

INFORMATION MATERIALS

**on issues submitted
to the Annual General
Meeting of Shareholders
of MTS PJSC**

JUNE 26, 2024

Initiator of review of the issues on the agenda of the annual General Meeting of Shareholders of MTS PJSC	Position of the Board of Directors on agenda items of the annual General Meeting of Shareholders of MTS PJSC
Board of Directors of MTS PJSC	Vote “FOR”

On the first issue on the agenda:

On approval of MTS PJSC Annual Report, MTS PJSC Annual Accounting (Financial) Statements, as well as distribution of profits and losses (including the dividend payment (declaring)) of MTS PJSC for 2023 reporting year.

In accordance with the current legislation of the Russian Federation, the given item shall be discussed on an annual basis at the annual General Meeting of Shareholders.

The following materials are submitted to the Annual General Meeting of Shareholders for approval:

- 2023 MTS PJSC Annual Report;
- 2023 MTS PJSC Annual Accounting (Financial) Statements prepared as per the Russian Accounting Standards;
- Recommendations of MTS PJSC Board of Directors regarding the procedure on distribution of MTS PJSC profit based on 2023 financial year results.

The stated documents shall be accompanied by the Findings of MTS PJSC Auditing Commission and the Auditor’s Report and the report of the internal audit of MTS PJSC.

The text of the resolution on this issue also includes a Section related to the annual dividends payment on MTS PJSC registered ordinary shares.

MTS PJSC is the leading Russian company providing digital, media and telecommunications services. The primary objective of MTS PJSC is to maintain sufficient resources and flexibility to meet financial and operational goals.

In April 2024, the Board of Directors of MTS PJSC (hereinafter referred to as the Board of Directors) approved a new dividend policy for 2024–2026. The target dividend yield indicator is at least 35 rubles per ordinary share in a calendar year. According to the new dividend policy, dividends will be paid once a year; the payment frequency can be changed as recommended by the Board of Directors. When determining dividend payments, the company takes into account the operating cash flow, capital expenditures and debt position.

Also, in April 2024, the Board of Directors, pursuant to the dividend policy adopted, recommended the AGMS paying the annual dividends for 2023 in the amount of 35.00 rubles per ordinary registered share of MTS PJSC with a par value of 0.1 rubles each. The total amount of the annual dividends of MTS PJSC for 2023 thus amounts to 68,590,090,555 rubles.

Herewith, the Board of Directors recommended paying dividends in cash and to set July 16, 2024 as the date on which the persons entitled to receive dividends are determined.

The Board of Directors preliminarily considered and approved the 2023 MTS PJSC Annual Report, and also considered the 2023 MTS PJSC Annual Accounting Statements (RAS standard) and recommended the annual General Meeting of Shareholders approving the MTS PJSC Annual Report, 2023 MTS PJSC Annual Accounting (Financial) Statements.

Procedure for resolution adoption:

The resolution shall be made by a simple majority of votes of the shareholders attending the meeting.

Draft resolution:

- 1.1.2023 MTS PJSC Annual Report, 2023 MTS PJSC Annual (Accounting) Financial Statements be hereby approved.
- 1.2. The procedure for allocation of profits of MTS PJSC (Appendix 1), including the annual dividend on ordinary registered shares of MTS PJSC in the amount of 35.00 rubles per ordinary registered share of MTS PJSC with a par value of 0.1 rubles each be hereby approved. The total amount of annual dividends of MTS PJSC makes up to 68,590,090,555 rubles. The annual dividends shall be paid in cash. The date, on which the persons entitled to receive the dividends are determined, be hereby established – July 16, 2024.

On the second issue on the agenda:

On election of members to the Board of Directors of MTS PJSC.

The resolution on election of MTS PJSC Board of Directors' members is submitted for approval by the annual General Meeting of Shareholders MTS PJSC. The powers of new members of MTS PJSC Board of Directors shall be effective until the next annual General Meeting of Shareholders of MTS PJSC.

Procedure for resolution adoption:

Pursuant to MTS PJSC Charter and the applicable legislation of the Russian Federation, the members of the Board of Directors shall be elected by cumulative voting. In the process of cumulative voting, the number of votes received by each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors of MTS PJSC and the shareholder may cast all votes, thus received in favor of one candidate, or distribute them among two or more candidates. The candidates received the majority of votes shall be deemed elected to the Board of Directors.

The Remuneration and Nomination Committee of the Board of Directors and the Board of Directors of MTS PJSC assessed and confirmed compliance of professional qualifications, experience and skills of all the candidates to become members of the Board of Directors of MTS PJSC with the current and expected needs of MTS PJSC.

Written consents of the candidates to be elected to the Board of Directors of MTS PJSC were obtained.

The Board of Directors of MTS PJSC resolved to include the following persons into the list of candidates for the Board of Directors of MTS PJSC to be voted for at the Annual General Meeting of Shareholders of MTS PJSC.

In accordance with the MTS PJSC Charter, the number of members of the Board of Directors of MTS PJSC shall be determined by the resolution of the General Meeting of Shareholders and may be not less than nine (9) members. The annual General Meeting of Shareholders held on June 27, 2008 determined the quantitative composition of the Board of Directors of MTS PJSC **9 members**.

