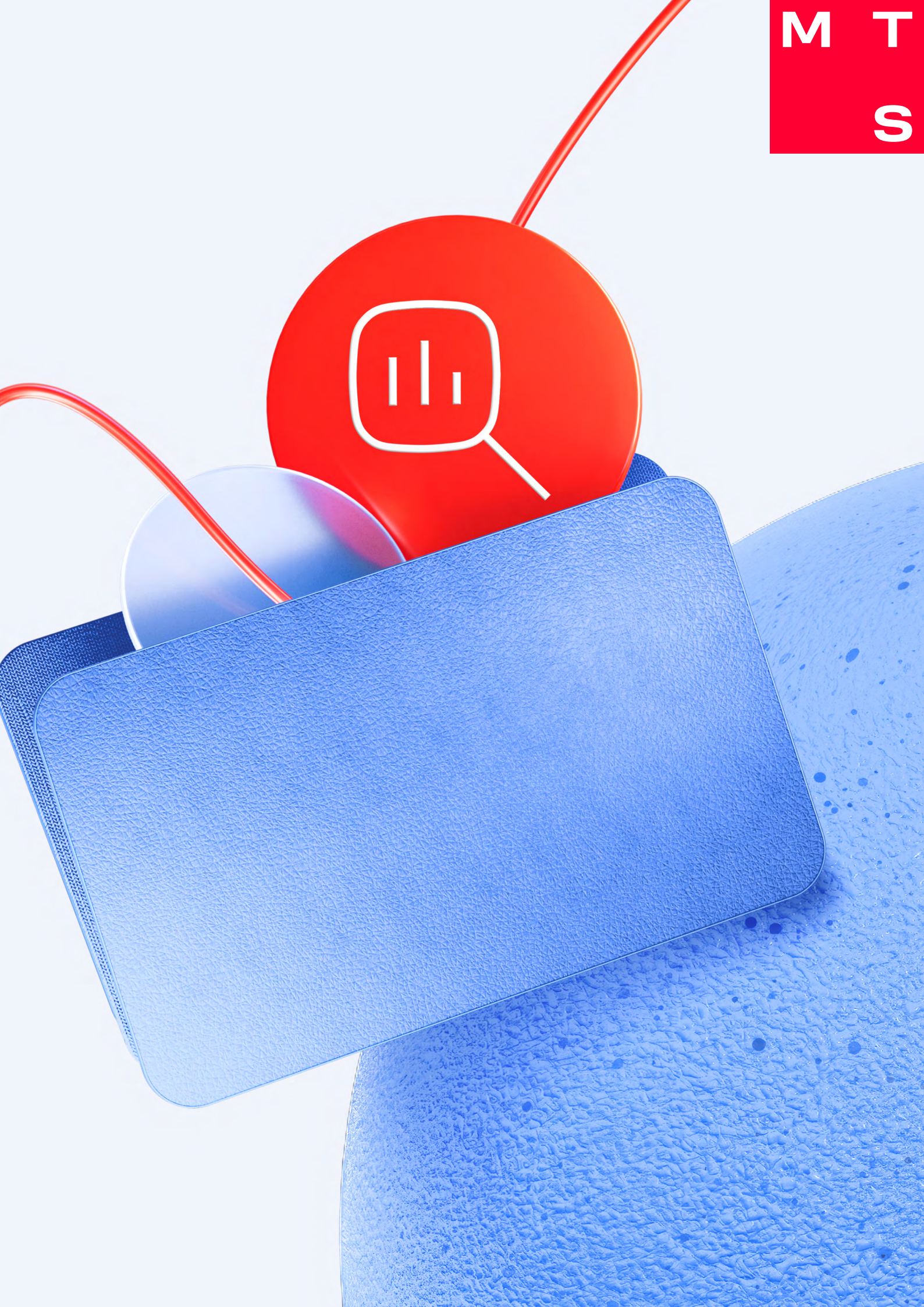




CORPORATE GOVERNANCE

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REPORT BY THE BOARD OF DIRECTORS

on the Results of MTS Development in terms of Priority Business Areas

Summary of the annual performance results and management activity in the context of strategy implementation

The key outcome we aim to achieve in implementing our Customer Lifetime Value 2.0 (CLV 2.0) strategy is to increase the overall value of our ecosystem product proposal and transform that growth into increased shareholder value. From a strategic management perspective, this means that we focus our efforts in the following three areas:

- building an ecosystem of digital products;
- achieving excellence in digital technology and competencies;
- transforming into the Group with implementation of the sum of the parts principle.

In the first two areas, the majority of the necessary decisions and actions on the part of senior management and the Board of Directors have already been implemented. A set of key business areas which, according to our expectations, can demonstrate certain dynamics and give financial effect, has been formed, a system of operational management and mechanisms for interaction between areas have been built, and principles and standards of corporate management have been established. Currently, the main operational work in this area is done by local teams. The Ecosystem's top management and corporate bodies make decisions regarding opening new areas or closing those that do not meet expectations and perform a number of high-level functions (distribution of financial flows, approval of strategy, control over the achievement of business outcomes, key personnel appointments, M&A issues). An important task at the Group level remains the search for optimal parameters and configuration of the partner program, which is the most important factor in the forming the ecosystem offer for us.

The main area of work by the Board of Directors and senior management in 2024 was "Transformation into a Group of Companies". In this area, we not only made good progress, but also fulfilled all the tasks set at the upper limit of expectations. The above can be explained by both obvious successful activities in business areas and positive changes in our expectations regarding the further revival of financial markets and the macroeconomic environment. As a result, at the end of the year, we considered it possible and necessary to propose to shareholders to adopt an official resolution to start the asset division procedure and the process of transformation towards the Group configuration, and this proposal was supported by the shareholders.

We hope that we will be able to complete all necessary actions to reconfigure the Group in Q3 and Q4 2025. Management structures and business processes have been built in the areas, and all conditions for conducting business operations have been created. Businesses are independent

enough, and the interconnections between them allow them to continue to interact smoothly as standalone legal entities. The main task of the Group's corporate governance bodies in the near future will be the formation of corporate governance structures for new companies. They will be unified and standardized in accordance with our high standards and our rich experience in this field.

As part of its function to protect the rights and interests of shareholders, the Board of Directors took all necessary actions to organize the annual general meeting of shareholders and make decisions on paying dividends for 2023 in the total amount of RUB68.6 billion. Also in 2024, in order to preserve shareholder value, the Board of Directors continued to consider and made decisions on issues of restructuring the ownership of MTS foreign businesses and their transfer to friendly jurisdictions. In April 2024, the Board of Directors approved a new dividend policy for 2024–2026, which sets the target yield at a level of at least RUB35.0 per ordinary share of MTS PJSC with a payment frequency of once a year. This emphasizes that respecting the interests of investors is an absolute priority for us.

The following can be noted among other issues considered by the MTS Board of Directors in 2024 and the respective decisions made.

- Following the best corporate governance practices, the Board of Directors considered a number of issues related to functioning of the internal audit, control and compliance system, as well as the risk management system in MTS.
- Necessary decisions were made regarding the composition of the corporate management bodies of MTS PJSC and subsidiaries.
- An assessment was made with regard to the achieving the target KPIs in 2023 by the CEO and members of the MTS Management Board, and the target KPI levels for 2024 were also approved.
- In order to ensure the continuity of financing of MTS PJSC activities and optimal debt management, issues related to the programs for issuing and repurchasing bonds, Digital Financial Assets and other financing instruments were considered.

In 2025, we will consistently implement our transformation plan and, if necessary, make prompt adjustments based on likely changes in the macroeconomic environment and historical background. Our expectations for the future combine optimism and pragmatism. We are ready to take advantage of the opportunities that arise, but in our actions we will focus primarily on the sustainability of the current business, high financial performance, and the interests of shareholders.

CORPORATE GOVERNANCE SYSTEM

Corporate Governance Model Development

Since the beginning of its public history, MTS has been paying great attention to developing corporate governance and strives to ensure that MTS corporate governance practices meet the best standards.

In 2024, by implementing the principles and recommendations of the Bank of Russia Corporate Governance Code¹, we continued to maintain a high level of corporate governance, taking into account the challenges facing the Company². A high level of corporate governance is one of the fundamental values for MTS.

Corporate Governance Index

Based on the results of 2024, for the seventh consecutive year, MTS is among the “Leaders in Corporate Governance” of the RUCGI National Corporate Governance Index.

MTS Corporate Governance Principles

- Comprehensive protection of shareholder rights and interests;
- Information openness and transparency;
- Single corporate policy with respect to subsidiaries;
- Independence of the Board of Directors when defining the Company’s strategy, approving business plans and making other important decisions;
- Control over management activities;
- Observance of business ethics when doing business;
- Doing socially responsible business aimed at ensuring sustainable development of the Company and its welfare.

MTS Group Governance System

The current Corporate governance system at MTS Group ensures strict observance of rights and legitimate interests of all shareholders, sustainable functioning and initiation of business and achievement of the strategic goals of MTS Group. The steps taken to develop the corporate governance system ensure the most effective use of shareholders’ investments and their protection, assist in developing the digital ecosystem of MTS products, in the context of the interconnected relationships and succession in the decisions made by the management bodies of MTS Group of Companies.

Management of MTS Group Subsidiaries

As part of the strategy, development of the MTS Ecosystem continues. However, at the same time, there is a transformation into a Group of individual legal entities, many of which will have independent access to the capital market and valuation.

¹ Approved on March 21, 2014 by the Board of Directors of the Bank of Russia (Letter of the Bank of Russia No. 06-52/2463 dated April 10, 2014).

² See detailed results in Appendix “Report on Compliance with the Principles and Recommendations of the Corporate Governance Code”.

Principles of Managing MTS Controlled Subsidiaries

- Management and control are carried out through MTS representatives elected to the management bodies of subsidiaries.
- With respect to subsidiaries, the uniform corporate governance standards of MTS Group are applied, including unified internal decision-making procedures and standard corporate documents, as well as uniform standards and procedures of MTS Group in the field of anti-corruption compliance.
- MTS participates in the process of forming the composition of the Board of Directors and determines strategic and priority decisions by the Boards of Directors of subsidiaries.

The MTS Board of Directors is the center for strategic decisions transmitted to subsidiaries through MTS representatives in the management bodies, including on the following issues:

- strategy and investments;
- business plan and budget;
- remuneration system;
- management control, audit, compliance;
- asset control.

The following points are taken into account when forming the Boards of Directors at subsidiaries:

- importance of the company for the overall MTS Group strategy;
- current and target scale of the company's business;
- sector and industry of the company;
- requirements of laws, regulators and exchanges;
- balance between the personal and numerical composition of the Board of Directors.

The Remuneration & Nomination Committee of the MTS Board of Directors approves the list of subsidiaries, for which it considers information on the formation, termination and change of the composition of the Boards of Directors.

The following criteria are taken into account when selecting candidates for membership in the Boards of Directors of subsidiaries:

- personal skills, qualifications, experience;
- knowledge of industry and sector of the subsidiaries;
- overall employment, including in other management bodies of companies;

- exclusion of a possible conflict of interest;
- candidate's consent, including consent to meet anti-corruption compliance requirements;
- positive opinion based on the candidate's verification results.

Training of MTS representatives in the subsidiary management bodies is conducted in accordance with the MTS regulatory internal documents. The MTS representatives participate in the work of the management bodies of subsidiaries guided by the rules of subsidiary internal documents.

In order to fulfill their duties efficiently, the representatives:

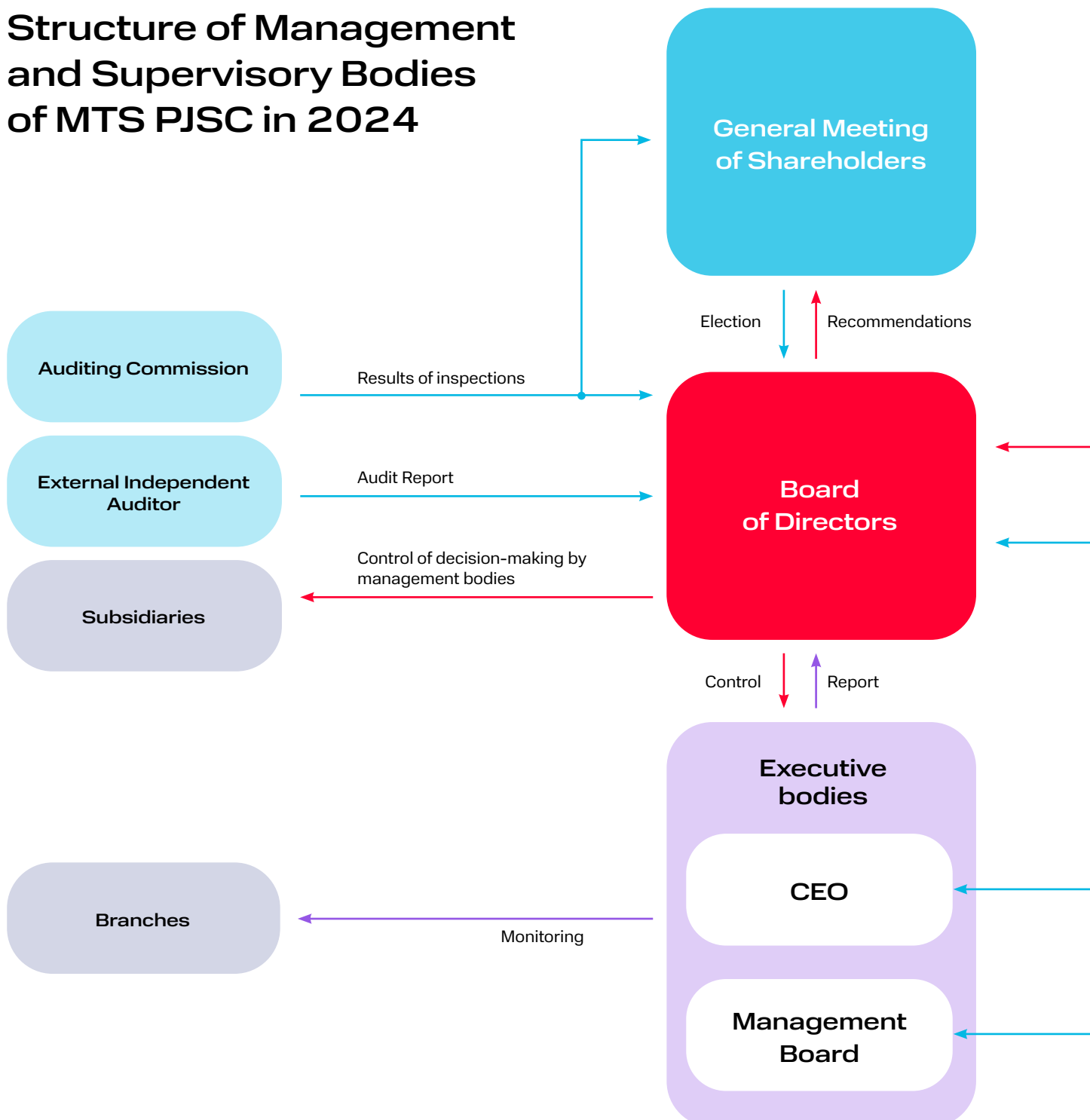
- receive and analyze information about the company's activities;
- initiate issues to be included in the agenda of management bodies;
- take active part in meetings of management bodies;
- vote taking into account the position of the MTS management bodies, determined in accordance with the MTS Charter;
- control the execution of the decisions made;
- participate in developing a culture of ethical business conduct and compliance with applicable anti-corruption legislation;
- 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.

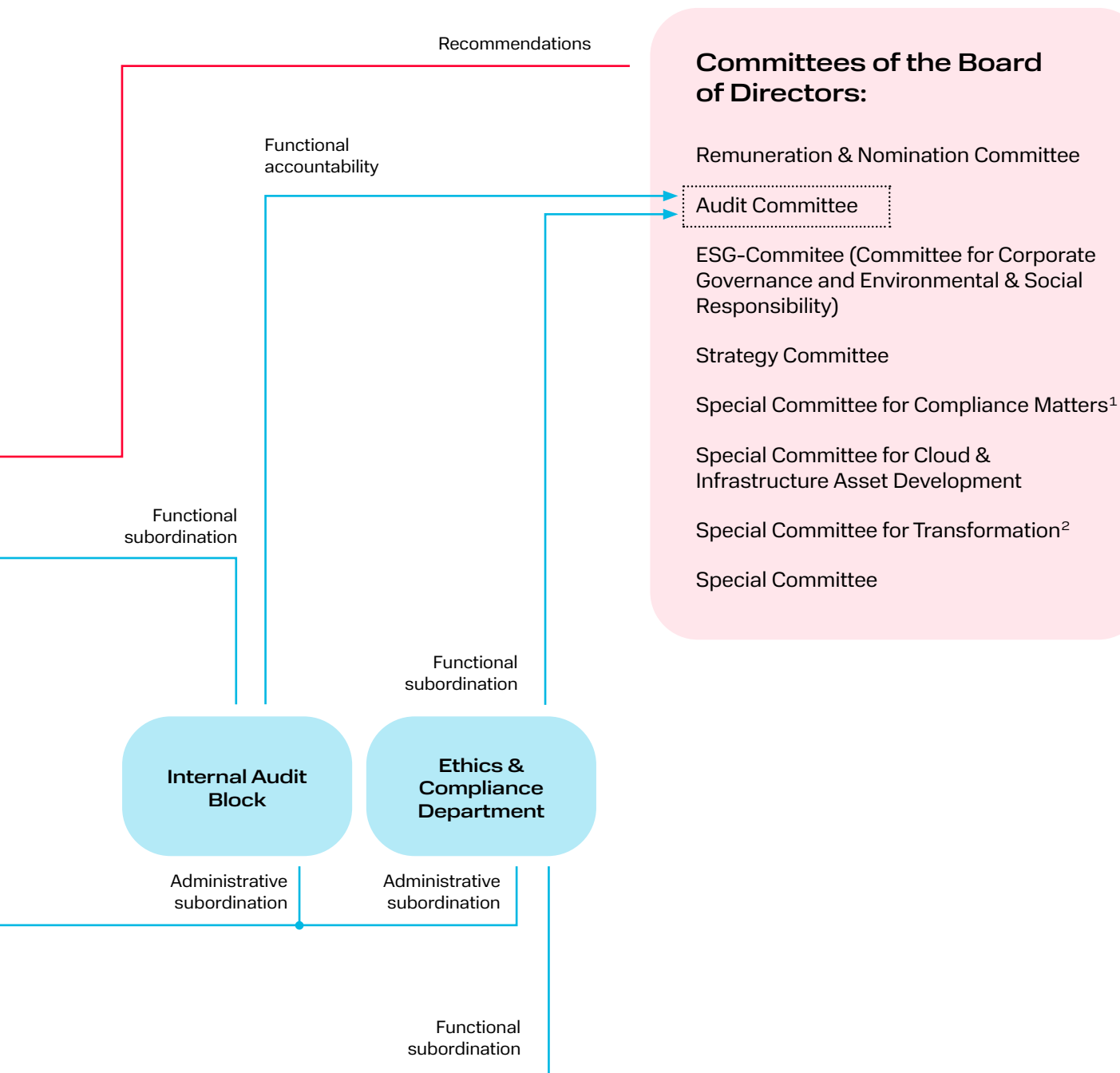
Management of the companies not controlled by the MTS Group, regarding which persons/entities from MTS Group have the rights of a shareholder (member), involves protecting MTS interests in terms of profitability target parameters, strategy priorities, property rights of shareholders (members). The degree of integration of corporate governance standards and anti-corruption compliance of MTS Group in such companies is influenced by the share of participation by persons/entities as part of MTS Group and/or the terms of the corporate agreement entered into regarding such a company. Herewith, the Group makes reasonable efforts to ensure compliance with and application of these standards in the companies not controlled by the MTS Group.

The anti-corruption compliance program of the MTS Group is implemented by introducing uniform approaches, standards, policies and procedures both at MTS PJSC and its subsidiaries. Ensuring uniformity in the context of the large composition of the MTS Group is achieved through commitment to the principles of corporate governance, efficacious contract work in investment transactions and a proactive approach to setting up interaction with the heads of new MTS Group companies.

