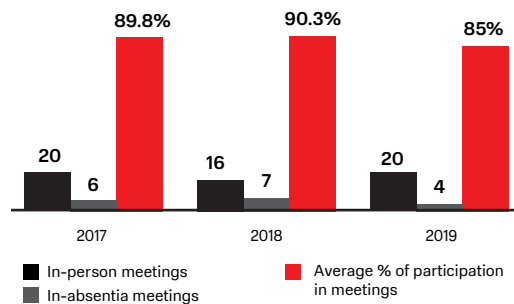
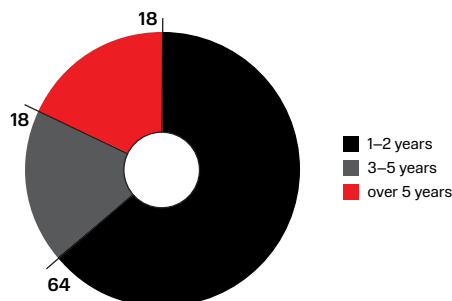


14. Termination of MTS PJSC participation in the RUSBRAND Association of Brand Manufacturers.
15. Participation of MTS PJSC in the “Donor Forum” Association of Grant Organizations.
16. Participation of MTS-Bank PJSC in non-commercial organizations.
17. Strengthening the strategic role of the Board of Directors of MTS PJSC: impact on the practices of the Management Board.
18. Approval of the technological strategy of MTS Group for 2020–2022.
19. Approval of the business plan of MTS Group for 2020 to 2022.
20. Approval of the work plan of the Management Board of MTS PJSC for 2020.

Statistics of the Management Board’s performance for 2017–2019



Duration of work in the Management Board, %



REMUNERATION OF MANAGEMENT BOARD MEMBERS AND TOP EXECUTIVE OFFICERS

PRINCIPLES OF REMUNERATION OF MANAGEMENT BOARD MEMBERS AND SENIOR OFFICIALS

A contract is entered into with every Management Board member, which defines labor terms, the procedure for deciding the amount of remuneration, terms of compensation of expenses connected with execution of duties of the Management Board member and contract termination procedure. The contract is signed on behalf of the Company by the Chairperson of the Board of Directors of the Company or by a person authorized by the Board of Directors. The Board of Directors is entitled at any time to terminate the contract with a member of the Company’s Management Board. The terms and conditions of the contract shall be approved by the Board of Directors of the Company.

Remuneration of senior officials is fixed and calculated based on the Policy for labor payment of employees of MTS PJSC and meets the following principles:

- > observation of fairness and competitiveness of remuneration;
- > connection of remuneration with personal contribution and final work results in the Company in general; and
- > motivation for achievement of target business development parameters in accordance with strategic development installations approved by the Board of Directors.

The system of remuneration to senior officials includes elements of base remuneration and variable premium part:

- > Base remuneration – monthly official salary.
- > Short-term motivation system is an annual premium paid for fulfilment of key performance indicators (“KPI”) fixed in general for the Company for a corresponding reporting period as well as for fulfilment of functional individual tasks defined by the Board of Directors.
- > The long-term material incentive program is aimed at increasing the Company’s shareholder value as well as preserving long-term labor and corporate relations between the Company and its management.
- > Variable part of remuneration is determined by the results of the Company’s business in the reporting period in accordance with the Company’s internal regulations and approved by the Company’s Board of Directors.

MTS PJSC Business Key Performance Indicators System

- > Corporate indicators, which are formed on the basis of the Company’s business plan and include the main financial and economic and industrial indicators. They make it possible to track generalized results of the company’s business and to adjust the strategy.
- > Functional indicators, which are formed on the basis of business unit performance strategies.
- > Individual indicators of performance are formed on the basis of strategic objectives of a specific director of the Company.

The list of indicators and their target values for the Company’s directors are approved by the Board of Directors of the Company with preliminary discussion at the specialized committees on an annual basis.

The list of corporate performance indicators of the MTS PJSC President includes such indicators as:

- > OIBDA;
- > income;
- > integral assessment of the implementation of strategic projects and business development.

STRUCTURE OF REMUNERATION OF TOP MANAGEMENT IN 2019

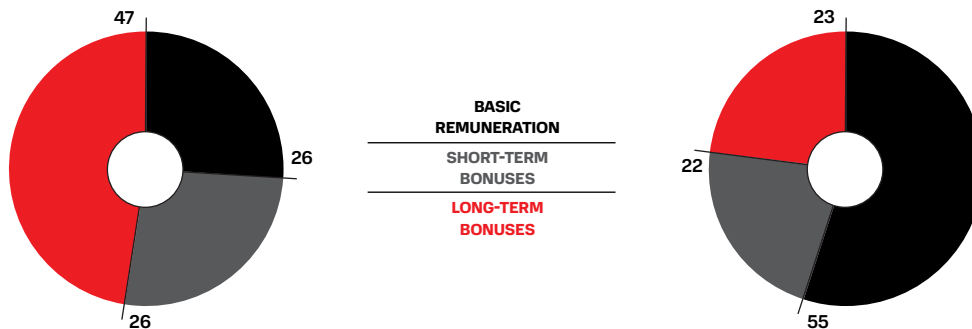
The income structure of the Company’s chief executives varies depending on the post level.

The higher the post in the internal hierarchy of the Company, the larger the share is in the variable remuneration.

The actual element’s value individually varies depending on the work schedule in the reporting year, achieved results as per KPIs and shareholder value according to the long-term bonus payment program.

The typical element ratio is presented in the following options.

\\ Typical remuneration structure ratio



PERFORMANCE ASSESSMENT OF THE PRESIDENT AND MEMBERS OF THE MANAGEMENT BOARD

One of the tasks of the Board of Directors is to ensure control over the operation of the President and members of the Board of Directors and to evaluate their performance which is done on the basis of materials approved by the Remuneration and Appointment Committee.

The assessment of the President and members of the Management Board for 2019 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 of members of the Management Board and senior officials based on 2019 results

\\ Remuneration paid to members of the Management Board in 2019

Indicator	Total, RUB
Salary	199,390,771
Bonuses	572,382,467
Cost compensations	82,170,491
Other remuneration types	3,684,744
TOTAL	857,628,473

\\ Remuneration paid to senior officials in 2019¹

Indicator	Total, RUB
Salary	321,887,794
Bonuses	842,696,453
Cost compensations	137,594,674
Other remuneration types	20,253,154
TOTAL	1,322,432,075

Events after the reporting date

In April 2020 there was a change in the size of the shareholding of several Management Board members in the authorized capital of MTS PJSC – participants in the Long-term Material Incentive Program for MTS PJSC top managers based on MTS PJSC ordinary shares approved by the Board of Directors of MTS PJSC in 2013.

Member of the Management Board	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 changed
Aleksey Valerievich Kornya President, Chairman of the Management Board, Member of the Board of Directors	0.0173%	0.0224%	10.04.2020
Ruslan Sultanovich Ibragimov Management Board Member, Vice President for Government Relations and Public Relations	0.0121%	0.0153%	10.04.2020
Vyacheslav Konstantinovich Nikolaev First Vice President for Client Experience, Marketing and Ecosystem Development, Management Board member	did not own shares	0.0015%	10.04.2020
Ilya Valentinovich Filatov Management Board member, Vice President for Financial Services	0.1200%	0.1527%	15.04.2020
Dmitry Aleksandrovich Khomchenko Management Board member, Vice President for Information Technology	0.0040%	0.0062%	10.04.2020

¹ Includes information on remuneration of 25 top officials of the Company (including Members of the Management Board).