's meeting in praesentia shall be opened by the Chairman of the Committee.
- 7.6.1. The Secretary of the Committee shall determine if there is quorum for the Committee's meeting in praesentia. To determine the quorum, the Committee's member participation in the meeting through audio and video conferencing, telephone shall be taken into account. When the quorum and results of voting are determined on the agenda items of the Committee's meeting in praesentia, the written opinion of the Committee's member absent at the meeting shall be taken into account. The written opinion shall be drafted in accordance with the form provided in the Appendix 1 hereof and signed by the Committee's member and contain the printed name.

- 7.6.2. The Chairman of the Committee at the meeting in praesentia shall inform the attendants about the available quorum for the meeting of the Committee and shall announce the meeting agenda.
- 7.6.3. If there is no quorum, the meeting shall be announced as having no legal capacity. Besides, the Chairman of the Committee shall make one of the following decisions:
- (i) by consultations with the persons attending the meeting, define the time to postpone the meeting start to;
 - (ii) define the date of the repeated meeting of the Committee, the agenda of which will include the items to be considered;
 - (iii) include items that had to be considered at the Committee's meeting that did not take place into the agenda of the next scheduled meeting of the Committee.
- 7.7. The decision to hold the Committee's meeting in the form of absentee voting shall be made by the Chairman of the Committee.
- 7.7.1. When holding the absentee meeting of the Committee, voting ballots prepared in accordance with Appendix No. 2 hereto shall be sent to the members of the Committee together with the materials on the agenda items.
- 7.7.2. The filled and signed voting ballot shall be provided by the member of the Committee not later than on the date and time for final acceptance of the ballots to the Secretary of the Committee as an original copy, by means of fax or scanned by email with subsequent sending of the original ballot to the address specified in the notice on the Committee's meeting.
- 7.7.3. Those members of the Committee whose filled voting ballots were received by the Secretary of the Committee not later than the date and time for final acceptance of the ballots shall be deemed as having attended the meeting in absentia.
- 7.7.4. The unsigned voting ballot, as well as the ballot received by the Company upon expiration of the time specified in the notice shall not be taken into account to determine the quorum, to count votes and to summarize the results of the meeting in absentia.
- 7.8. The resolutions at the meetings of the Committee shall be made by a simple majority of votes of the elected members of the Committee. When a resolution is made at the meeting, each member of the Committee shall have one vote. If the votes are equal, the vote of the Chairman shall be decisive. One member of the Committee may not transfer his or her vote to another member of the Committee or another person.
- 7.9. Following the results of the meeting of the Committee, the Secretary shall prepare the meeting minutes. The Committee's meeting minutes shall specify the following:
- (i) date, time and venue of the meeting;
 - (ii) composition of the meeting attendants, including members of the Committee and invited persons;
 - (iii) agenda of the meeting;
 - (iv) proposals and notes given in process of discussion of the considered items;
 - (v) results of voting on the considered items and resolutions made.
- 7.10. The draft minutes of the Committee's meeting shall be prepared by the Secretary of the Committee not later than three (3) working days after the date of the meeting. The minutes of the Committee's meeting approved by the Chairman of the Committee shall be prepared and signed as one copy by the Chairman and the Secretary of the Committee not later than five (5) working days after the date of the meeting. The minutes may be signed either in

handwriting or by electronic signature of the persons mentioned in this item. The documents adopted (approved) by the resolution of the Committee or voting ballots, in case of absentee voting, shall be filed to the Committee's meeting minutes.

- 7.11. A Committee's member who has a special opinion on the agenda item may send a written opinion to the Chairman of the Committee. Such opinion shall be prepared by the member of the Committee and be transferred to the Secretary of the Committee not later than on the last working day after the date of the Committee's meeting. The written opinion shall be attached to the Committee's minutes.
- 7.12. Not later than six (6) working days from the date of the meeting of the Board of Directors, the scanned copy of the minutes shall be published in the electronic document control system for the work of the Company's collective management bodies.
- 7.13. The original minutes shall be transferred for storage to the Secretary of the Board of Directors of MTS PJSC not later than six (6) working days after its preparation and signature.
- 7.14. In the event that decisions made at a meeting of the Committee affect issues attributed to the competence of management bodies and (or) other committees of the Board of Directors besides the Board of Directors, the Secretary of the Committee, within the time period specified in item 7.13 of these Regulations, sends the minutes (extract from the minutes) to such bodies (committees) for making the necessary decisions.
- 7.15. The Committee shall annually approve and provide to the Board of Directors of the Company the report on the work results. The report on the Committee's work results shall be considered and presented usually at the last meeting of the Committee before the General Meeting of the Company's Shareholders, the agenda of which includes an item on election of the new composition of the Company's Board of Directors.

8. FINAL PROVISIONS

- 8.1. This Regulations and amendments and additions thereto shall be approved by the resolution of the Board of Directors of the Company in accordance with the procedure provided for by the Charter and the internal document of the Company that governs the activities of the Board of Directors of the Company.
- 8.2. The Regulations on the Committee, data on the personal composition of the Committee by the decision of the Chairman of the Committee approved with the Chairman of the Board of Directors may be placed on the webpage used by the Company to disclose information. Responsibility for organization of placement and compliance of the data specified in this clause with the made decisions of the Board of Directors of the Company shall be borne by the Secretary of the Committee.
- 8.3. If, as a result of changes in the legislation of the Russian Federation and (or) the Charter of the Company, the provisions of the Regulations conflict with the requirements of the legislation of the Russian Federation and (or) the Charter of the Company, the provisions of the legislation of the Russian Federation and (or) the Charter of the Company shall apply.

Appendix No. 1

**to Regulations on Corporate Governance Committee
of the Board of Directors of MTS PJSC**

WRITTEN OPINION

**of the member of the Corporate Governance Committee of the Board of Directors of
MTS PJSC who is absent from the meeting**

Concerning meeting as of _____

Agenda item No. ___: _____

Resolution: _____

Voting options:

FOR

AGAINST

ABSTAINED

Mark (circle) the voting option selected by you, leave the unnecessary options unchanged.

Commentaries *(to be filled at the discretion of the member of the Committee):*

Hereby I ask to enter the above comment into the Minutes as my dissenting opinion	
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(check the box or leave the field blank)

A written opinion received after the expiry of the date and time of the meeting is invalidated and is not taken into account when determining the voting results. Comments shall be entered into the minutes of the meeting as a dissenting opinion at the request of a member of the Committee if they were received no later than the next working day after the date of the meeting of the Committee.

**Member of the Corporate
Governance Committee**

**of the Board of Directors of
MTS PJSC**

signature

full name

Appendix No. 2

**to Regulations on Corporate Governance Committee
of the Board of Directors of MTS PJSC**

BALLOT
for voting on agenda items of the meeting in absentia
of MTS PJSC Board of Directors Corporate Governance Committee

Date and time of final acceptance of voting ballots: _____

Address to send voting ballots: by fax _____ or by e-mail: _____ with subsequent provision of the original copy to the Company at the following address: _____.

Agenda item No. __: _____

Resolution: _____

Voting options:

FOR

AGAINST

ABSTAINED

Mark (circle) the selected voting option, leave the irrelevant options unchanged.

A voting ballot delivered after expiration of the date and time for final acceptance of the ballots shall be deemed invalid and shall not be taken into account to determine the voting results.

**Member of the Corporate
Governance Committee**

**of the Board of Directors of
MTS PJSC**

signature

full name