CORPORATE GOVERNANCE BODIES

Structure of Management and Supervisory Bodies of MTS PJSC in 2024





¹ Powers terminated on 27.06.2024

² From 19.12.2024.

GENERAL MEETING OF SHAREHOLDERS

General Meeting of Shareholders — supreme management body of MTS PJSC. The procedure for holding the General Meeting of Shareholders is aimed at ensuring adherence to the rights of shareholders and meets all the requirements of the Russian Federation legislation. The procedure for preparing, convening, holding and summarizing the results of the General Meeting of Shareholders is determined by the Charter¹ and the Regulations on the General Meeting of Shareholders of MTS PJSC².

The shareholders take part in governance over the Company and significantly impact its priority areas of business development by making decisions at the General Meeting of the Company's Shareholders. The powers of the General Meeting of Shareholders include approving the annual report and

accounting statements, distributing profit, including paying dividends, electing key management and control bodies of the Company, decision-making concerning the Company reorganization and a number of other important matters.

Notifying the Shareholders on Holding of the General Meeting of Shareholders

Shareholders shall be notified on holding of the General Meeting of Shareholders through posting of this information on the Company's official website³ at least thirty (30) calendar days prior to the date of its holding.

The notice of holding 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 register of shareholders, 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 materials on the agenda of the General Meeting of Shareholders are provided to the 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.

Within the framework of preparation for the General Meeting of MTS Shareholders, the shareholders get the opportunity to ask members of the executive bodies and the Board of Directors about the items on the agenda of the General Meeting of Shareholders, as well as to voice their opinion about the items on the meeting agenda by sending e-mails to: shareholder@mts.ru. Materials on the meeting agenda are posted on a special page of the website dedicated to the Annual General Meeting of Shareholders.

¹ https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20Charter_2025-eng.pdf.

² <https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20GSM%20Regulations%202025%20ENG.pdf>.

³ https://ir.mts.ru/en/about_mts/corporate_governance/shareholders-meeting.

Holding the General Meeting of Shareholders

Shareholders may exercise their voting right by ways most simple and convenient for them without any encumbrance. Voting at the General Meetings of Shareholders is conducted 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 voting e-ballots on the MTS website at: www.mts.ru/shareholder via electronic services.

The General Meetings of Shareholders shall be set up and held so as to allow easy access for all the shareholders. General meetings held in the form of joint attendance shall be organized at locations convenient for arrival and personal participation by the shareholders and their representatives. During registration and during the break, the shareholders are provided with an opportunity to receive the necessary consultations on various Company projects.

Results of the 2024 Annual General Meeting of Shareholders¹

The Annual General Meeting of Shareholders of MTS PJSC was held on June 26, 2024 in absentia using the Registry-Online e-voting services by Reestr JSC. At the Annual General Meeting of Shareholders, 71.2% of those participating in the meeting voted electronically.

¹ https://ir.mts.ru/en/news_and_events/corporate_releases/details/741912.

BOARD OF DIRECTORS

The Board of Directors is a key element in the MTS PJSC corporate governance system representing the interests of its shareholders through efficient management organization.

Establishment procedure, status, composition, functions, goals and objectives, powers of the Board of Directors, the procedure for its operation and interaction with other management bodies of the company are set forth in the provisions of Russian Federation legislation, the Charter, the Regulations on the Board of Directors of MTS PJSC¹, as well as taking into account the recommendations of the Corporate Governance Code of the Bank of Russia.

Basic Functions of the Board of Directors:

- developing and analyzing general corporate strategy, and exercising control over its implementation;
- ensuring 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 revenue and profitability;
- protecting rights and legitimate interests of the Company's shareholders.

Composition of the Board of Directors

The composition of the Board of Directors is formed in accordance with the interests of shareholders, taking into account the balance of professional qualifications, experience and business skills of its members. The issues related to the needs of the Board of Directors in the area of professional qualification, background and business skills of its members, as well as to the numerical composition, were considered within the procedure for assessing the Board of Directors' performance². Current members of the Board of

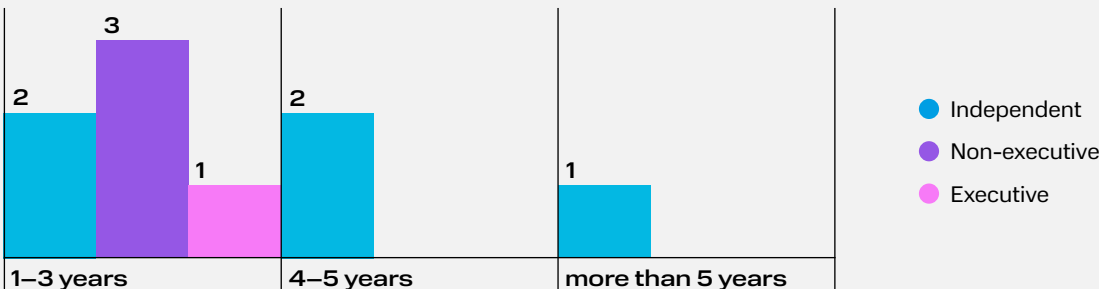
Directors of MTS PJSC were elected at the Annual General Meeting of Shareholders of MTS PJSC on June 26, 2024.

In recent years, the majority of seats on the MTS Board of Directors have been occupied by independent directors. The Board of Directors is well-balanced both in terms of numerical composition and in terms of experience and qualification of its members.

¹ <https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20BoD%20Regulations%202025%20ENG.pdf>

² See more in the "Assessing the Performance of the Board of Directors" section.

Duration of Work in the Board of Directors



Composition of the Board of Directors¹

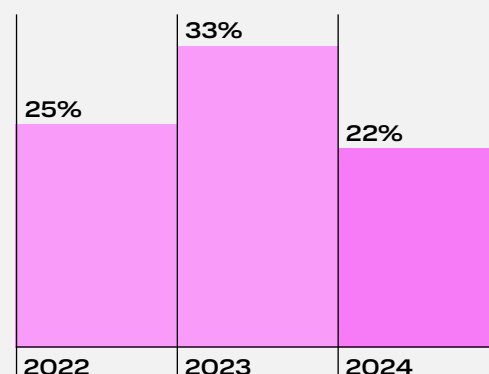
56%
Independent

33%
Non-executive

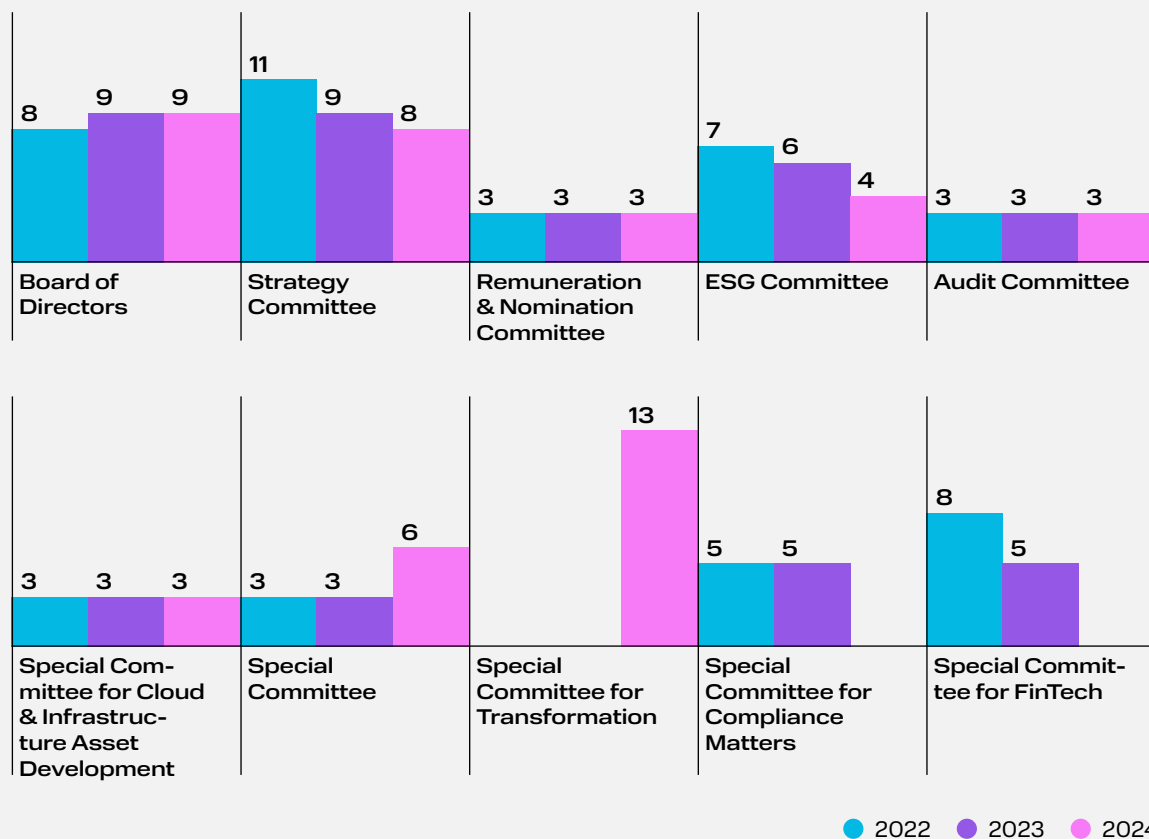
11%
Executive



Share of Female Directors in the Composition of the Board of Directors¹



Numerical Composition of the Board of Directors and Committees¹



¹ Data as of December 31, 2024.

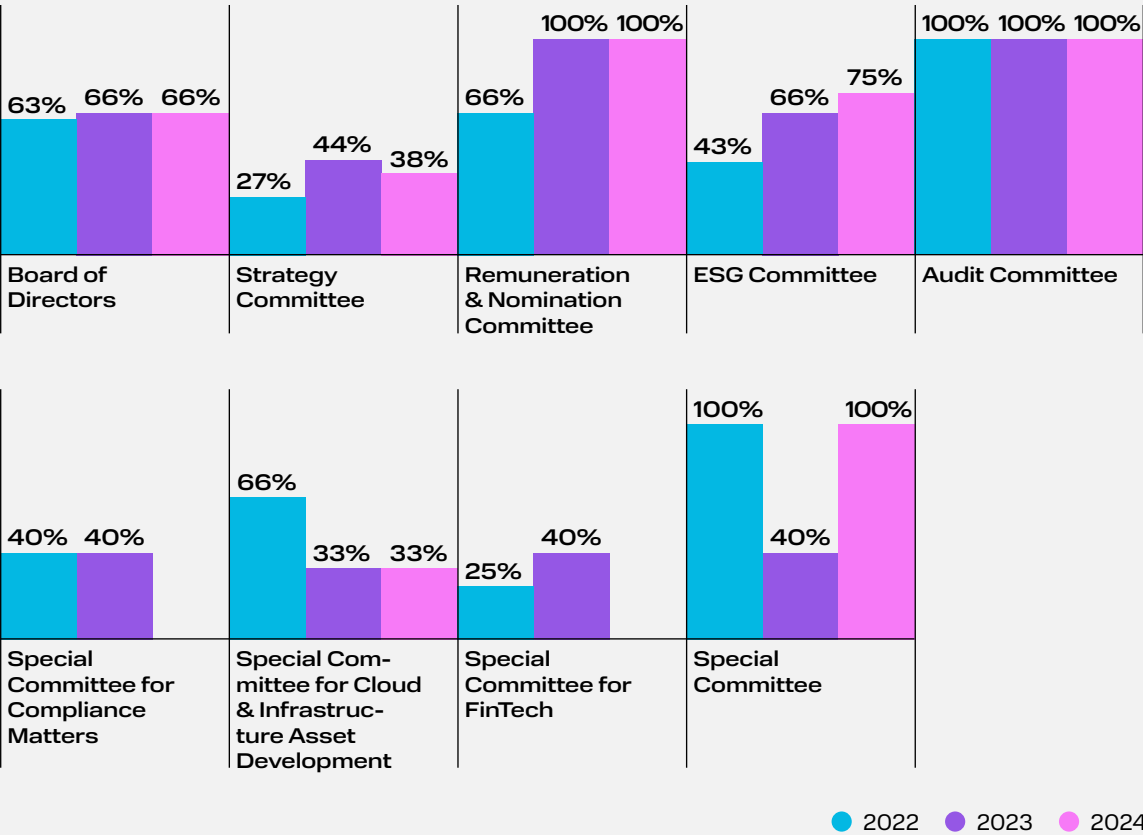
Chairman of the Board of Directors

The Chairman of the MTS PJSC Board of Directors ensures the growth in shareholder value and maintains a balance between short-term financial performance and long-term strategic positioning of the business. The key task of the Chairman of the Board of Directors is to create a dynamic and positive environment in the Board of Directors, where each member can show their best qualities.

By a unanimous decision of the MTS Board of Directors, a non-executive director was elected Chairman of the MTS PJSC Board of Directors on June 27, 2024, and an independent director was elected Deputy Chairman of the Board of Directors.

The Deputy Chairman of the Board of Directors actually performs the functions of the senior independent director provided for by the Corporate Governance Code. They coordinate the work of independent directors and build interaction between independent directors and the Chairman of the MTS Board of Directors.

Share of Independent Directors in the Composition of the Board of Directors and Committees¹



¹ Data as of December 31, 2024.

Independent Directors

Independent directors ensure a reasonable balance of interests between all the concerned parties: The Company itself, its shareholders and other stakeholders.

The Audit Committee under the Board of Directors is headed by an independent director, who has experience and knowledge in the preparation, analysis, evaluation and audit of financial reporting.

The Audit Committee and the Remuneration & Nomination Committee of the Board of Directors are formed exclusively from independent directors. The remaining committees also include independent directors.

Independent directors participate in strategic sessions for discussing the Company's strategy update with participation by members of the Board of Directors, and Company management.

The Company also introduced the practice of preliminary review of a number of interested-party transactions at the

meetings of the Audit Committee of the Board of Directors consisting only of independent directors.

Independent directors are professional managers, whose experience and knowledge make a significant contribution to developing the Company's corporate governance system.

Since 2020, independent directors have made up more than a half of the numerical composition of the Board of Directors.

The Board of Directors includes two independent female directors.

Informing newly elected members of the Board of Directors and the committees of the Board of Directors about the Company's operation

In accordance with the best corporate governance practices, an orientation (information) course is held for newly elected members of the Board of Directors and the committees of the Board of Directors in the format of an interactive presentation in Russian and English. This course makes it possible to briefly familiarize new members of the Board of Directors and the committees of the Board of Directors with the history of Company development, work of the Board of Directors, main documents governing the Company's opera-

tions, annual financial statements, development strategy, the Company's management structure, etc.

As part of the orientation course, meetings are held with the CEO and key representatives of MTS senior management, where members of the Board of Directors can receive any information they need for work.

Role of the Board of Directors in organizing an efficient risk management and internal control system¹

The Board of Directors determines the principles and approaches to organizing the risk management and internal control system in the Company and regularly reviews issues of organization, functioning and effectiveness of the risk management and internal control system. Approves internal documents defining the policy in the field of risk management and internal control; reviews and approves reports by the Audit Committee on the work of the internal audit, business ethics and compliance, risk management and internal control system departments, as well as reports on risk

management in the MTS Group of Companies, reports on the development of the Unified Compliance System, reports on the development of the corporate anti-corruption compliance program in the MTS Group and reports on the results of internal audit activities in the MTS Group.

An efficient risk management, compliance and internal control system is in place in the Company designed to ensure a reasonable level of confidence in the Company achieving its objectives.

Organization of the Board of Directors activities

At least six in-person meetings shall be conducted each year in accordance with the approved plan of meetings of the Board of Directors. If necessary, it is possible to participate in a joint meeting through video conferencing. Extraordinary meetings are convened to make decisions on urgent matters. Issues that have been previously thoroughly worked out and with regard to which members of the Board of Directors do not have significant comments are brought up at the meetings in the form of absentee voting.

The plan of activities of the Board of Directors for the next year shall be approved in June of the current year. Dates, time and locations of meetings shall be determined according to the activity schedules of the Board of Directors members in order to provide for participation by all directors.

The activities plan includes the main issues of the Company's operation: strategy, finances, budget and risks, HR. Such a plan shall be prepared with regard for the suggestions

from the Board of Directors members and the Company's management. All items on the agenda of the Board of Directors meeting shall normally be reviewed by the relevant committees, allowing discussion and generation of recommendations for a final decision by the Board of Directors.

In-person meetings of the Board of Directors are held in the Moscow headquarters. The first meeting of the newly elected composition of the Board of Directors shall be held in person, on the day of the General Meeting of Shareholders or within several business days after the election of the Board of Directors in a new composition, at which a decision on the election of the Board of Directors is made. The Company also uses remote forms of communication.

The Chairman of the Board of Directors holds monthly meetings/consultations with representatives of shareholders and/or management of the Company. The main topic of such meetings is the issue of managing strategic changes.

¹ See "Risk Management" section for details.

Corporate Secretary

The Corporate Secretary ensures efficient work of the Board of Directors, interaction with the shareholders, coordinates the Company's activities aimed at protecting the rights and interests of the shareholders.

The functions of the Corporate Secretary in MTS PJSC are performed by the Corporate Governance Department acting on the basis of the Regulations on the Corporate Governance Department¹. The Corporate Governance Department is headed by the Corporate Governance Director, who is appointed and dismissed by the Company CEO in agreement with the Company Board of Directors.

The functions of the Corporate Governance Department include ensuring efficient ongoing interaction with shareholders, coordinating the Company's actions aimed at protecting the rights and interests of shareholders, as well as supporting the efficient work of the Company's Board of Directors.

Board of Directors Secretary

The Board of Directors Secretary ensures compliance by the Company's management bodies with the requirements of legislation and internal regulations of the Company that guarantee the enforcement of rights and interests of its shareholders. The Board of Directors Secretary performs its functions in accordance with the Charter and Regulations on the Board of Directors of MTS PJSC².

The functions of the Board of Directors Secretary include, inter alia, induction of newly elected members of the Board of Directors, notification of members of the Board of Directors and invited persons about upcoming meetings, provision of

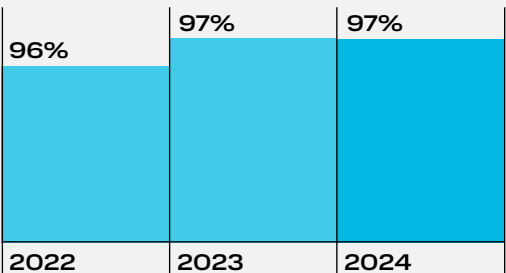
materials on the agenda items and additional information, counting voting results, keeping minutes of meetings, control over execution of decisions by the Board of Directors, communication, organizational and other functions.

¹ <https://storage.ir.mts.ru/mts-ir/images/documents/regulations-on-mts-corporate-governance-department.pdf>.

² <https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20BoD%20Regulations%202025%20ENG.pdf>.

Report on activities of the Board of Directors

Attendance Rate for the Meetings of the Board of Directors

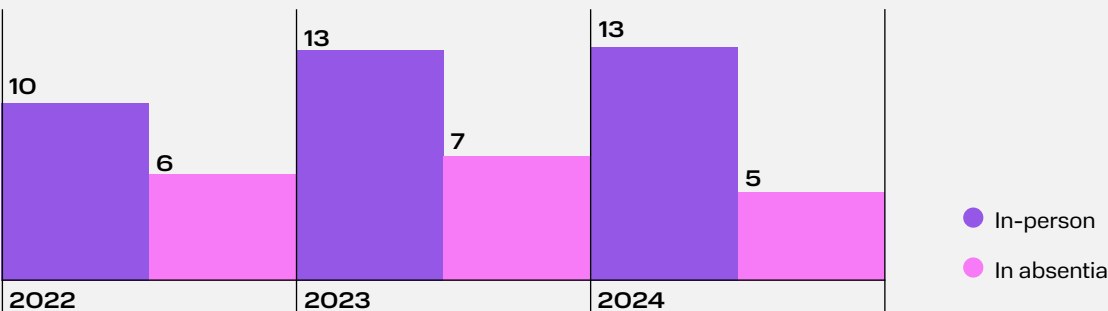


2024 saw

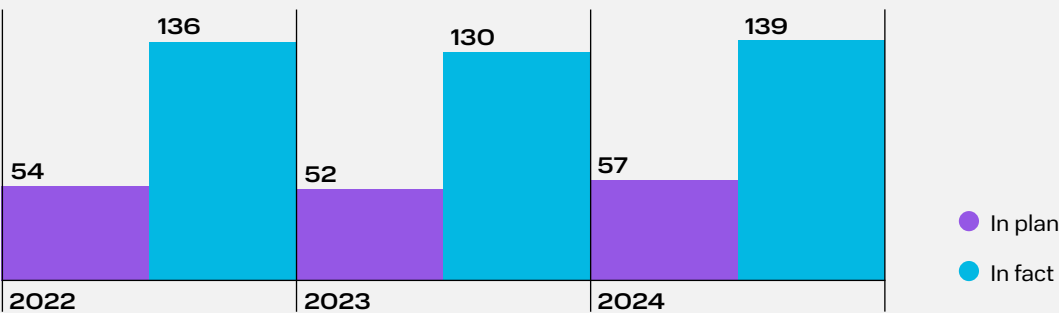
18 meetings

of the Board of Directors, including 13 in-person meetings and 5 meetings in the form of absentee voting.

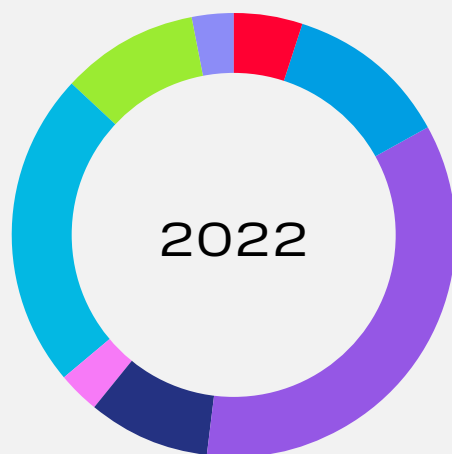
Number of meetings held by the Board of Directors



Number of Issues Considered at the Meetings of the Board of Directors



Structure of Issues Considered at the Meetings of the Board of Directors



5%
Business strategies,
investments, new activities

3%
Approval of internal
documents

12%
Personnel appointments
and personnel policy

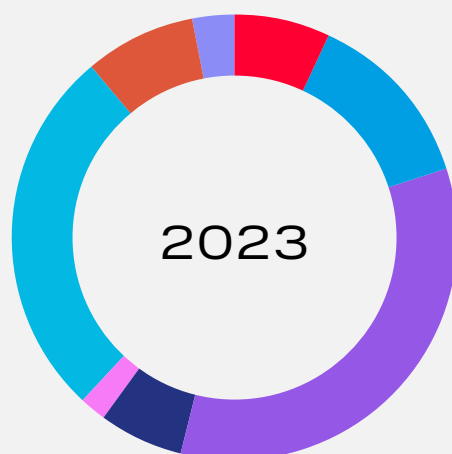
23%
Participation in assets,
groups, associations

35%
Corporate governance
and securities

10%
Financial reporting,
planning and audit

9%
Approval of transactions

3%
Functional strategies



7%
Business strategies,
investments, new activities

2%
Approval of internal
documents

13%
Personnel appointments
and personnel policy

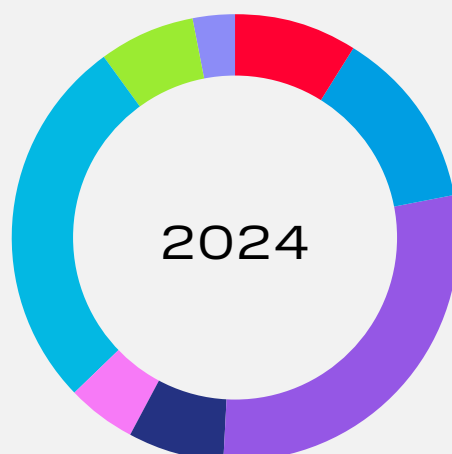
27%
Participation in assets,
groups, associations

34%
Corporate governance
and securities

8%
Financial reporting,
planning and audit

6%
Approval of transactions

3%
Functional strategies



9%
Business strategies,
investments, new activities

5%
Approval of internal
documents

13%
Personnel appointments
and personnel policy

27%
Participation in assets,
groups, associations

29%
Corporate governance
and securities

7%
Financial reporting,
planning and audit

7%
Approval of transactions

3%
Functional strategies

Examples of Major Issues Reviewed by the MTS PJSC Board of Directors in 2024

- Approval of the MTS PJSC technological strategy (IT) for 2025–2027
- Status of MTS PJSC transformation for 2023–2024
- Strategy of the MTS PJSC Venture Fund for 2023–2024
- On funds of the long-term material incentive programs for MTS PJSC employees
- Results of the MTS Group compliance culture study for 2024, improvement plans for 2025, as well as the results of the improvement implementation plan for 2024
- Development of MTS PJSC digital services in the field of personnel management
- On the main indicators (metrics) of the MTS Group strategy execution
- Status of transforming MTS PJSC corporate culture
- Implementation of MTS PJSC ESG strategy

Assessment of the Board of Directors' performance

The Board of Directors' performance is evaluated on a regular basis (annually). The assessment can be made as a self-assessment or by involving an independent consultant.

In 2024, MTS conducted an assessment of the Board of Directors' performance in the form of a self-assessment. All current members of the MTS Board of Directors, as well as representatives of MTS management, took part in the survey.

The following items were assessed in 2024:

- composition, role and competences of the Board of Directors and the Committees of the Board of Directors;
- effectiveness of performance of functions by the Board of Directors and the Committees of the Board of Directors;
- procedures for the work by the Board of Directors and the Committees of the Board of Directors;
- individual work of each member of the Board of Directors and the Chairman of the Board of Directors;
- activities of the Corporate Secretary.

Results of Assessment of Board of the Directors Performance in 2024

The Preliminary Report on the Results of Assessing the Board of Directors Performance was reviewed at a joint meeting of the Remuneration & Nomination Committee and the ESG Committee of the MTS Board of Directors. The final report was reviewed at a meeting of the MTS Board of Directors.

The assessment confirmed that the principles of the Board of Directors' work comply with high standards of corporate governance, and that members of the Board of Directors and the Chairman of the Board of Directors demonstrate high work efficacy. Areas for improvement in the work of the Board of Directors and the Committees of the Board of Directors were also identified.

The Board of Directors will continue to evaluate its performance to ensure continuous improvement in the effectiveness of the Board of Directors and the Committees of the Board of Directors.

100%

of the Board of Directors members participated in the self-assessment of 2024 performance

Liability Insurance

The sum insured under the liability insurance contract for members of the Boards of Directors, officials of MTS and MTS Group companies (hereinafter the “Insurance Contract”) shall be USD50 million.

The Insurance Contract allows protection of members of the Board of Directors, Management Board and management of MTS PJSC and MTS PJSC subsidiaries and provides coverage for indemnification of executive officers, in connection with actions or claims submitted against them or their prosecution by authorized state authorities for their actions/omission while they exercise official duties in the office held, namely:

- reimbursement of expenses to executive officers for lawyers and legal protection in connection with the above actions or claims;
- indemnification for damages caused to plaintiffs by inadvertent actions/omission by executive officers (in the event that the action is satisfied by the court);
- indemnification of damages to MTS PJSC and subsidiaries of MTS PJSC for security-related claims (except for actions related to new IPOs of American depository receipts).

COMMITTEES OF THE BOARD OF DIRECTORS

Committees of the Board of Directors make a preliminary study of issues before they are submitted to the meeting of the Board of Directors. The committee members make a thorough study of an issue and propose elaborated alternative decisions to the members of the Board of Directors, making it possible for them to join the discussion of the issue more promptly.

Powers of and requirements for compositions of the committees shall be determined by Regulations on the Committees approved by the Board of Directors. The committees may involve third party experts and advisors in order to fulfill their tasks. The results of reviews of agenda items by the committees are communicated to the Board of Directors members before every meeting of the Board of Directors.

Each member of the Board of Directors is also a member of one to nine committees. Representation of the Company's managers in the committees permits a meaningful dialog during committee meetings.

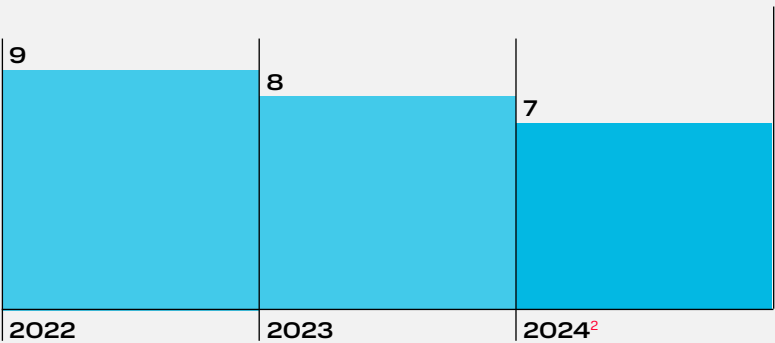
Committees of the Board of Directors

- Remuneration & Nomination Committee
- Audit Committee
- ESG-Committee (Committee for Corporate Governance and Environmental & Social Responsibility)
- Strategy Committee
- Special Committee for Compliance Matters¹
- Special Committee for Cloud & Infrastructure Asset Development
- Special Committee for Transformation²
- Special Committee

¹ Powers terminated on 27.06.2024

² From 19.12.2024.

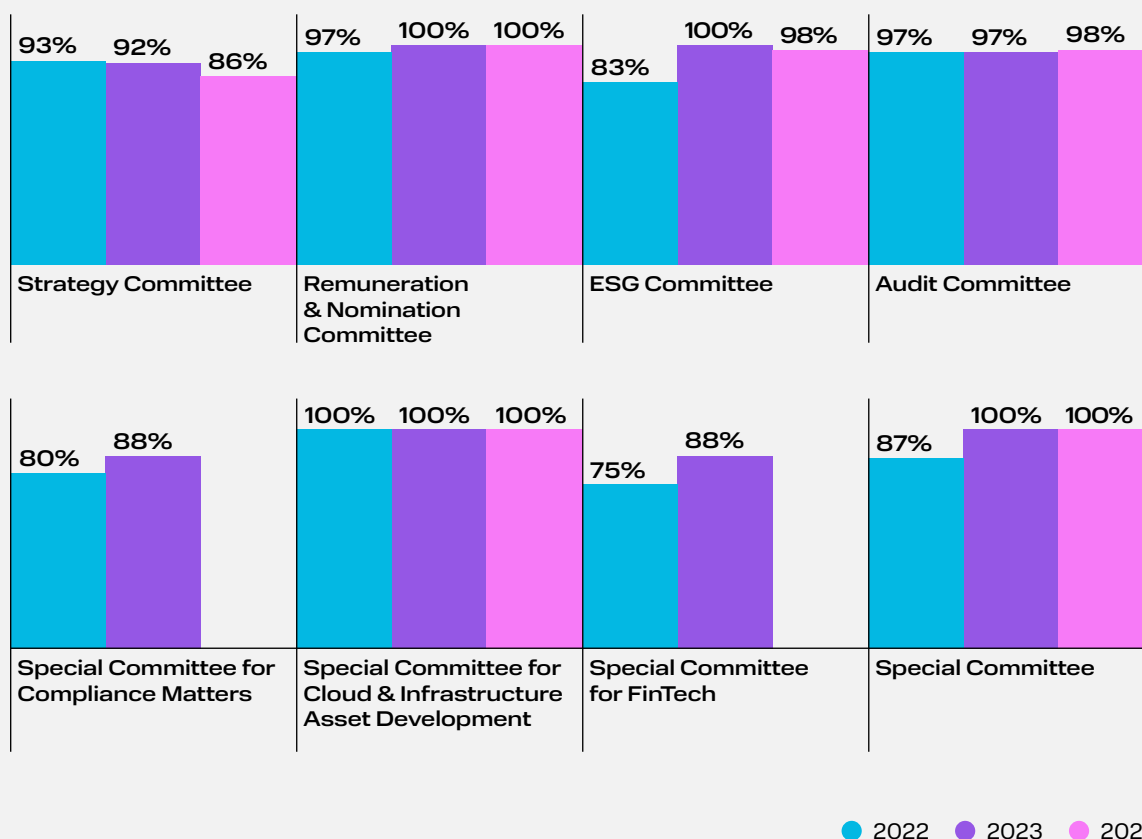
Number of Committees of the Board of Directors¹



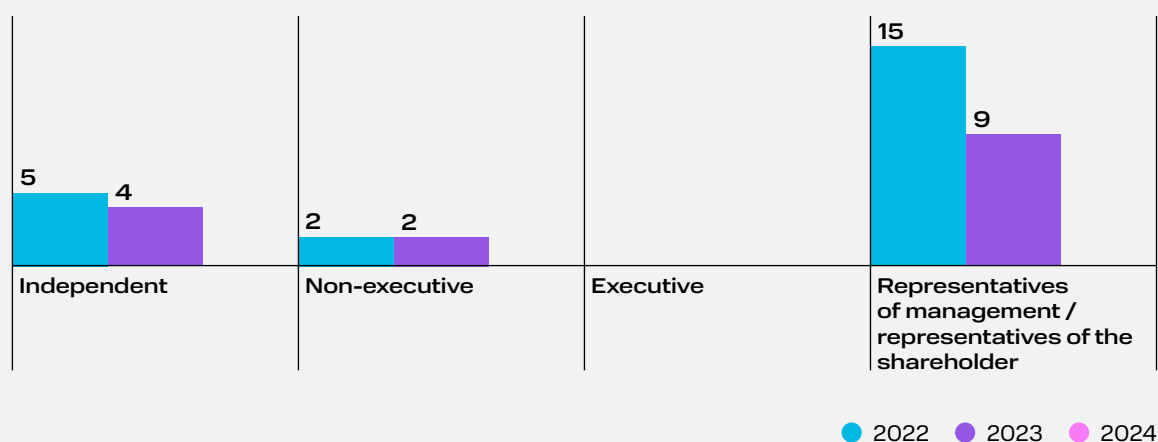
¹ The Special Committee for Compliance Matters and the Special Committee for FinTech have been abolished.

² Data as of December 31, 2024.

Average level of attendance of the meetings of the Committees¹



Structure of Composition of the Committees of the Board of Directors¹



¹ Data as of December 31, 2024.

Audit Committee

The Audit Committee assists in efficient implementation of functions of the Board of Directors in terms of control over the Company's financial and economic activities.

In their activities, the Committee members are guided by prevailing legislation, the Charter and the internal documents of the Company, the Corporate Governance Code¹, the Code of Business Conduct and Ethics of MTS PJSC, decisions by the Company's management bodies, as well as the Regulations on the Audit Committee².

Key functions of the Committee:

- monitoring completeness, accuracy, and objectivity of the MTS Group's financial reporting;
- review and analysis, together with management and an external auditor, of the Group's annual financial reporting, interim financial information and relevant documents submitted to the Bank of the Russia and other regulatory authorities;
- review of reports on financial and operational performance of MTS Group before issuing press releases;
- control over the reliability and efficiency of the risk management system, internal control and corporate governance of the MTS Group;
- assessment of the execution of procedures used by MTS Group to identify the principal risks and relevant control procedures in order to determine their adequacy and efficacy;
- review of reports on assessing the effectiveness of the internal control system, risk management and corporate governance of the MTS Group;
- preliminary review of interested-party transactions;
- review, together with the management, internal auditor and external auditor, of any cases of law violation, fraud and significant deficiencies in internal control and risk management procedures;
- supervision of the efficacy of the reporting system on potential fraud cases committed by the Group's employees (including violation of anti-corruption policy, unfair use of insider and confidential information) and by third parties, as well as on other violations in the Group;
- review of the results of inspections and investigations made and reports on the work of the MTS Group Unified Hotline;
- supervision of updating, bringing the Code of Business Conduct and Ethics of MTS PJSC (hereinafter the "Code") to the persons covered by the Code;
- review of the measures taken by the management of MTS PJSC to increase the level of corporate, compliance and risk culture, awareness of those covered by the Code about the Code requirements and the consequences of its violation;
- review of proposed measures to resolve the conflict of interests by MTS PJSC management bodies members;
- ensuring independence and objectivity of the internal audit function;
- review and approval of the internal audit policy, internal audit strategy, annual audit plan and the main changes made to the plan during the calendar year;
- review, together with the Internal Audit Director, and approval of the internal audit resource plan, budget and KPIs;
- assessment of efficacy of internal audit activities and the fulfillment of KPIs;
- assessment of the Group's external auditors' independence, objectivity, and lack of conflict of interest, including the assessment of candidates for the Group auditors, submission of recommendations on the appointment, re-appointment and discharge of the external auditors of the Group, remuneration for their services and contractual terms;
- supervision of the external audit, assessment of the quality of the audit and review of audit reports proving the reliability of the consolidated financial statements of the MTS Group prepared in accordance with International Financial Reporting Standards and the financial statements of MTS PJSC prepared in accordance with Russian Accounting and Reporting Standards;

¹ The Corporate Governance Code recommended for use by the Bank of Russia (Letter No. 06-52/2463 dd. April 10, 2014).

² <https://storage.ir.mts.ru/mts-ir/images/documents/Regulations%20on%20the%20Audit%20Committee%202024-eng.pdf>.

- supervision of compliance with the Group's procedures setting the principles for the provision and combination of audit and non-audit services by the auditor, and the preliminary approval of non-audit services.

Number of Members

There were no changes to the composition of the Committee during the reporting year.

The composition of the Committee was approved at the meeting of the Board of Directors on June 27, 2024.

Meetings

In the reporting year, 19 Committee meetings were held: 14 in-person meetings and 5 meetings in the form of absentee voting. In addition, 3 joint meetings were held with other committees of the Board of Directors.

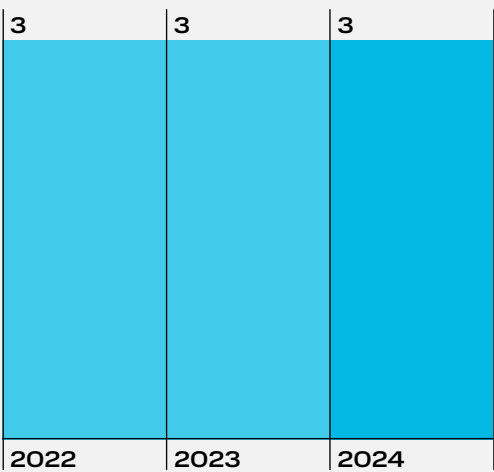
Additionally, the Committee members held meetings with financial executives of the Company and managers responsible for risk management, internal control system, internal audit, business ethics and compliance, as well as with Company external consultants on a number of issues.

Recommendations to the Board of Directors on the issues considered

The Audit Committee provided recommendations to the Board of Directors regarding the review and approval of the following issues:

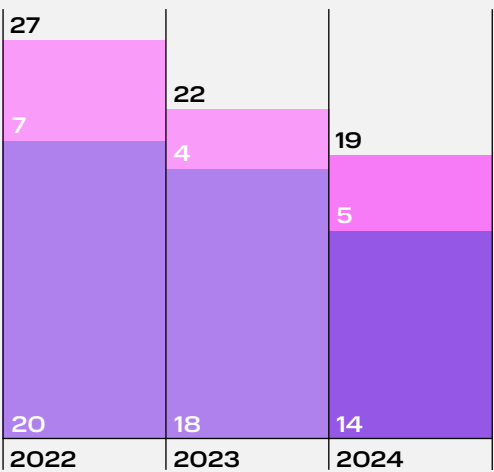
- Restated regulations on the Audit Committee under the MTS PJSC Board of Directors;
- Restated regulations on the MTS PJSC internal control system;
- Restated policy “Internal Audit of MTS PJSC”;
- MTS PJSC annual report and annual accounting statements for 2023, prepared in accordance with Russian accounting standards;
- Opinion of the third-party auditor and conclusions of the Auditing Commission based on the results of the audit of the MTS PJSC annual accounting statements for 2023, as well as the conclusions of the MTS PJSC internal audit;
- MTS PJSC risk management and key risk dashboard reports for the first six months and for 2024 and assess-

Composition of the Audit Committee



● Independent

Meetings of the Audit Committee



● In absentia
● In-person

ment of the MTS Group risk management performance in 2024;

- Report on developing the corporate anti-corruption compliance program of MTS PJSC and its subsidiaries for 2024;
- Results of the MTS Group compliance culture study for 2024, improvement plans for 2025, as well as the results of the improvement implementation plan for 2024;
- Report on the performance results of the internal audit of MTS PJSC and its subsidiaries for 2024, assessment of the work and fulfillment of key effectiveness indicators of the internal audit for 2024;
- Internal audit strategy for 2025–2027, audit plan, key effectiveness indicators and budget of the Internal Audit Block of MTS PJSC for 2025;
- Nominations of the auditor and remuneration of Business Solutions and Technologies JSC for audit services in 2024;
- major interested-party transactions falling within the competences of review by the Board of Directors.

Key areas of the Audit Committee activities and issues reviewed in 2024

In the field of financial reporting

During 2024, the Audit Committee reviewed the interim financial information of the MTS Group for Q1, Q2, Q3 of 2024 in order to determine the completeness, consistency of

information and presentation of reasonable assessment of financial standing, performance indicators and prospects of the MTS Group.

The MTS Group consolidated financial statements for 2024 prepared in accordance with the International financial reporting standards and the accounting statements of MTS PJSC for 2024 prepared in accordance with the Russian accounting and reporting standards were reviewed; an analysis of the audit results was made together with the management and the external auditor.

The reports on the financial and operating performance of the MTS Group for Q1, Q2, Q3, Q4 and 2024 as a whole were reviewed and recommended for subsequent disclosure by the Committee.

In the field of risk management, internal control and corporate governance system

In December 2024, the Audit Committee reviewed and recommended to the Board of Directors to approve the restated Regulation on Internal Control System of MTS PJSC.

During 2024, the Committee reviewed the reports on risk management at MTS PJSC and dashboards for key strategic risks of the MTS Group for the first six months of the year and for 2024. The Audit Committee gave a positive assessment of the work of the MTS Group in the field of risk management in 2024.

The Committee reviewed the plans and performance results of the unit for the development and support of the internal control system for the first and second half of 2024, including the results of testing and assessing the efficacy of the internal control system over the reliability of MTS Group

2024 Performance

In the reporting year, the Audit Committee continued its work to monitor the reliability and effectiveness of the risk management system, internal control and corporate governance system, as well as to ensure the completeness and reliability of MTS Group financial reporting.

The Committee continues to focus on compliance issues, adherence to business conduct and ethics standards, and measures taken by the Company's management to improve the level of corporate, compliance and risk culture.

The Committee continuously pays attention to ensuring the independence and fairness of the activities of the internal and external audit functions, monitoring the quality of their work and effective interaction.

Chairman of the Audit Committee

financial statements. The Committee gave a positive assessment of the unit performance results.

The Committee reviewed and took note of the results of assessing the internal control system efficiency, risk management processes and corporate governance of the MTS Group as of December 31, 2024, carried out by internal audit.

During 2024, the Committee conducted a preliminary review of MTS PJSC interested-party transactions, in accordance with the interest criteria provided for by the Federal Law "On Joint-Stock Companies", and a number of transactions with related parties in accordance with the procedure described in the Regulation on the Audit Committee. The results of the analysis of economic feasibility and compliance with the requirements of regulations when making such transactions were discussed and taken into account.

In 2024, the Audit Committee carried out follow-up quarterly reviews of transactions related to investing in startups (including purchase, sale and change in ownership interest) made during the reporting quarter.

In the field of compliance and observance of the standards of business conduct and ethics

The Audit Committee reviewed the report on developing the MTS PJSC Unified Compliance System for 2024 and gave a positive assessment to the performance results of the Ethics & Compliance Department in terms of developing the Unified Compliance System for 2024 and assisting compliance program owners in maintaining it.

The Committee reviewed reports on developing the corporate anti-corruption compliance program of MTS PJSC and its subsidiaries based on the results of the first half of the year and for 2024 as a whole, as well as the results of studying the MTS Group compliance culture for 2024, including the improvement plan for 2025 and the report on implementing the improvement plan for 2024.

The Audit Committee gave a positive assessment to the activities in the area of business ethics and compliance, noting that the activities of the Ethics & Compliance Department are effective, key performance indicators and goals in the area of business ethics and compliance for 2024 have been achieved according with the expected results.

During the year, the Committee reviewed information on the status of conflict of interest management of members of the MTS PJSC management bodies, the results of internal investigations and reports on the work of the Unified Hotline of the MTS Group of Companies, as well as a number of other issues in the area of compliance, adherence to business conduct standards and ethics of MTS PJSC and its subsidiaries in accordance with the Regulation on the Audit Committee.

In December 2024, the Committee reviewed plans for 2025, the strategy for developing the corporate anti-corruption compliance program of MTS PJSC and its subsidiaries until 2026.

In the field of internal audit

In December 2024, the Audit Committee reviewed and recommended to the Board of Directors to approve the restated Policy "Internal Audit of MTS PJSC".

In 2024, the Committee reviewed quarterly reports on the performance results of the internal audit of MTS PJSC and its subsidiaries, including information on the status of the introducing audit recommendations and eliminating deficiencies identified by the internal audit, and amendments made to the annual audit plan.

The Audit Committee positively assessed the work of the Internal Audit and believes that the internal audit function is efficient and that key performance indicators and internal audit goals for 2024 have been fully achieved.

In December 2024, the Committee reviewed, pre-approved and recommended to the Board of Directors to approve the internal audit strategy for 2025–2027, the audit plan, key performance indicators and budget of the MTS PJSC Internal Audit Block for 2025, and also took note of the audit plans for 2025 in the MTS PJSC subsidiaries with a decentralized internal audit function.

In the field of external audit

The Audit Committee recommended Business Solutions and Technologies JSC as the auditor of MTS PJSC financial reporting for 2024, which was confirmed by the recommendation by the Board of Directors and by the Company shareholders at the Annual General Meeting of Shareholders in June 2024. The Committee pre-approved and recommended that the Board of Directors approve remuneration for the auditor.

The Audit Committee discussed and took note of the results and conclusions of the external auditor based on the results of reviewing the quarterly financial information overviews of MTS Group for Q1, Q2 and Q3 2024 and the annual audit.

At year-end 2024, the Committee gave a positive assessment to the quality of the audit and the auditor's conclusions based on the results of the audit of MTS PJSC accounting statements for 2024 prepared in accordance with the Russian accounting standards, and consolidated financial reporting of MTS Group for 2024 prepared in accordance with the International financial reporting standards.

The Committee supervised the external auditor's compliance with the principles of independence and the execution of the Group's procedures defining the principles for providing and combining audit and non-audit services by the auditor. During 2024, the Committee considered information on permissible non-audit services, which was provided by the external auditor, and discussed with the auditor the possible impact

of the services on the auditor's independence. Permissible non-audit services were pre-approved by the Committee in accordance with the procedure described in the Regulation on the Audit Committee.

In December 2024, the Audit Committee approved the work plan for the calendar year 2025.

Remuneration & Nomination Committee

The Remuneration & Nomination Committee is an auxiliary collective deliberative body under the Board of Directors. The primary goals of the Committee: formulate the Company's HR policy, determine the system for remunerating the Company's chief officers, generate a strategy for developing corporate culture at the MTS Group.

The Committee members follow the leading global practices and trends in generating efficient solutions within the area of their competence.

In its activities, the Committee follows the recommendations and requirements of the prevailing legislation, the Charter and internal documents of the Company, the Code of Ethics and Business Conduct, decisions by Company management bodies, as well as the Regulation on the Committee¹.

Main Areas of Activities of the Remuneration & Nomination Committee in 2024

1. Issues in the field of appointment to the MTS management and management bodies. Recommendations to the Board of Directors regarding candidates for the positions of members of the Management Board, CEO and other key Company employees. Elaboration of proposals on the essential terms of employment agreements entered into with key Company employees.

¹ <https://storage.ir.mts.ru/mts-ir/images/documents/Regulations%20on%20the%20Remuneration%20and%20Nomination%20Committee.pdf>.

2024 Performance

In 2024, the Remuneration & Nomination Committee performed its assigned function as a consultant to the MTS PJSC Board of Directors in priority areas of HR management relying on the international experience of corporate governance and the best professional practices in its work.

The task of the Committee is to help ensure that the MTS HR management policy and corporate culture serve as important factors retaining and attracting the best market professionals to the Company. In this regard, the Committee monitors the implementation of all strategic MTS development initiatives aimed at meeting this objective and makes recommendations to MTS management and the Board of Directors based on the extensive expertise and practical experience of the Committee members.

Key tasks of the Committee in the past reporting year:

- ensuring the implementation of succession policy of the CEO and key managers, as well as improving the succession policy of the MTS PJSC Board of Directors members;
- updating the program for long-term financial incentives and key performance indicators of management;
- supporting the transformation of MTS corporate culture as a digital ecosystem;
- ensuring efficient membership of the Boards of Directors of MTS subsidiary businesses and engaging third-party experts — recommending and considering nominations of independent candidates;
- ensuring meeting the compliance requirements in HR management processes, including measures to stimulate compliance behavior at all levels of the organization.

I express my gratitude to the Committee members and the management of MTS PJSC for their efficient collaboration in 2024.

Chairman of the Remuneration & Nomination Committee

- 2. Issues in the field of organizational structure, system of motivation and remuneration of the Company employees and members of the management and management bodies of the Company. Preparation of recommendations to the Board of Directors on approving the Company organizational structure. Preliminary review of provisions on short-term and long-term motivating members of the Company executive bodies. Preliminary review of internal documents related to implementing the Company option program.
- 3. Issues related to the Company HR Policy and remuneration strategy. Consideration of a set of measures aimed at implementing the HR Policy at MTS PJSC and providing relevant recommendations to the Board of Directors. Discussion of ecosystem issues affecting the Company's personnel development strategy.
- 4. Assessment of the Board of Directors and Committees of the Board of Directors. Preliminary consideration of the report on the annual assessment of performance by the Board of Directors and Committees of the Board of Directors.
- 5. Succession planning for the members of the Board of Directors and key employees of the Company. Review of organizing the succession planning process for members of the Board of Directors and key Company employees, including the annual analysis of the com-

position of the Board of Directors in terms of Company needs, updating the succession plan, participating in the selection of candidates for members of the Board of Directors.

Number of Members

The composition of the Committee was changed during the reporting year.

The composition of the Committee was approved at the meeting of the Board of Directors on June 27, 2024.

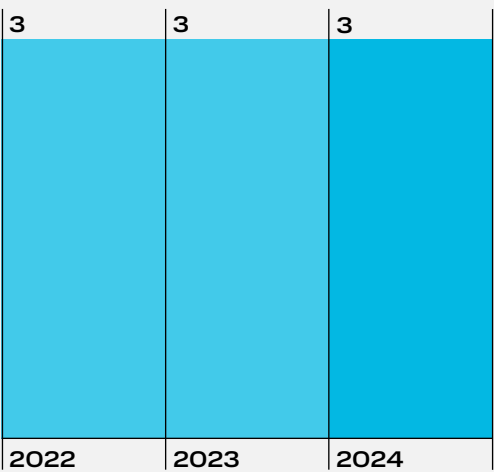
Meetings

In the reporting year, 15 committee meetings were held: 12 in-person meetings and 3 meetings in the form of absentee voting.

Issues Reviewed

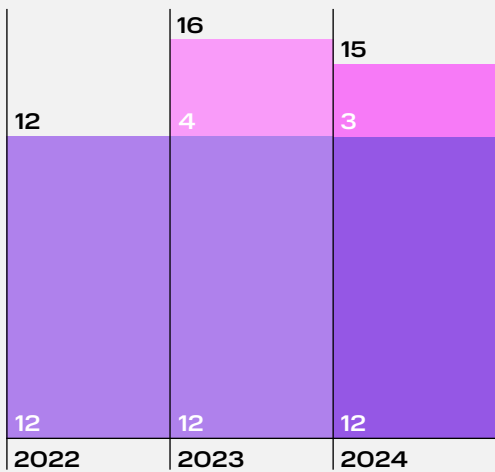
Concerning all of the issues reviewed, the Committee provided recommendations for appropriate decisions in accordance with the best global practices, the current business environment and the development strategy of the Company.

Composition of the Remuneration & Nomination Committee



● Independent

Meetings of the Remuneration & Nomination Committee



● In absentia

● In-person

ESG Committee (Committee for Corporate Governance and Environmental & Social Responsibility)

The ESG Committee was established to improve the system and corporate governance practices in the Company, as well as to form the Company's initiatives and policies in the field of sustainable development.

Within the scope of its competence, the Committee determines priority areas and monitors the Company's activities in developing and introducing corporate governance and sustainable development standards that contribute to the formation of a high assessment of the quality (level) of corporate governance, environmental and social responsibility of the Company. The Committee makes a preliminary review of the most important issues in the field of corporate governance and sustainable development falling within the competence of the Board of Directors and prepares rec-

ommendations to the Board of Directors to make relevant decisions.

The Committee follows in its activities the recommendations and requirements of the prevailing legislation, the Regulation on the Committee¹, the Charter and internal documents of the Company, the Code of Ethics and Business Conduct, decisions of the Company management bodies, and the best practices of ESG agenda management.

¹ <https://storage.ir.mts.ru/mts-ir/images/documents/Regulations%20on%20ESG%20Committee.pdf>.

2024 Performance

Against the background of rapid changes, business sustainability and its impact on the development and well-being of society are becoming especially relevant for everyone, irrespective of profession, stage of life or social status.

In MTS, the ESG Committee plays an important role in shaping the Company's strategy for interaction with society, as well as in practical implementation of ESG principles within the business strategy of the MTS Group.

In 2024, the ESG Committee in the MTS Group was focused on harmonizing management of social, economic and environmental resources of the digital ecosystem.

The updating of the ESG strategy allowed us to determine the priorities for sustainable business development in the midterm in a better way. These include innovation, development of human resources in digital industries, shaping of a brand of a socially responsible employer and an inclusive corporate culture, and boosting of our subsidiaries to develop own unique ESG initiatives in their activities. The ESG Committee also considered a roadmap for the MTS Greenhouse Gas Emissions Management Strategy and a set of measures to improve the energy efficiency of the Company's facilities.

Late in 2024, the MTS Group started a large-scale transformation to effectively respond to new market opportunities and challenges. We are committed to our social mission to form potential for the society well-being and development on the basis of MTS digital technology and products.

The MTS Group continues realizing the ESG strategy with an emphasis on the ethical and safe development, implementation of future technology and creation of a comfortable environment for people and business.

We believe that our ESG activity and achievements help support the long-term sustainability of ecosystem businesses of the MTS Group and contribute to positive social change in whole.

Chairman of the ESG Committee

Number of Members

The composition of the Committee was changed during the reporting year.

The new composition of the Committee was approved at the meeting of the Board of Directors dated June 27, 2024.

Meetings

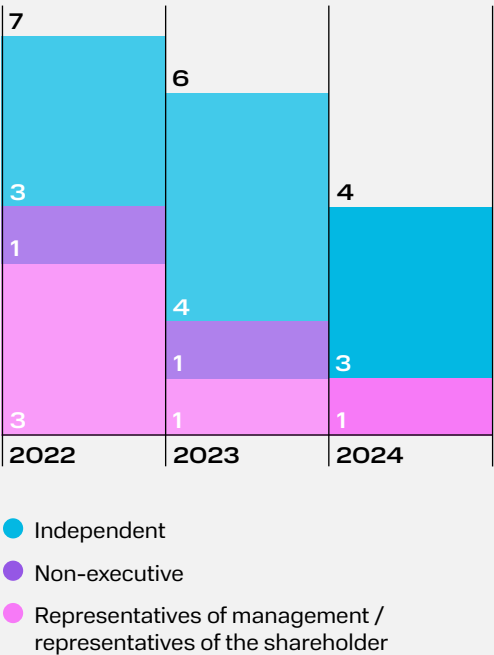
During the reporting year, 16 in-person meetings were held and 3 meetings were held in absentia, including joint meetings of the ESG Committee, the Audit Committee and the Remuneration & Nomination Committee of the Board of Directors.

Key areas and issues in focus of the ESG Committee in 2024

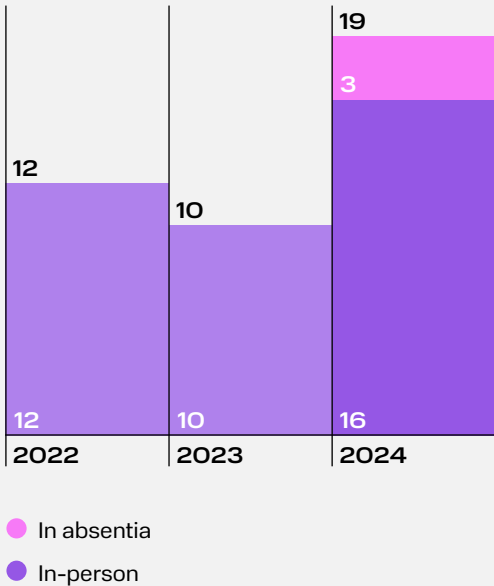
- Status of Implementing the MTS Group ESG Strategy.
- Review of the roadmap to the MTS Greenhouse Gas Emissions Management Strategy.

- Status and measures for energy efficiency management at MTS facilities.
- Conducting and results of the annual assessment of the work by the MTS Board of Directors.
- Efficiency of information exchange between MTS, shareholders, investors and other stakeholders.
- Efficiency of corporate governance and activities of the MTS corporate secretary.
- Status of implementing ESG initiatives in MTS subsidiaries and affiliates.
- Implementation of initiatives in the area of social support for inclusive groups of employees of the MTS Ecosystem and their place in forming corporate culture and the brand of a socially responsible employer of MTS.
- Results of assessing the level of compliance culture at the MTS Group.
- ESG-reporting: sustainability report.

Composition of the ESG Committee



Meetings of the ESG Committee



Strategy Committee

The Committee¹ prepares recommendations to the Board of Directors upon review of the general strategy issues of the MTS Group, strategic development of key functions, projects and the Company in general, as well as the implementation of M&A transactions and investment projects.

Number of Members

The composition of the Committee was changed during the reporting year.

The new composition of the Committee was approved on June 27, 2024.

Meetings

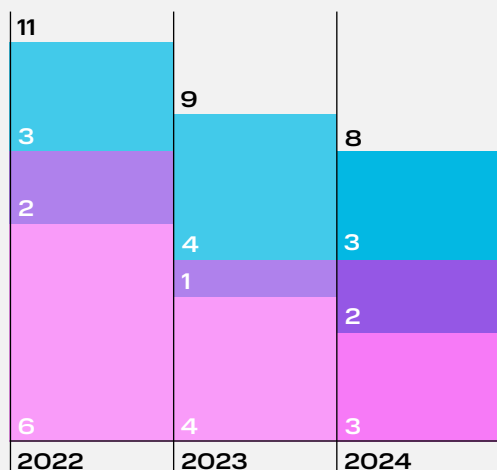
In the reporting year, 14 Committee meetings were held: 13 in-person meetings and 1 meeting in the form of absentee voting.

Issues reviewed

- MTS Group Strategy for 2024–2026 and 2025–2027.
- Strategies for business verticals and key functional horizontals.
- Distribution of profits (dividend payment) of MTS PJSC.
- Approval of the MTS Group budget for 2025.
- Current budget execution and debt management reports.

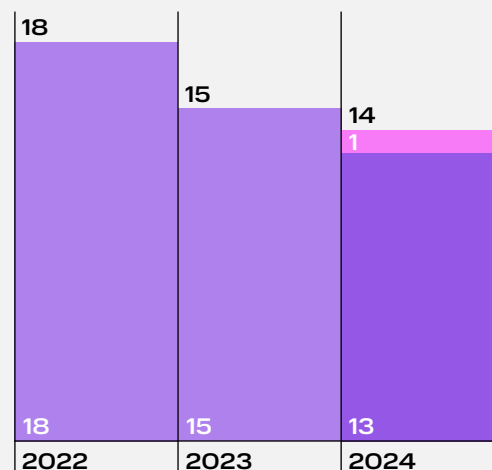
¹ <https://storage.mts.ru/mts-ir/images/documents/Regulations%20on%20Strategy%20Committee.pdf>.

Composition of the Strategy Committee



- Independent
- Non-executive
- Representatives of management / representatives of the shareholder

Meetings of the Strategy Committee



- In absentia
- In-person

- On acquisition/sale and reorganization of assets.
 - On reorganization of MTS PJSC in the form of acquisition and spin-off of its subsidiaries.
 - finalizing business vertical strategies;
 - dividend payment by MTS PJSC;
 - approving transactions;
 - approving the MTS Group budget for 2025.
- The Committee gave the following recommendations to the Board of Directors and management of the Company regarding:**
- finalizing the MTS Group strategies for 2024–2026 and 2025–2027;

2024 Performance

At the meetings of the Strategy Committee of the MTS Board of Directors in 2024, decisions were discussed and made on key projects that shape the development and status of implementing the MTS Group ecosystem strategy.

In particular, the 3-year strategy of the MTS Group ecosystem until 2027 and the relevant budget for 2025 were reviewed, and discussions of the strategies and budgets of the Company's key functional and business areas were held.

A lot of attention in the work of the Strategy Committee was paid to issues of reorganizing and developing the MTS Group subsidiaries, as well as corporate changes and optimizations aimed at the effective implementation of the MTS Group strategy.

Traditionally, a significant part of the Strategy Committee meetings agenda was aimed at solving issues of potential M&A transactions and the status of implementing previously closed transactions. In light of tightening the monetary policy in the Russian market in 2024, the Strategy Committee members focused especial attention on investment planning and debt management issues of the MTS Group.

Chairman of the Strategy Committee

Special Committee for Cloud & Infrastructure Asset Development

The Committee was established to develop recommendations for developing cloud and infrastructure assets transferred to MWS JSC within the reorganization of MTS PJSC.

Number of Members

The composition of the Committee was changed during the reporting year.

The composition of the Committee was approved at the meeting of the Board of Directors on June 27, 2024.

Meetings

The reporting year saw 7 in-person meetings of the Committee.

Issues reviewed

In 2024, the work of the Special Committee for Cloud & Infrastructure Asset Development was focused on ensuring the growth in the efficiency of the technological and IT infra-

structure of MWS, assistance in building the Company as a leading provider of digital infrastructure technologies and cloud solutions in the market of cloud and IT infrastructure services.

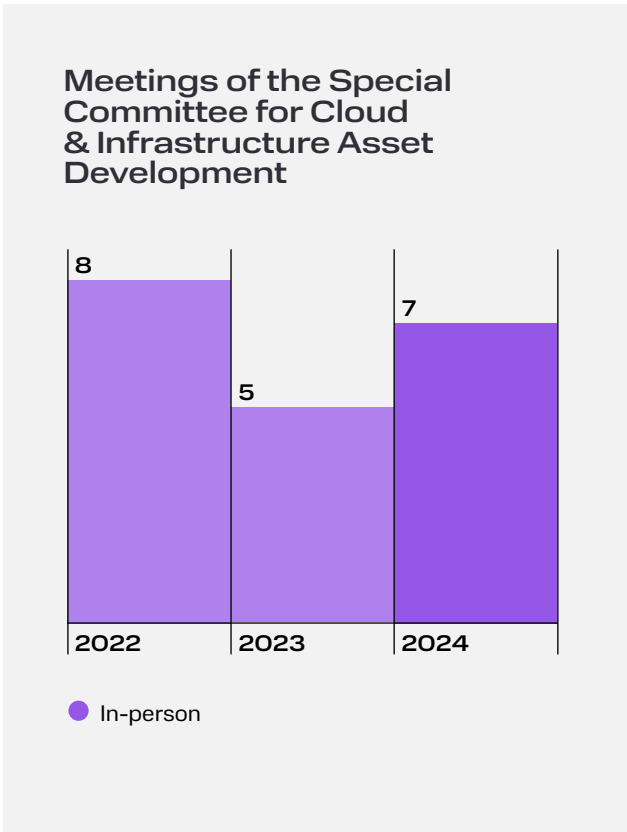
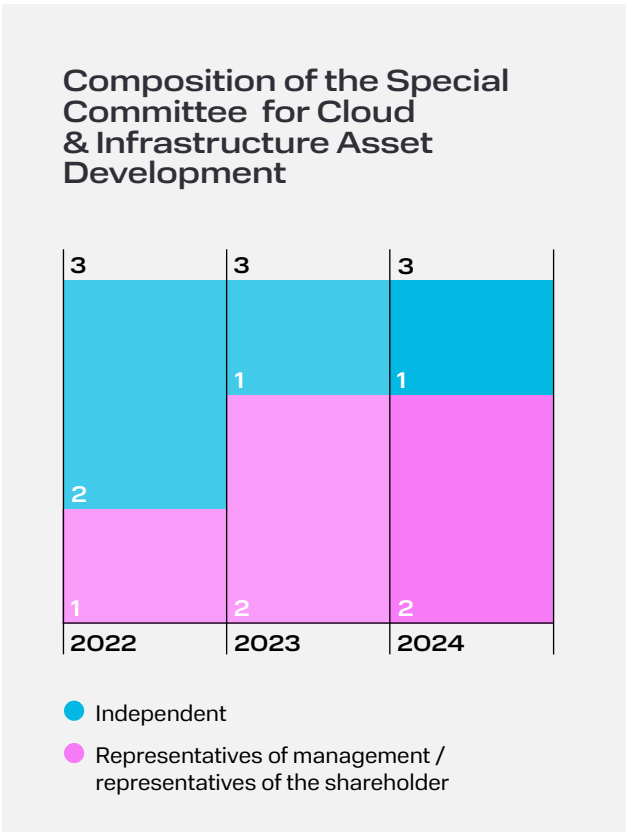
In particular, the results of MWS development for 2023, MWS strategy, AI Cloud Strategy, B2G Potential Development and other issues were discussed.

Recommendations to the Board of Directors of the Company

The Committee gave recommendations within the current competence.

2024 Performance

In the reporting year, the Committee reviewed the issues related to cloud and infrastructure asset development measures implemented by the Company.



Special Committee

The Committee was established to ensure compliance with the conditions of the planned major material transactions that potentially affect the activities of the MTS Group and ecosystem development.

Number of Members

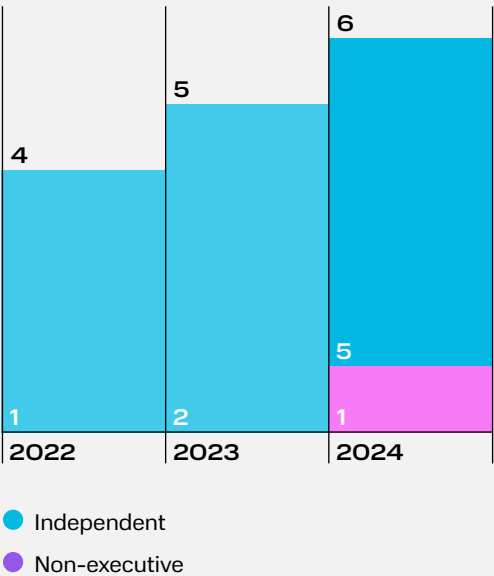
The composition of the Committee was changed during the reporting year.

The composition of the Committee was approved at the meeting of the Board of Directors on June 27, 2024.

Meetings

No meetings of the Committee were held during the reporting year.

Composition of the Special Committee



Special Committee for Transformation

The Committee was established at the end of 2024 to discuss issues related to the transformation of the MTS Group management system, as well as to develop recommendations to the Board of Directors of MTS PJSC on transformation issues.

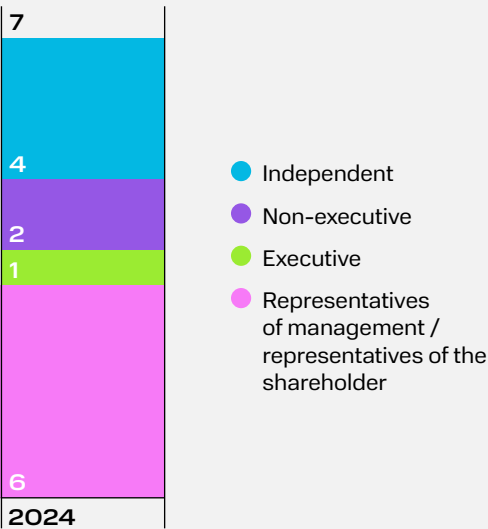
Number of Members

The composition of the Committee was approved at the meeting of the Board of Directors on December 19, 2024.

Meetings

No meetings of the Committee were held during the reporting year.

Composition of Special Committee for Transformation



REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS

The procedure and terms for paying remuneration to the members of the MTS PJSC Board of Directors are determined in accordance with the Regulations on Remunerations and Compensations Payable to the MTS PJSC Board of Directors Members¹.

MTS pays remuneration to independent directors, as well as to directors, who are not employees or members of the management bodies of the MTS Group companies. Over-

heads are compensated to all directors in accordance with the target expenses actually incurred and documented.

The remuneration system applicable to the members of the Board of Directors provides for alignment of the financial interests of directors with the long-term financial interests of the shareholders².

Remuneration Paid to the Board of Directors Members in 2024

| Indicator name | Amount, RUB |
|---|-----------------------|
| Remuneration for participation in operations of the management body | 267,773,187.58 |
| Reimbursement of expenses | 0 |
| Total | 267,773,187.58 |

¹ https://storage.ir.mts.ru/mts-ir/images/documents/MTS-BOD_Remuneration_Policy_eng.pdf.

² Refer to cl. 4.2.1 of the Report on Fulfilment of the Principles and Recommendations of the Corporate Governance Code for details.

Remuneration components:



¹ Mandatory Committees: Audit Committee, Remuneration & Nomination Committee, ESG Committee, Strategy Committee.

² Special Committees: Special Committee for Compliance, Special Project Committee for Co-Locating Employees, Special Committee for Cloud & Infrastructure Asset Development, Special Committee.

³ In this case, should any restrictions on operations (transactions) with shares/ADRs be introduced in accordance with the Russian Federation law or the applicable law of a foreign country or international instruments, the specified remuneration shall be replaced by remuneration in cash. The amount of the specified remuneration is USD100,000 or the equivalent of the specified amount in another currency, see cl. 6.10, 7.1 of the Regulations on Remunerations and Compensations Payable to Members of the MTS PJSC Board of Directors for details.

⁴ Regulations on Remunerations and Compensations Payable to Members of the MTS PJSC Board of Directors.

⁵ A director may dispose of the shares/ADR received starting from the fourth year after receipt of the first stock of shares.

CEO¹ AND MTS MANAGEMENT BOARD

A key role in pursuing the selected strategy, organizing efficient implementation of decisions of the Board of Directors and managing current activities of the Company is played by the Company's executive bodies: The CEO (sole executive body) and the Management Board (collective executive body).

The executive bodies are accountable to the Board of Directors and the General Meeting of Shareholders.

The executive bodies of the Company shall be established by the Board of Directors.

The CEO and the Management Board act on the basis of the MTS PJSC Charter, the Regulations on the CEO of MTS PJSC² and the Regulations on the MTS PJSC Management Board³.

Powers of the executive bodies:

- organize the Company's activities and bear liability for the results of these activities, ensure the enforcement of decisions made by the General Meetings of Shareholders and by the Board of Directors;
- assure establishment and maintenance of operation of the efficient risk management and internal control system at the Company, be responsible for executing the decisions made by the Board of Directors in terms of setting up the risk management and internal control system;
- be responsible for the efficacious economic, financial, scientific and technical and social policies of the Company.

The Board of Directors is entitled at any time to decide on the early termination of the CEO's powers, as well as on the termination of the powers of an individual member of the Management Board or all members of the Management Board, as well as on establishment of new executive bodies.

Meetings of the Management Board

In 2024, 35 in-person meetings were held. The average participation rate was 91%.

Remuneration for Members of the Management Board and Senior Executive Officers Based on 2024 Results

Principles of Remuneration for Members of the Management Board and Senior Executive Officers

A contract is entered into with every Management Board member, which defines labor terms, procedure for defining the amount of remuneration, terms of reimbursement for expenses connected with execution of duties of the Management Board member and contract termination procedure. The contract shall be signed on behalf of the Company by the Chairman 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. Terms and conditions of the contract shall be approved by the Company's Board of Directors.

Remuneration of senior executive officers is fixed and calculated based on the Policy for Payment of Labor of Employees at MTS PJSC and meets the following principles:

- observation of fairness and competitiveness of remuneration;
- connection of remuneration with personal contribution and final Company performance in general;
- motivation for achieving target business development parameters in accordance with strategic development guidelines approved by the Board of Directors.

¹ 26.02.2025 a record was made about changing information about a legal entity in the Unified State Register of Legal Entities: Inesa Galaktionova — CEO of MTS PJSC.

² <https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20CEO%20Regulations%202025%20ENG.pdf>.

³ <https://storage.ir.mts.ru/mts-ir/images/documents/statements/MTS%20Management%20Board%20Regulations%202025%20ENG.pdf>.

Duration of Work in the Management Board

73%

1–2 years

27%

3–5 years



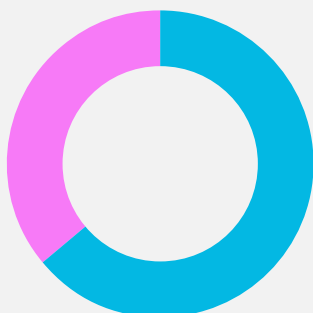
Gender Composition of the Management Board

64%

men

36%

women



Age Composition of the Management Board Members

45%

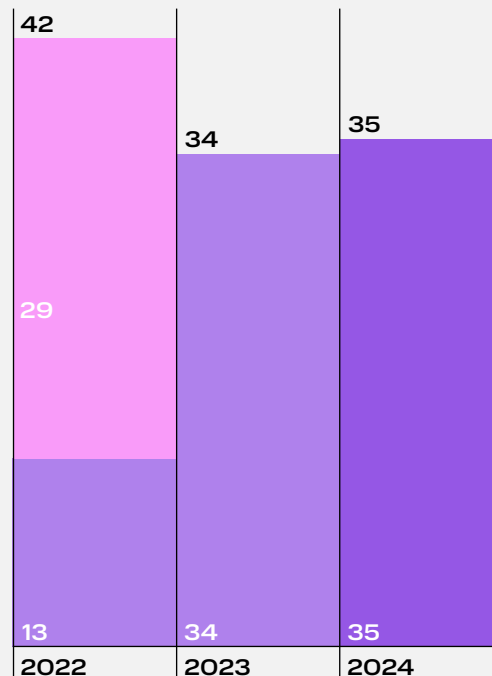
30–40 years

55%

40–50 years



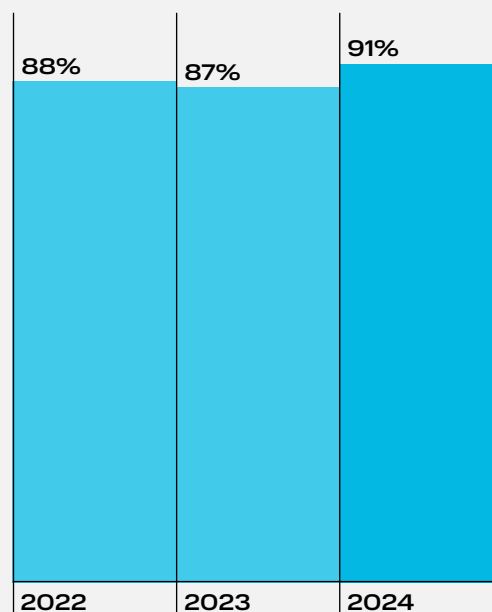
Statistics of performance of the Management Board



● In absentia

● In-person

Average % of participation in meetings



MTS PJSC Business Key Performance Indicators System

The list of indicators for the Company's directors is approved by the Board of Directors of the Company with preliminary discussion at the relevant committees on an annual basis.

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

- revenue;
- Ecosystem indicators;
- integral assessment of the implementation of strategic projects and business development;
- transformation indicators.

Achievement of the established KPIs is the basis for being entitled to receive a variable payment, as it pertains to long-term payments, including an increase in the shareholder value of the Company and growth in its capitalization.

Evaluation of Performance of the CEO and Members of the Management Board

One of the tasks of the Board of Directors is to ensure control over the work of the CEO and members of the Management Board, as well as to assess their performance, which is carried out based on the materials approved by the Remuneration & Nomination Committee.

The assessment of the CEO and members of the Management Board for 2024 was made in accordance with the existing method based on fulfilment of key performance indicators of the Company in general and functional KPIs.

Structure of Remuneration for Top Management in 2024

The remuneration structure consists of basic and variable payments and depends on the position level in the Company structure.

Remuneration System for Senior Executive Officers

| Basic Remuneration | Variable Part of Remuneration | |
|--------------------|---|--|
| | Short-term Incentive System | Program of Long-Term Material Incentives |
| Monthly salary. | 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. | |
| | Annual bonus paid for achieving ecosystem and functional key performance indicators (KPIs) determined by the Board of Directors for the relevant reporting period. The corporate governance trigger also applies to the bonus | Is aimed at increasing the Company's shareholder value, accelerating its capitalization growth, as well as preserving long-term labor and corporate relations between the Company and its management |

MTS PJSC Business Key Performance Indicators System

| Ecosystem Indicators | Formed based on the Company's business plan. Reflect the general corporate responsibility for the results of the MTS Group business and make it possible to track the generalized results of the Company's business and adjust the strategy. | Financial and economic |
|-----------------------|--|------------------------|
| | | Industry |
| | | Strategic |
| Functional indicators | are formed on the basis of business blocks strategies and strategic objectives of a specific director of the Company. | |

Remuneration Paid to Members of the Management Board in 2024

| Indicator name | Amount, RUB |
|---------------------------|----------------------|
| Salary | 373,586,514 |
| Bonuses | 3,402,503,993 |
| Reimbursement of expenses | 136,383,605 |
| Other remuneration types | 3,623,685 |
| Total | 3,916,097,798 |

Remuneration Paid to Senior Executive Officers in 2024¹

| Indicator name | Amount, RUB |
|---------------------------|----------------------|
| Salary | 476,830,466 |
| Bonuses | 3,893,999,015 |
| Reimbursement of expenses | 167,672,548 |
| Other remuneration types | 4,346,917 |
| Total | 4,542,848,946 |

¹ Includes information on remuneration of 30 senior executive officers of the Company (including members of the Management Board).

CONTROL AND AUDIT

Internal Control System

The MTS PJSC internal control system is implemented at all management levels on the basis of internal policies, regulations, procedures and methods of internal control and risk management. Operation of the internal control system is aimed at ensuring reasonable confidence in achieving the objectives facing the Company and allows proper control over financial and economic activities of the Company, its efficiency and accuracy of financial reporting.

The MTS PJSC Board of Directors approves the regulation on the internal control system and the policy regarding the internal audit of the Company and twice a year reviews the report of the Audit Committee on the results of work of the internal audit, business ethics and compliance, risk management and internal control system departments of MTS PJSC with an analysis of the current control procedures and detected violations.

The Report of the Auditing Commission is attached annually to the materials of the annual MTS PJSC General Meeting of Shareholders.

The Internal Audit Block contributes to improving the Company's management processes, risk management and internal control. The Internal Audit Block is an individual structural unit of MTS PJSC functionally subordinate to the Board of Directors and administratively — directly to the MTS PJSC CEO.

For a systematic independent assessment of the reliability and effectiveness of the internal control system, risk management processes and corporate governance, the Internal Audit Block uses the results of the audits conducted to generate an opinion on the maturity level for the Company as a whole.

The Company's internal control system is a set of interconnected components, the structure of which corresponds to the generally accepted COSO concept "Internal Control. Integrated Framework 2013". The Company is creating a control environment, has a risk assessment system in place; the Department for Development and Support of Internal

Control System ensures introduction of control procedures and assesses their efficiency and fulfilment, and changes in the organizational structure and business processes are monitored.

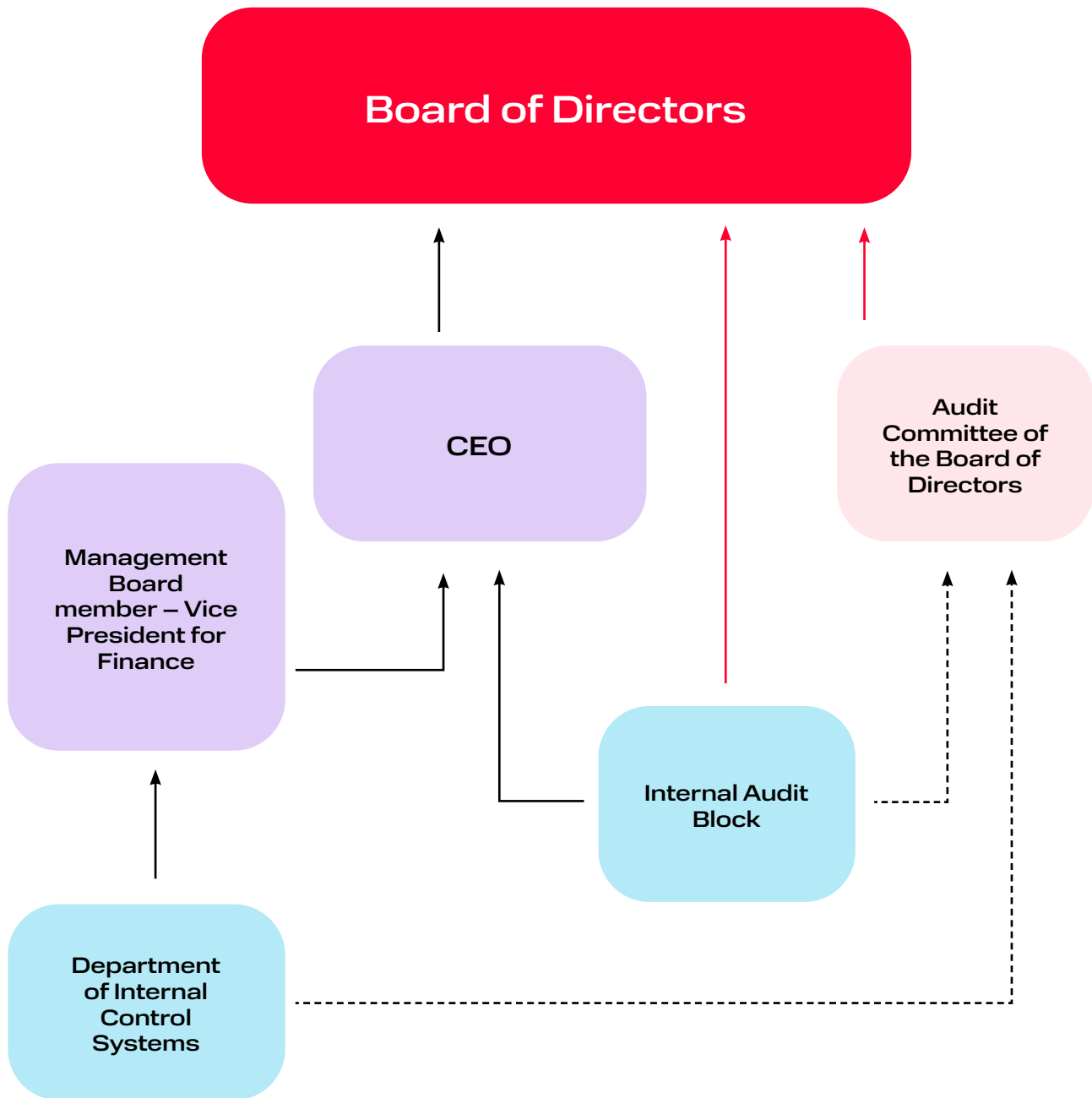
MTS PJSC approved the Policy for Complying with Anti-Corruption Legislation defining the measures aimed at establishing elements of the corporate culture, organizational structure, rules and procedures ensuring non-admission of corruption.¹

The internal control system provides for a range of anti-corruption measures, mitigating reputational risks and risks of sanctions for bribery of officials imposed on MTS PJSC. For the purposes of counteracting abuses, authorization of transactions and operations, distinction of powers and rotation of duties, control over the actual availability and condition of facilities is implemented.

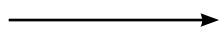
The Audit Committee of the MTS PJSC Board of Directors reviews reports on the performance of the Internal Audit Block on a quarterly basis and twice a year — reports on the work of the Department for Development and Support of the Internal Control System, Ethics & Compliance Department and the Risk Management Group. The Audit Committee evaluates the performance and draws conclusions on the efficacy of the internal audit, business ethics and compliance, risk management and internal control system departments of MTS PJSC.

The Audit Committee reviews quarterly the reports of the external auditor Business Solutions and Technologies JSC and draws conclusions about the quality of their work.

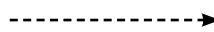
¹ See "Unified Compliance System" section for details.



Functional
subordination



Administrative (direct)
reporting relationship



Accountability

Audit Committee of the Board of Directors

The Audit Committee is a collective deliberative body under the Board of Directors. The Committee was established to assist in efficient implementation of functions of the Board of Directors in terms of control over financial and economic activities of the Company.

See “Committees of the Board of Directors” section for details about the Audit Committee’s performance in the reporting year.

The results of assessment by the Audit Committee of the external and internal audit process efficacy are specified in the section “Report on the Work of the Audit Committee”.

In 2024, the Audit Committee:

- positively assesses the work of the Internal Audit Block and believes that the internal audit function is efficient and that key performance indicators and internal audit goals for 2024 have been fully achieved;
- gives a positive assessment to the activities in the area of business ethics and compliance, noting that the activities of the Ethics & Compliance Department are effective, key performance indicators and goals in the area of business ethics and compliance for 2024 have been achieved with the expected results;
- positively evaluates the work of the Department for Development and Support of Internal Control System with regard to the creation, introduction and development of an efficient system of internal control over the reliability of generating financial reporting for the MTS Group, including in new businesses, for 2024;
- positively assesses performance of the risk management function as efficient and fit for its purposes at the moment.

Auditing Commission

On June 26, 2024, the Auditing Commission was elected at the MTS PJSC annual General Meeting of Shareholders.

Report on Operation of the Auditing Commission

In April 2024, the Auditing Commission audited financial and economic activity of the Company for 2023. The Auditing Commission did not record any material facts of violation of the procedures for accounting and submission of financial reporting while conducting financial and economic activities of the Company.

The Auditing Commission confirmed that the accounting statements of the Company for 2023 and the Annual Report on the Company’s activities for 2023, in terms of the Company’s accounting statements, are true.

In April 2025, the Auditing Commission plans an audit of financial and economic activities of the Company for 2024. The opinion of the Auditing Commission will be submitted for approval to the MTS annual General Meeting of Shareholders in June 2025.

Internal Audit Block

The MTS Internal Audit Block occupies a leading position in Russia in terms of organizing the work and status of the service, setting goals and completing tasks, building communications with stakeholders based on openness and support principles.

The Internal Audit group is structured effectively, has strong technical skills and is ready for further professional growth.

Advanced analytics tools are used widely in auditor projects, which helps to increase their efficacy and performance for the Company.

Approaches to the conducting and quality of audits are based on a unified methodology applied throughout the MTS Group.

The Internal Audit Block conducts its activities in compliance with the mandatory elements of the International Framework for Professional Practice of the International Institute of Internal Auditors (The IIA).

The Internal Audit Block is an independent structural unit headed by the Director for Internal Audit. The Internal Audit Block performs the following functions:

- assessing the efficiency of the internal control system, risk management and corporate governance processes by analyzing the Company’s business operations and its information systems, achieving the Company’s strategic goals, the efficacy and performance of projects and products, the reliability and integrity of information on the Company’s operation, the protection of assets, compliance with internal regulations and external requirements;
- developing recommendations for improving internal control, risk management and corporate governance proce-

dures, as well as assisting management in developing corrective measures based on the conducted audits;

- monitoring execution of recommendations for eliminating violations and deficiencies discovered based on audit results;
- developing and introducing IT analytics and digital data analysis tools for the purpose of continuous monitoring of risk indicators based on business process, project and product indicators, and improving the efficacy of audit procedures;
- providing consulting services (advice, recommendations, etc.) to the management, Board of Directors, Audit Committee and shareholders of the Company in order to assist and improve the processes of internal control, risk management and corporate governance in the Company;
- coordinating activities, planning issues, preparing reports and methodological support for an internal audit in MTS subsidiaries.

Report on Operation of the Internal Audit Block

The strategic goals of the Internal Audit Block include a focus on auditor projects that provide maximum value to the Company, addressing current risks, on the quality of interaction with management and other stakeholders based on openness and support, and promote the further development of a strong professional audit team. The internal audit achieves strategic goals through key initiatives carried out on a regular basis and a number of optimization and transformation initiatives.

The strategic goals and key performance indicators set by the internal audit for 2024 have been achieved completely. In 2024, all planned key initiatives, including those aimed at improving the efficacy of internal audit activities have been completed as scheduled.

The audit plan of MTS PJSC and its subsidiaries for 2024 has been fulfilled and contributed to the implementation of the internal audit strategy. Scheduled and unscheduled audits provided sufficient coverage of processes and areas with a high level of risk both in MTS PJSC and in the MTS Group as a whole. An improved process for monitoring the implementation of corrective actions based on audit results has resulted in improved statistics for introducing internal audit recommendations.

Internal Audit Block continues to introduce and apply digital technologies, advanced analytics tools, and artificial intelligence in its projects, improving their efficacy and performance for the Company.

The Internal Audit Block has created a competence center for analytics for auditors and other divisions and companies of the MTS Group. As part of analytical projects, dashboards and automated solutions are developed for customer departments and the internal needs of the Internal Audit Block.

In 2024, the Internal Audit Block combined the model for assessing the competences of its employees with the corporate-wide one; individual employee development plans for 2024 were formed within the framework of the Company's unified Talent Review process (360-degree assessment). In order to develop competences and expertise, internal and external training was planned and conducted.

Employees of the MTS PJSC Internal Audit Block participate actively in community events organized by the internal auditors and arrange their own events to exchange experience and training in the field of internal audit, the use of new analytical tools in the work of auditors.

The Internal Audit Block activities for 2024 were recognized as conforming to the International Professional Standards of Internal Audit and the Code of Ethics of the Institute of Internal Auditors.¹

The Audit Committee of the MTS PJSC Board of Directors reviews reports on the results of activities of the Internal Audit Block on a quarterly basis and forms conclusions about the effectiveness of the internal audit function.

The Audit Committee assesses positively the work of the Internal Audit Block and believes that the internal audit function is efficacious and that key performance indicators and internal audit goals for 2024 have been achieved completely.

In December 2024, the Audit Committee pre-approved and the Board of Directors approved the internal audit strategy for 2025–2027, the audit plan, key performance indicators and budget of the MTS PJSC Internal Audit Block for 2025, and also reviewed and took note of the audit plans for 2025 in the MTS PJSC subsidiaries with a decentralized internal audit function.

¹ Based on the results of the internal assessment of the quality of activities

Department of Development and Support of Internal Control Systems (ICSD)

The Internal Control System (hereinafter “ICS”) function in subsidiaries is managed in the Corporate Center. This approach has proven its efficacy and has made it possible to optimize the time required to support the internal control system in subsidiaries, while maintaining the proper level of quality of the ICS.

In 2024, an assessment was made of the coverage of significant and material items of financial statements by ICS processes and the scope of key processes and control procedures was confirmed. Based on the results of this analysis, the reengineering of the ICS processes was carried out taking into account the requirements of the applicable Russian legislation.

As part of developing the internal control system, work has been done to update and introduce control procedures aimed at covering significant risks.

Based on the results of testing control procedures and assessing processes, an assessment was made of the efficacy of the internal control system over financial reporting in relation to business processes of functions and Subsidiaries of the MTS Group of Companies.

Significant events/projects of ICSD carried out in 2024 include the following.

- In 2024, employee access rights were revised for seven significant information systems and three business units of the MTS Group of Companies.
- Procedures for analyzing and mitigating SOD risks for MTS were completed. Based on the performance, SOD conflicts were compensated by the existing ICS procedures.

Based on the results of the internal assessment and external audit report, the Internal Control System for proving the accuracy of preparing financial reporting of the MTS Group as of December 31, 2024 was found to be efficacious and to have no material or significant deficiencies.

External Audit

At the MTS PJSC Annual General Meeting of shareholders¹, Business Solutions and Technologies Joint Stock Company was approved as the auditor² (hereinafter the “Auditor”).

Business Solutions and Technologies JSC is one of the leading auditing and consulting companies providing services in the field of auditing, management and financial consulting, risk management, taxation and accompanying services. Since May 24, 2022, the Russian company, formerly part of the Deloitte international network, has continued to work in Russia under its own brand.

In the reporting year, the Auditor performed:

- an audit of annual accounting statements of MTS PJSC for 2024 prepared in accordance with the Russian Accounting Standards as per the International Audit Standards (IAS);
- an audit of consolidated financial reporting of MTS PJSC and its subsidiaries prepared in accordance with the International Financial Reporting Standards (IFRS) for 2024, as per the IAS.

At the beginning of 2025, the Audit Committee reviewed the results of the external auditor's audits for 2024 .

Following the audits performed, the MTS PJSC Auditor expressed opinions on the reliability of the accounting statements of MTS PJSC for 2024 prepared in accordance with Russian Accounting Standards, and the consolidated financial reporting by MTS PJSC and its subsidiaries for 2024 prepared in compliance with the IFRS.

Procedure for Selecting the Issuer’s Auditor

A tender for selecting an external auditor for MTS PJSC is conducted at least once every five years. To conduct the tender, MTS PJSC establishes a tender commission. Based on the tender results, the tender commission generates recommendations for selecting the external auditor that are submitted for approval to members of the Audit Committee of the MTS PJSC Board of Directors.

If the auditor’s candidacy is approved by the Audit Committee, Board of Directors and the General Meeting of Shareholders of the Company, a contract for the services

¹ The Annual General Meeting took place on June 26, 2024.

² Location: 5 Lesnaya St., Moscow, 125047, Russian Federation, OGRN [Primary State Registration Number] 1027700425444, certificate of membership in the Self-Regulatory Organization of Auditors of the Association Sodruzhestvo (Association) of January 31, 2020, ORNZ [Principal Number of Registration Entry] 12006020384.

for auditing the accounting statements is signed with the auditing company.

Remuneration of the Auditor

The amount of the auditor's remuneration for the audit and other services of MTS PJSC and its subsidiaries for 2024

is approved by the Board of Directors of MTS PJSC and, according to the results of 2024, was RUB193,655,000, excluding VAT and overhead expenses, including the audit of statements of MTS PJSC in the amount of RUB15,900,000.

Settlement of potential conflict of interest

When managing a conflict of interests, the Company is guided by the principles of lawfulness, confidentiality, impartiality, objectiveness and reasonable sufficiency, obligatory immediate disclosure of information by Company's employees, as well as directors, about an actual or potential conflict of interests.

Members of the Management Board, the Board of Directors and employees are not entitled to participate in approval, agreement, other decision-making with respect to transactions entered into by the Company if they are or may be under the influence of a conflict of interests.

For the purposes of non-admission of conflicts of interests, the Company holds an annual knowledge testing and certification of compliance with the standards of the Code

of Business Conduct and Ethics for executives and top management. The testing results are reviewed by the Audit Committee of the MTS PJSC Board of Directors.

The Company has also created procedures to minimize the risk of making decisions in situations of conflict of interests of directors. Members of the Board of Directors must refrain from any actions that could result in the appearance of a conflict of interests and, if such a situation exists or arises, disclose information about it to the Board of Directors and not participate in voting on the conflict agenda items.

Members of the Board of Directors, who have an interest in agenda items of the Board of Directors, do not take part in discussing and voting on the specified agenda items.

RISK MANAGEMENT

Risk Management System

Risk management is conducted at MTS Group in compliance with the generally accepted conceptual risk management framework¹. The risk management activity aims to minimize unexpected losses from risks and to maximize capitalization, taking into account the relationship between risk and return on investments acceptable to the shareholders and the management of the MTS Group.

¹ "Enterprise Risk Management, Integrated Model" of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The basic principles of the risk management process

Integration principle

provides for a systemic approach to management of all types of risks inherent in MTS business, across the entire organizational structure and geography of the MTS Group operation;

cross-functional collaboration and coordination of structural divisions is maintained to manage risks outside the framework of their specialization, as well as accounting for the mutual effect of risks from various units;

a single Company management notification channel is provided for the entire risk spectrum to guarantee the completeness, quality and comparability of the information provided for each level of decision-making.

Continuity principle

consists of implementing a set of ordered risk management procedures on a regular basis.

Justification principle

provides for an analysis of the ratio between the costs for risk assessment reduction and potential damage from their occurrence

The Integrated Risk Management Policy is approved in the MTS Group¹. Integrated risk management is aimed at ensuring a reasonable guarantee of achieving the strategic goals of the Company and maintaining the MTS Group risk level within the limits acceptable to Company management.

The system of integrated risk management makes it possible to resolve the following tasks:

- Identification and systematic analysis of the risks faced by the Company;
- Obligatory consideration of significant risks when making management decisions;
- Distribution of responsibility for risk management;
- Development of additional measures and plans for responding to significant risks and monitoring their execution;
- Monitoring risks and their management effectiveness;
- Accumulation of knowledge in the field of integrated risk management.

The Risk Management Team of the Corporate Center² assesses the most significant risks on the basis of a long-term financial model and conducts regular imitation modeling to obtain key financial figures considering the risk and probability distributions of these indicators. The RMT CC applies econometric method to analyze individual risks.

A report on the status of the MTS Group risks is reviewed regularly by the Risk Committee, which discusses the key Company risks and makes collective decisions about generating mitigation measures. The Chairman of the Risk Committee is the CEO of MTS. The Committee includes members of the Management Board, the Vice President and other senior executives. The Committee's powers and responsibilities include the review and approval of the following:

- the objectives of developing the MTS integrated risk management process;
- risk management methodologies;
- MTS risk portfolio and priorities of risk management measures taking into account the feasibility of their costs and limited resources;
- MTS risk portfolio management strategies, etc.

The MTS Group management is notified about the entire risk spectrum to ensure the completeness, quality and comparability of the information provided for each level of decision-making.

Based on the results of assessing the efficiency of the MTS Group's internal control systems in 2024, the risk management process was deemed efficient.

Organizational Risk Management Support

The **Board of Directors** operates directly or through its committees within its competences and resolves the issues of assessing the political, financial and other risks affecting the Company's operation. The MTS Board of Directors delegates monitoring of risk management efficiency to the MTS Audit Committee, and also reviews the reports submitted by the Audit Committee.

The **Audit Committee** monitors the risk management efficacy, as well as the assessment of procedures used by the MTS Group to identify the principal risks and evaluation of relevant control procedures (including the procedures for loss control and risk insurance) in order to determine their adequacy and efficacy.

The **Risk Committee** makes collective decisions in the field of integrated risk management.

The efficacy of the risk management process is assessed by the Internal Control Block; this information is also presented to the Audit Committee for review.

Risk Management Team of the Corporate Center is responsible for developing a risk assessment methodology, regular collection of information and reporting the results of this assessment to the Risk Committee and the Company management. The Team also conducts operational control of the process and provides cross-functional interaction between the units within integrated risk management in the Company. Cross-functional interaction with the risk owners

¹ Approved by the resolution of the Board of Directors of MTS PJSC on December 15, 2017, Minutes No. 265; https://static.ssl.mts.ru/mts_rf/contents/537/Conflict_of_Interest_Management_Policy_rus.pdf.

² CC/Finance Block / Department of Financial Planning and Analysis / Management Reporting Center / Risk Management Group

in subsidiaries is provided by the risk coordinators in such subsidiaries.

Risk owners are the heads of functional units, whose achievement of goals is affected by the risks. The owners are

responsible for the analysis, assessment, execution of risk management measures and reporting on the activity within the process of integrated risk management.

Risk Management Integration into Decision-Making Processes

Risk management is an integral part of all processes of the Company: policy development, strategic, business, budget and investment planning, change management and purchasing procedures.

Strategic Planning:

- Identification of risks related to various environmental conditions.
- Analysis and accounting of key risks within the framework of the selected macro-scenario.
- Determination of substantial risks influencing strategic goals, but not resulting in their revision, and development of actions to manage such risks.

Business Planning and Budgeting:

- Analysis and accounting of risks related to failure to achieve the main financial KPIs.

Purchasing Procedures:

- Analysis and accounting of risks when selecting suppliers.

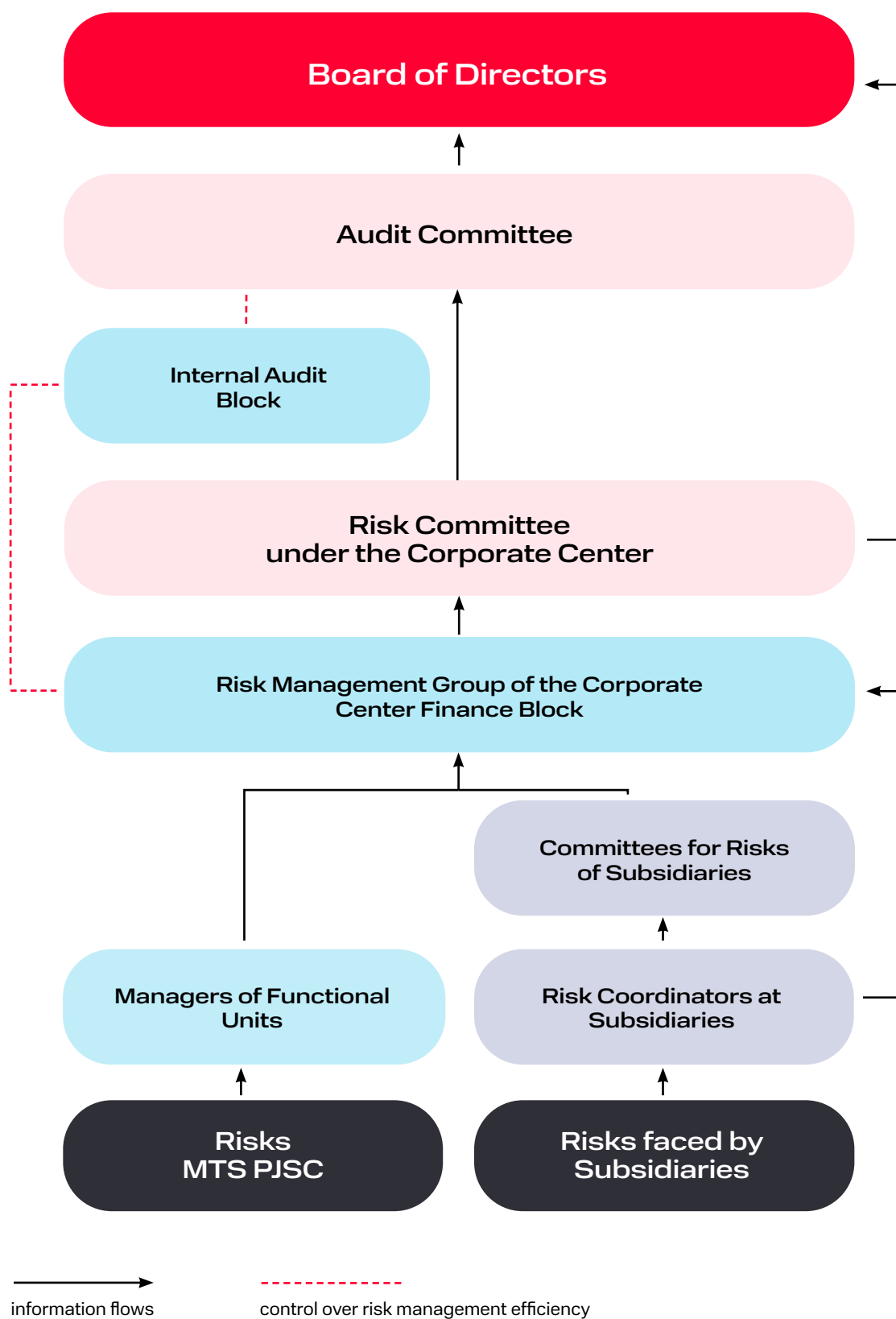
The risk management process passed all stages of introduction, automation and integration into the Company's business processes (into strategic and investment planning, as well as into the cross-functional projects and the preparation of external reporting), which now makes it possible to identify and consider the risks when making key decisions for the guaranteed achievement of set goals and strengthening of business leadership.

2024 Key Activities

- Risk Committees of MTS, MGTS and RTK CCs were held based on the risk monitoring results in 2024. The risk reports for the first six months of 2024 and for 2024 were also submitted for consideration by the Audit Committee and the Board of Directors.
- An additional report was developed for the Audit Committee and the MTS Board of Directors reflecting the company's exposure to the most significant risks. Monitoring and assessment of risks related to the geopolitical situation were carried out.

In 2025, there are plans to update the risk section for external reporting (Reports of the issuer for the Central Bank of the Russian Federation) and hold regular Risk Committee meetings. Continuous monitoring of the situation related to the geopolitical situation is also planned in order to identify, assess and further mitigate the risks.

Organizational Risk Management Support



Key Risk Factors

The most significant risk factors that may potentially impact MTS PJSC business results are provided below. See more detailed information about these and other risks in the MTS PJSC Reports¹.

Strategic risks

The category of strategic risks includes risks that, if realized, may threaten the sustainability of the company's business and operations and that may affect the company's ability to achieve its long-term goals. These risks depend on many

internal and external factors and, due to the serious potential damage if they occur, are taken into account when compiling the company's strategic plan.

| Risk description | Probability of risk occurrence | | Activities |
|---|--------------------------------|--------------------|--|
| | 2023 | 2024 | |
| Risks of failure to fulfill infrastructure development plans | Very low | Very low | <ul style="list-style-type: none"> We adapt previously approved rules for prioritizing building and distributing critical facilities, taking into account the quantity and rates of warehouse stock balances An in-house Technical Support Center is used and local suppliers were found to maintain the network performance MTS continues to make scarce equipment available by replacing it with equipment that is available for purchase Purchases are being made from domestic suppliers Core — search for domestic suppliers or technical solutions (virtualization) Discussions of industry support measures for carriers with the Ministry for Digital Technology, Communication and Mass Media of the Russian Federation |
| The risk of increasing sanctions pressure, as well as strengthening counter-special economic measures | Partially occurred | Partially occurred | <ul style="list-style-type: none"> Support for risk management processes (KYC, verification of the subject matter and conditions of transactions, transferred goods, software, technologies, etc.) Risk assessment and development of measures for their mitigation Obtaining the required permits Raising awareness among management and employees regarding applicable restrictions |
| Risk of business loss / business suspension for MTS in other countries | Low | Low | <ul style="list-style-type: none"> MTS is monitoring the political situation in the markets of operation of the Group of Companies and strives to respond promptly to changing conditions in the markets |

¹ <https://moskva.mts.ru/about/investoram-i-akcioneram/korporativnoe-upravlenie/raskritie-informacii/otchety-emitenta-emissionnyh-cennyh-bumag>.

Environmental Risks

Environmental Risks include those that are caused by factors such as exchange rate fluctuations or trade restrictions. Such risks are not related directly to the company's activities

or its deliverables, however, if they occur, they can have significant consequences for any enterprise, including affecting its internal processes.

| Risk description | Probability of risk occurrence | | Activities |
|--|--------------------------------|--------|--|
| | 2023 | 2024 | |
| Risks of increased costs, including capital expenditures, may be denominated in rubles, US dollars, euros and/or yuan | High | High | <ul style="list-style-type: none"> A number of portfolio structuring measures have been taken in order to reduce dependence on exchange rate fluctuations, including there is a currency risk hedging program using swaps as instruments |
| Growth in the cost of debt due to the key rate growth | Medium | High | <ul style="list-style-type: none"> Reinvestment of part of free liquidity and attraction of new liquidity into instruments with higher yield for replacement Participation in concessional lending programs Use of current assets as a liquidity instrument (trust management, derivatives) Consolidation of cash in the parent company for effective liquidity management of the MTS Group Taking cost optimization measures (rejecting some unprofitable businesses in favor of areas with quick returns) |
| Rising costs due to high inflation | Medium | Medium | <ul style="list-style-type: none"> Cost control. Adjustment of rates to compensate for increased costs. |
| Risk of increased costs due to shutdown of CDN caching servers of global platforms and potential difficulties in interaction with international partners | High | High | <ul style="list-style-type: none"> Compensation for reduced traffic volumes Setting up procurement of Internet access services to maintain access to the international segment of the Internet through alternative providers |
| Blocking foreign licenses and software | High | High | <ul style="list-style-type: none"> Entering into framework agreements with alternative providers Finding temporary solutions Development of alternative software including in-house |

Operational Risks

The category of operational risks includes risks arising as a result of erroneous or imperfect internal processes of the company, low reliability of controls, technical failures, errors by company employees and other factors. The consequenc-

es of occurrence of such risks may be a decrease in the efficacy of business operations, an impairment in the quality of services provided, or lag in technology as compared to the demand.

| Risk description | Probability of risk implementation | | Measures |
|--|------------------------------------|-----------|--|
| | 2023 | 2024 | |
| Risk of revenue loss due to downtime of base stations | Very high | Very high | <ul style="list-style-type: none"> Organizing incident management on a mobile network |
| Risk of technological failures on the network and information resources | High | High | <ul style="list-style-type: none"> Redistribution of capacity and power used by the base stations to maintain network continuity Use of backup telecommunications equipment Use on a continuous basis of quality assurance processes and systems for monitoring, change management, etc. |
| Risk of damage due to a restricted-access information security breach in the information systems | Very high | Very high | <ul style="list-style-type: none"> Conducting scheduled and unscheduled audits (analyses of security of ICT1 infrastructure and access to corporate information systems) In order to implement the Decree of the CEO dated 01.05.2022 No. 250, import substitution of the following systems was arranged in the Russian Federation: <ul style="list-style-type: none"> Monitoring and managing information security events and incidents; Mirroring and managing traffic copies; Filtering signal traffic on the MTS technological network |
| Disruption in system continuity due to lack or insufficient geographic redundancy | - | High | <ul style="list-style-type: none"> Geographic redundancy of a product in another region. |

¹ ICT — information and communication technologies

Compliance with regulatory requirements

Compliance Risks

The compliance risk category includes risks arising from the failure of the company or its employees to comply with the legislation or to meet regulatory requirements, which may result in imposition of significant fixed or turnover-based fines, or restrictive impacts on individual business processes of the company or its activities as a whole.

Such risks, inter alia, shall be managed within the framework of the Unified Compliance System that includes risk management programs in the areas of corruption, insider trading, protecting intellectual property, violating antitrust laws, CML/TF, protecting personal data, labor protection, observing human rights, and the environment.

| Risk description | Probability of risk implementation | | Measures |
|--|------------------------------------|-----------|---|
| | 2023 | 2024 | |
| Portfolio of risks of violating antitrust legislation | Very high | Very high | <p>Antitrust risk management in accordance with the company's internal policies, including:</p> <ul style="list-style-type: none"> Participation of antitrust compliance in developing commercial initiatives; Interaction with FAS in terms of preparing positions and preventing injunctions |
| Risks associated with amendments made to the RF Federal Law "On Communications" (533-FZ, 303-FZ) | Very high | Very high | <p>Daily automated upload of the B2B and B2C database to Roskomnadzor¹, request and correction of inaccurate client data, reconfiguration of processes for entering into contracts to provide communication services, as a result of which, before entering into the contract, the accuracy of the subscriber/user data is verified through the Unified System of Identification and Authentication (USIA), the State Information System for Monitoring the Verification of the Accuracy of Subscriber Information (SIS IMSMS), the Unified Biometric System (SIS UBS), including for the purpose of checking the limits of issued SIM cards per individual.</p> <p>B2C events:</p> <ul style="list-style-type: none"> Communication to subscribers about the need to confirm data; Measures to encourage verification of personal data Validation via T-ID and Alfa ID has been introduced; a launch via Sber ID and Mos ID is planned, for foreign persons and stateless persons — via the SIS UBS; Verification by passport and recognition using a commercial bio-platform for which accreditation has been received. <p>B2B events:</p> <ul style="list-style-type: none"> Personal communication with non-validated clients. |

¹ Roskomnadzor — Service for Supervision of Communications, Information Technology and Mass Media

| | | | |
|--|------|----------|--|
| Violation of requirements of the law and state regulation (SORM) | High | High | <ul style="list-style-type: none"> Timely and sufficient allocation of funding for the purchase of SORM equipment Timely commissioning of a number of data centers in 2025 Strengthening control over deadlines and quality of work performed by contractors, increasing the liability of contractors for project interruptions Updating and correcting the personal data of the MTS PJSC subscriber base, strengthening sanctions imposed on dealers if incorrect data is provided Modernization of traffic aggregation systems in order to prevent information loss in SORM systems |
| Risk of losses due to the Federal Anti-Monopoly Service (FAS) order to increase subscriber rates | Low | Occurred | <ul style="list-style-type: none"> Participating in meetings of the FAS of Russia, providing evidence on the validity of the price for subscriber rates MTS is in the process of court action against the FAS decision. The preliminary hearing is scheduled for December 2024 |
| Violation of legal requirements for personal data storage | - | Medium | <ul style="list-style-type: none"> Reengineering of business processes with personal data processing Control over the amount of annual expenses of the operator for information security measures (not less than 0.1% of the annual total amount of revenue received from the sale of all goods (work, services)) |

Risks associated with violations in the field of OH&S

Risks associated with violations in the field of OSH include risks related to non-compliance with the provisions of the legislation, regulations and internal rules on OSH, which can lead to serious consequences for the company, including

financial losses, damage to reputation and legal liability, as well as pose a threat to the health of the company's employees.

| Risk description | Probability of risk implementation | | Measures |
|---|------------------------------------|------|---|
| | 2023 | 2024 | |
| Possible risks of violations in the OSH field associated with training employees, medical examination, providing personal protective equipment, compliance with sanitary and epidemiological requirements, special assessment of working conditions, etc. | High | High | <ul style="list-style-type: none"> The functioning OSH management system¹ includes the following: organizational structure; planning; distribution of responsibility; procedures; processes and resources for developing, implementing goals, analyzing the efficiency of OSH policies and measures A number of local regulatory documents have been developed and are being implemented that regulate the main issues in the field of OSH and employee health. The procedure for conducting internal control over the state of working conditions is being established MTS has introduced a program to automate routine OSH processes. The goal of the program is to increase the transparency of OSH processes, reduce the burden on employees in terms of paperwork and bureaucracy, and switch to processing documents in EDM |

¹ Certified according to GOST R ISO 45001-2020 (ISO 45001:2018).

Risks of human rights violations

The human rights violation risk category includes risks arising from actions by the company or its employees that may result in violations of regulatory standards relating to human rights. The occurrence of these risks may entail significant

legal and reputational consequences, and therefore, the organization needs to adhere to policies aimed at preventing violations in this area.

| Risk description | Probability of risk implementation | | Measures |
|--|------------------------------------|------|--|
| | 2023 | 2024 | |
| Possible risks of human rights violation related to compliance with labor legislation, non-discriminatory and ethical conduct, public statements, insurance deductions, observance of the rights of socially vulnerable groups, etc. | Low | Low | <ul style="list-style-type: none"> During the year, the ESG Committee regularly discussed issues related to developing the corporate inclusion culture and its significance for the company's future Educational programs on diversity, equity, inclusion, including observance of human rights, were conducted. 1050 MTS executives and HR attended the educational programs On the Pulse portal, an educational campaign on various aspects of inclusive culture and human rights was arranged for MTS ecosystem employees — reaching 20,000 people Research and surveys on diversity and inclusion were conducted among ecosystem employees; Tools have been created to develop an inclusive culture within the ecosystem: the test “Inclusivity — a Fashionable Trend or New Business Ethics” makes it possible to determine the level of tolerant attitude towards representatives of inclusive groups, the “Bullying in the Workplace” test makes it possible to identify bullying in the corporate environment The Abilympics MTS National Championship of Professional Skills among People with Disabilities and Special Needs became one of the leaders in employing people with disabilities — 50 championship participants became members of the 2024 ecosystem team. |

Risks of environmental violations

Risks of environmental violations include the risks of the company's failure to comply with environmental regulations, standards and legislation, which may lead to a negative

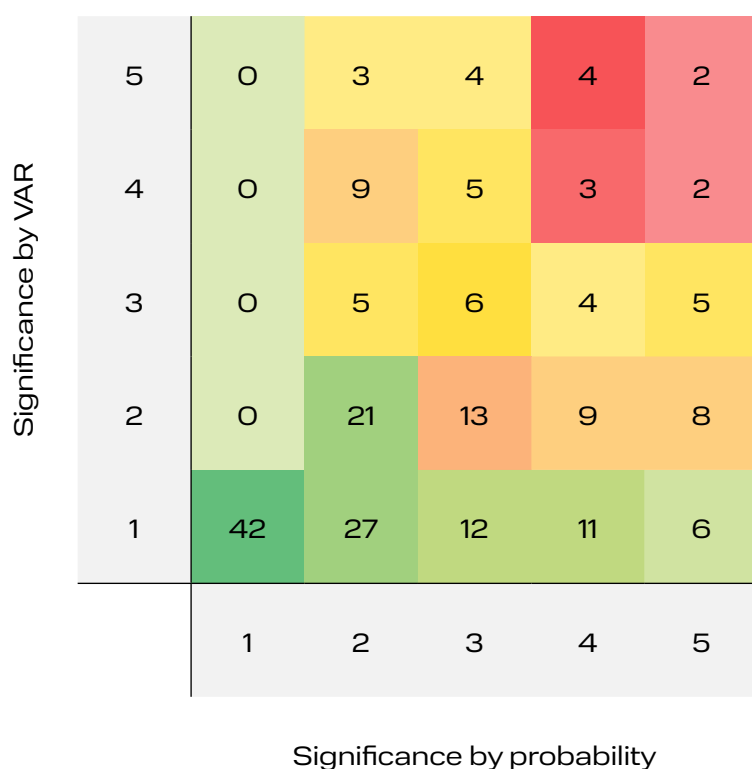
impact on the environment and human health, as well as a range of negative consequences for the company, including reputational, financial and legal risks.

| Risk description | Probability of risk implementation | | Measures |
|--|------------------------------------|------|--|
| | 2023 | 2024 | |
| Failure to meet the requirements for providing environmental reporting | High | High | <ul style="list-style-type: none"> ▪ Ongoing monitoring of changes in environmental legislation requirements is conducted ▪ MTS regularly makes the payment stipulated by the legislation for adverse impact on the environment, bears the costs associated with waste management and atmospheric air protection, as well as with the reduction of risks associated with government regulation in the field of environmental protection and maintaining the image of the company's environmental sustainability ▪ MTS regularly reports according to state reporting forms and also prepares non-financial reports on the activities of the MTS Group of Companies in the area of environmental responsibility and safety |

Heat map

See below a heat map of all risks of MTS PJSC. All risks were divided into 25 groups.

Our risk allocation methodology includes 2 parameters: 5 groups of significance by probability (1 — very low probability, 2 — low, 3 — medium, 4 — high, 5 — very high probability) and 5 groups of significance by VAR¹ (1 — very low damage, 2 — low, 3 — medium, 4 — high, 5 — very high damage).



The heat map shows that the main risks are concentrated in a non-hazardous area for the company with low significance; whereas 42 risks have a very low probability of occurrence and, accordingly, an insignificant cost estimate. The company has only 11 risks with high probability and high potential damage in the “red zone” that are given increased attention.

¹ VaR (Value at Risk) — the cost estimate of risk that losses will not exceed in 95% of cases of risk occurrence.

CAPITAL AND SECURITIES

SHAREHOLDER CAPITAL

The authorized capital of MTS PJSC totals

RUB

199,838,157.50

and is divided into 1,998,381,575 ordinary shares with par value of RUB 0.1 each.

No preferred shares were placed.

Placed and Declared Shares of MTS PJSC as of December 31, 2024

| Share categories (types) | Quantity (pcs.) | Par value per share (RUB) |
|--------------------------|-----------------|---------------------------|
| Placed shares | | |
| Ordinary shares | 1,998,381,575 | 0.1 |
| Voting shares | 1,998,381,575 | 0.1 |
| Preferred shares | 0 | 0 |
| Declared shares | | |
| Ordinary shares | 100,000,000 | 0.1 |

Information about the Persons Owning Shares, Disposing of Votes by Shares, as Beneficiaries by Shares in MTS PJSC as of December 31, 2024

| | Number of ordinary shares | Share of authorized capital |
|--------------------------------|---------------------------|-----------------------------|
| Sistema PJSC ¹ | 841,019,563 | 42.09%. |
| MGTS PJSC ² | 5,452,327 | 0.27%. |
| MTS Ecosystem LLC ² | 111,145,664 | 5.56%. |
| Bastion LLC ² | 2,348,947 | 0.12%. |
| MTS PJSC | 38,645,191 | 1.93%. |
| Shares in free circulation | 999,769,883 | 50.03%. |
| Total | 1,998,381,575 | 100%. |

¹ Share of Sistema PJSC also includes the share of its subsidiary Sistema Telecom Assets LLC (11.03% shares in MTS PJSC).

² MGTS PJSC, Ecosystem MTS LLC (formerly Stream Digital LLC) and Bastion LLC are subsidiaries of MTS PJSC.

Information on the Number of Shareholders

Total number of persons registered in the shareholder register of the issuer as of the end of Q4 2024: 1,093.

Total number of persons included in the list of those entitled to exercise (implement) their rights to shares in MTS PJSC compiled last (as of June 3, 2024) and for compilation of which nominal shareholders of the issuer presented data on

the persons, to the benefit of whom they owned (own) the shares in MTS PJSC: 584,083.

The MTS PJSC management has no information about existing ownership percentage of shares exceeding 5% of the MTS PJSC authorized capital apart from the aforementioned.

For updated information about the shareholder capital structure visit the Company's website



Structure of Share Capital in MTS PJSC —
Moscow (mts.ru)

INFORMATION ABOUT SECURITIES

Shares

The shares in MTS PJSC are circulated on the leading Russian platform — Moscow Stock Exchange (MOEX: MTSS).

The Company’s issued and placed shares are ordinary shares of the same par value.

An ordinary share in MTS PJSC secures for its owner (shareholder) a given amount of property rights, including the right to participate in the Company’s management, the right to obtain a portion of Company’s profits in the form of a dividend as well as the right to obtain a portion of the property left after the Company’s liquidation.

Previously, MTS ADRs were in circulation on the New York Stock Exchange. Federal Law No. 114-FZ dated April 16, 2022 obliged Russian companies to terminate their foreign depositary receipt programs, except for the cases when the company obtained permission to continue the program from the Government Commission for Control of Foreign Investments in the Russian Federation. In May 2022, MTS applied for permission to the Government Commission, which allowed MTS ADRs to continue circulation outside of Russia until July

12, 2022 inclusively. Against the background of the ADR program closure, MTS depositary receipts have been delisted from the New York Stock Exchange since August 8, 2022.

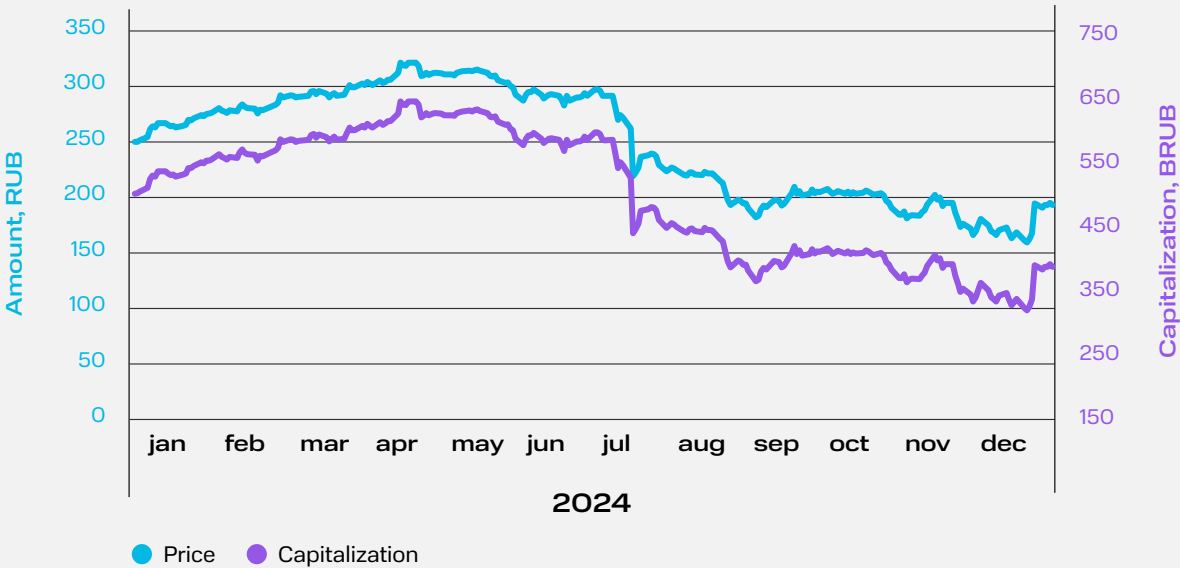
Information about the current quotation lists and transaction prices: <https://www.moex.com>.

Price and volume of shares in MTS PJSC (RUB), 2024

| MOEX | Price (RUB) |
|--|-------------|
| Minimum share price | 162.0 |
| Maximum share price | 322.6 |
| Average daily trade volume (mln units) | 4.3 |
| Price as of December 31, 2024 | 210.3 |

MTS PJSC Price and Capitalization Dynamics

Trading Platform: MOEX (Moscow), Issuer Code: MTSS



DIVIDENDS AND SHARE REPURCHASE PROGRAM

Dividend Payments in 2024

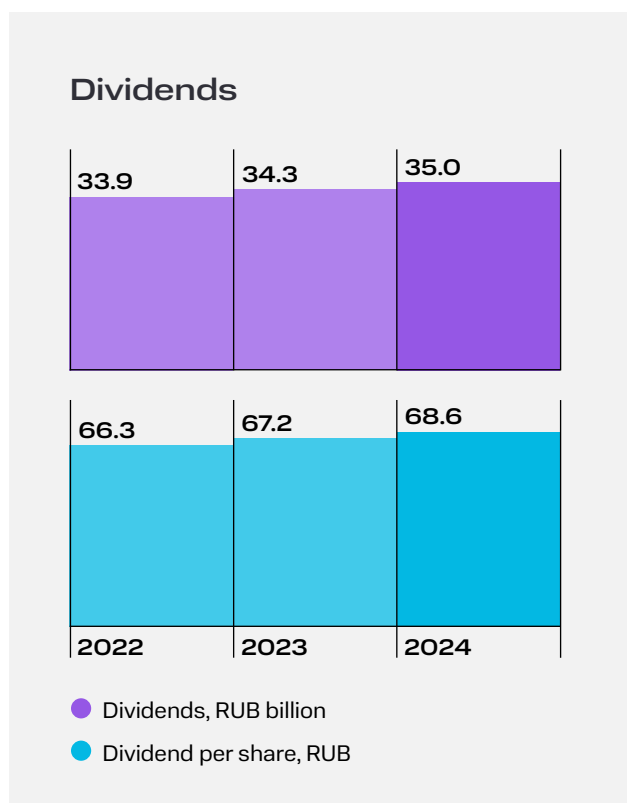
In April 2024, the MTS Board of Directors approved a new dividend policy that will be in effect in 2024, 2025 and 2026. The MTS PJSC dividend policy provides for dividend payment in the amount of at least 35 rubles per ordinary share during the calendar year.

The new dividend policy stipulates dividend payment once a year with the possibility of changing the frequency of dividend payments during the calendar year upon the recommendation of the Board of Directors. The Board of Directors determines the amount of dividend payments, considering a number of factors, which include cash flows from business operations, capital expenditures and debt position.

In April 2024, the MTS Board of Directors recommended that the annual General Meeting of Shareholders approve the

payment of dividends in the amount of 35 rubles per share or a total of 68.6 billion rubles* based on the company's 2023 financial results, in June 2024, the relevant decision was made by the shareholders. The date on which persons entitled to receive dividends for 2023 were determined was July 16, 2024.

In accordance with the prevailing Russian legislation, ADR holders get the right to dividends payment only upon conversion of depository receipts into ordinary shares in MTS PJSC. Under the Depository Agreement, the guaranteed period for converting ADRs into ordinary shares in MTS PJSC ended on January 12, 2023 (inclusively).



68.6 BRUB

Total declared dividends in 2024¹

See details on dividend payment on the MTS website at:



[Dividends – MTS.IR](https://dividends.mts.ir)

¹ The total calculated amount includes dividends on quasi-treasury shares held by MTS subsidiaries and may differ from the net annual cash flow for dividend payments stated in the Company's financial reporting.

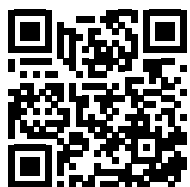
BONDS

MTS PJSC is one of the largest issuers of corporate bonds in Russia, regularly placing its bond issues on the debt market. The Company uses the funds from bond placement for debt portfolio refinancing and implementation of its investment program.

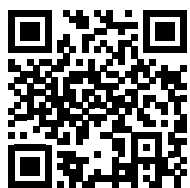
Issues/Redemptions of Bonds in 2024

| | |
|-----------------------|---|
| RUB10 billion | Issue of 001R-27 exchange-traded bonds with the circulation period of 1.5 years |
| RUB50 billion | Issue of 002R-03 exchange-traded bonds with the circulation period of 3 years |
| RUB17 billion | Issue of 002R-04 exchange-traded bonds with the circulation period of 3.5 years |
| RUB25 billion | Issue of 002R-05 exchange-traded bonds with the circulation period of 3.5 years |
| RUB17 billion | Issue of 002R-06 exchange-traded bonds with the circulation period of 4 years |
| 38 mil. AED | Issue of KO-P02 exchange-traded bonds with the circulation period of 3 years |
| RUB5 billion | Issue of Digital People's Bonds with the circulation period of 3 years |
| RUB10 billion | Bonds of series 001R-07 were fully redeemed |
| RUB7.5 billion | Bonds of series 001R-09 were fully redeemed |
| RUB4.5 billion | Bonds of series 001R-18 were fully redeemed |
| RUB20 billion | Bonds of series 001R-22 were fully redeemed |
| RUB15 billion | Bonds of series 001R-23 were fully redeemed |

Detailed information on previous bond issues can be found on the websites



<https://ir.mts.ru/en/investors/debt/bond>



<http://www.disclosure.ru/issuer/7740000076/>

Issue of Bonds in 2024

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|--|
| Securities type | Exchange-traded bonds, interest-bearing, non-convertible, uncertificated, series 001R-27 |
| Coupon | 1–6 coupons — 19.65% p.a. |
| Placement price | 100% |
| Issue currency | Ruble |
| Issue amount | 10,000,000,000 |
| Placement date | 14.10.2024 |
| Redemption date | 13.04.2026 |
| ISIN Reg No | RU000A109SK6 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|--|
| Securities type | Exchange-traded bonds, interest-bearing, non-convertible, uncertificated, series 002R-03 |
| Coupon | 1–6 coupons: $RD_{ij} = R + S$, where R — value of the RUONIA rate for the 7th day preceding the Dij date, published on the official website of the Bank of Russia on the Internet; D_{ij} — calendar date falling on the j-th day of the i-th coupon period, for which the income is calculated; S — spread, in percent per annum ($S = 2\%$) |
| Placement price | 100%. |
| Issue currency | Ruble |
| Issue amount | 50,000,000,000 |
| Placement date | 20.12.2024 |
| Redemption date | 17.12.2027 |
| ISIN Reg No | RU000A10AF49 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|--|
| Securities type | Exchange-traded bonds, interest-bearing, non-convertible, uncertificated, series 002R-04 |
| Coupon | 1–42 coupons — the arithmetic mean of RUONIA rates for the period starting 7 days before the start date and ending 7 days before the end date of the current coupon period + spread. Spread = 1.4% |
| Placement price | 100% |
| Issue currency | Ruble |
| Issue amount | 17,000,000,000 |
| Placement date | 28.03.2024 |
| Redemption date | 23.09.2027 |
| ISIN Reg No | RU000A1083U4 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|--|
| Securities type | Exchange-traded bonds, interest-bearing, non-convertible, uncertificated, series 002R-05 |
| Coupon | 1–14 coupons: $RD_{ij} = R + S$, where R — value of the key rate of the Bank of Russia for the 7th day preceding the Dij date, published on the official website of the Bank of Russia on the Internet; D_{ij} — calendar date falling on each (except the first) j-th day of the i-th coupon period, for which the income is calculated; S — spread, in percent per annum ($S = 1.3\%$) |
| Placement price | 100%. |
| Issue currency | Ruble |
| Issue amount | 25,000,000,000 |
| Placement date | 28.03.2024 |
| Redemption date | 23.09.2027 |
| ISIN Reg No | RU000A1083W0 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|---|
| Securities type | Exchange-traded bonds, interest-bearing, non-convertible, uncertificated, series 002R-06 |
| Coupon | 1–16 coupons: $RD_{ij} = R + S$, where R — value of the key rate of the Bank of Russia for the 7th day preceding the D_{ij} date, published on the official website of the Bank of Russia on the Internet; D_{ij} — calendar date falling on each (except the first) j -th day of the i -th coupon period, for which the income is calculated; S — spread, in percent per annum ($S = 1.3\%$) |
| Placement price | 100% |
| Issue currency | Ruble |
| Issue amount | 17,000,000,000 |
| Placement date | 25.07.2024 |
| Redemption date | 20.07.2028 |
| ISIN Reg No | RU000A109312 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|---|
| Securities type | Commercial bonds, uncertificated, series KO-P02, non-convertible interest-bearing |
| Coupon | 5.50% |
| Placement price | 100% |
| Issue currency | AED |
| Issue amount | 38,000,000 |
| Placement date | 25.12.2024 |
| Redemption date | 22.12.2027 |
| ISIN Reg No | RU000A10AHF2 |
| Offer | - |

| Issuer | Mobile TeleSystems Public Joint Stock Company |
|-----------------|---|
| Securities type | Interest-bearing bonds, uncertificated, series 001-02 |
| Coupon | 1–36 coupons: $RD_i = R + S$, where RD_i — the interest rate on each date D_i , in percent per annum; R — value of the key rate of the Bank of Russia for the 7th day preceding the D_i date, published on the official website of the Bank of Russia on the Internet; D_i — calendar date of the i -th coupon period for which the income is calculated; S — spread, in percent per annum ($S = 0\%$) |
| Placement price | 100%. |
| Issue currency | Ruble |
| Issue amount | 5,000,000,000 |
| Placement date | 26.08.2024 |
| Redemption date | 11.08.2027 |
| ISIN Reg No | RU000A109A00 |
| Offer | - |

INTERACTION WITH SHAREHOLDERS AND INVESTORS

One of the key objectives of MTS is to maintain strong and trust-based relations with shareholders and investors, based on direct dialogue in accordance with prevailing legislation and best practices.

The Company has an efficient information disclosure system that complies with the requirements of listing rules on the Moscow Stock Exchange. Following the principle of general availability, the Company publishes notices of material events on various platforms, including the Russian Information Agency (news feed)¹, as well as on its official website in Russian² and in English³. The “For Investors and Shareholders” section as well as the MTS website for investors⁴ includes internal corporate documents, annual reports, sustainability reports, materials for shareholder meetings, information on the registrar and auditor, information on dividend policy, financial reporting for IFRS and RAS, quarterly disclosures of MTS Group results in the form of a press release and presentation, instructions on the ADR program completion and conversion of depositary receipts into ordinary shares.

In 2024, the MTS IR team issued more than 20 press releases and blog posts, took part in conferences organized by investment banks, as well as analytical communities for retail investors.

Interaction with shareholders and investors is being improved constantly by the company’s management and investor relations team. The company analyzes the best practices of other organizations continually and monitors changes in legislation in the field of corporate governance.

If any questions related to MTS activities arise, investors may contact the services for interaction with shareholders and investor relations.

Contact Information for Investors and Shareholders

MTS PJSC Corporate Governance Department:

Phone: +7 (495) 911 6555.
Fax: +7 (495) 911 6569.
E-mail: shareholder@mts.ru

MTS PJSC Investor Relations and Capital Markets Center:

Phone: +7 (495) 223 2025.
E-mail: ir@mts.ru

¹ <http://www.disclosure.ru/index.shtml>

² <https://moskva.mts.ru/about>, <https://ir.mts.ru/home>

³ https://ir.mts.ru/en/news_and_events/corporate_releases

⁴ https://ir.mts.ru/en/about_mts/corporate_governance

Investor's Calendar for 2025

The investor calendar is posted on the MTS website at:



https://ir.mts.ru/investors/financial_center/kalendar-investora

Issues of Interest for Investors in 2024

Macroeconomic issues:

- main macroeconomic parameters and their impact on the Company's business;
- impact of monetary policy on the Company's performance.

Industry-specific issues:

- competitive environment;
- rate policy;
- telecom industry support measures;
- equipment procurement.

Issues related directly to the company's business and performance:

- dividend policy and dividend payments;
- management of treasury shares;
- drivers of the Company's growth and results of the Group's Companies, including Telecom, Fintech, Media Holding, Retail, Adtech, etc.;
- debt load of the Company;
- new product and service development;
- ecosystem development strategy;
- allocation of tower assets and their potential sale;
- sale of subsidiary business in Armenia;
- capital investment in the development of the network and digital ecosystem;
- closure of the ADR program and conversion of depositary receipts into ordinary shares in MTS.

INTERACTION WITH RETAIL INVESTORS

In December 2024, the company held a large online meeting with investors “MTS in the Long Run”, at which a new stage of business transformation was announced. More than 2,000 people watched the online broadcast.

Interaction with shareholders and investors is being improved constantly by the company’s management and investor relations team. The company analyzes the best practices of other organizations continually and monitors changes in legislation in the field of corporate governance.

The number of individual shareholders increased by 11.8% to 593.7 thousand people, the average shareholding of individual shareholders increased by 22% to 321.7 shares.

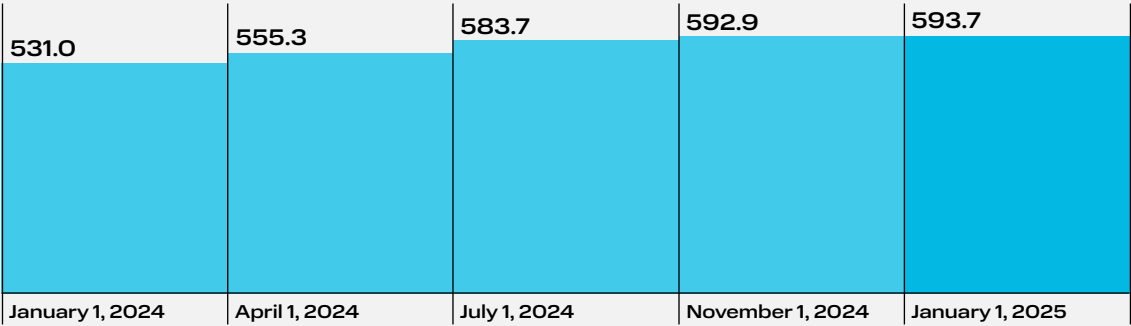
11.8%

an increase in the number of individual shareholders in 2024

22%

an increase in the average stake of individual shareholders in 2024

Dynamics of the number of individual shareholders thousand



Dynamics of the average shareholding of individual shareholders shares