Draft resolution:

Resolved that the following persons be elected members of the Board of Directors of Mobile TeleSystems Public Joint Stock Company*:

- 1) Full name
- 2) Full name
- 3) Full name
- 4) Full name
- 5) Full name
- 6) Full name
- 7) Full name

- 8) Full name
- 9) Full name

On the third issue on the agenda:

On election of members to the Auditing Commission of MTS PJSC.

The issue on electing the members of MTS PJSC Auditing Commission is submitted to the annual General Meeting of Shareholders of MTS PJSC for approval. The Auditing Commission is an independent permanently operating body that oversees MTS PJSC financial and business operations. The Auditing Commission shall be elected by the annual General Meeting of Shareholders and retain its powers until the next annual General Meeting of Shareholders of MTS PJSC.

No more than 3 candidates may be elected to the Auditing Commission. Pursuant to the Company Charter, the Auditing Commission consisting of 3 members carries out its activities.

The Board of Directors of MTS PJSC resolved to include the following persons into the list of candidates for MTS PJSC Auditing Commission Members to be voted for at the Annual General Meeting of Shareholders of MTS PJSC.

Written consents of the candidates to be elected to the Auditing Commission of MTS PJSC were obtained.

Procedure for resolution adoption:

Shares held by members of the Board of Directors of MTS PJSC or persons holding positions in the executive bodies of MTS PJSC (President, members of the Management Board) do not participate in voting on this issue. The resolution shall be made by a simple majority of votes of the shareholders attending the meeting.

Draft resolution:

Resolved that the following persons be elected members of MTS PJSC Auditing Commission*:

- 1) Full name
- 2) Full name
- 3) Full name

**Information about candidates for members of the Board of Directors and the Auditing Commission of MTS PJSC is not disclosed and not provided in accordance with clause 1 of Decree of the Government of the Russian Federation No.1102 dated July 4, 2023 "On the specifics of disclosure and (or) provision of information subject to disclosure and (or) provision in accordance with the requirements of the Federal Law "On Joint Stock Companies" and the Federal Law "On the Securities Market".*

On the fourth issue on the agenda:

On approval of the audit organization of MTS PJSC.

The issue on approval of the audit company of MTS PJSC to audit financial and operational activities of MTS PJSC in 2024 is submitted to the annual General Meeting of Shareholders.

In accordance with the applicable legislation, the annual statements of a public joint stock company shall be confirmed by an auditor that has no property interests in the company or the company's shareholders.

The audit company shall be annually approved by the annual General Meeting of Shareholders of the Company following the recommendation of the Board of Directors of MTS PJSC.

The 2023 MTS PJSC statements were audited by Business Solutions and Technologies Joint Stock Company.

The recommendation of the Board of Directors of MTS PJSC is based on the tendering results. The tender to select an audit company of MTS PJSC to audit the consolidated financial statements is held at least once every five years.

The Board of Directors of MTS PJSC recommended approving Business Solutions and Technologies Joint Stock Company as the MTS PJSC audit company for 2024.

Procedure for resolution adoption:

The resolution shall be made by a simple majority of votes of the shareholders attending the meeting.

Draft resolution:

Resolved that Business Solutions and Technologies Joint Stock Company (Primary State Registration Number: 1027700425444) be MTS PJSC audit organization.

On the fifth issue on the agenda:

On approval of MTS PJSC Charter as revised.

The current edition of the MTS PJSC Charter (hereinafter referred to as the Charter) is approved by the resolution of the annual General Meeting of Shareholders of MTS PJSC on June 22, 2022 (Minutes 54).

The new edition of the Charter includes the following amendments:

- transfer of intra-group transactions with shares/interests between MTS and subsidiaries and between subsidiaries with 100% participation of MTS (directly and/or indirectly), as well as the incorporation, reorganization and liquidation of 100% MTS subsidiaries (up to the limit of 10 bln RUB) from the competence of the MTS Board of Directors to the MTS Management Board level. The goal is to reduce the burden on the Board of Directors by decreasing number of technical agenda items and increase operational efficiency;
- refuse of determining MTS Board of Directors position on M&A transactions of 1) MTS public subsidiaries, securities of which are eligible for on-exchange trading (hereinafter – PJSCs) due to their public status and corporate maturity, as well as 2) corporations, which are controlled by such PJSCs and 3) which are not controlled by such PJSCs, if MTS PJSC participate in the authorized capital of those corporations exceptionally through such PJSCs;
- shortening of the deadline established by the Law on Joint-Stock Companies for notifying members of governing bodies of a planned interested-party transaction from 15 to 5 calendar days before the date of the transaction. The law allows the company to provide for a different period in its charter. Shortening the period will increase the operational flexibility of MTS;
- clarification of the procedure for recognizing a member of the Board of Directors as retired, excluded notarization of the signature of a member of the Board of Directors on the application for voluntary resignation;
- the CEO MTS limit of USD 100 million and the limit on transactions with startups of USD 5 million expressed in Russian rubles – 10 billion rubles and 500 million rubles accordingly.

Draft of the new MTS PJSC Charter and the comparison table of amendments made to the MTS PJSC Charter are attached.

The Board of Directors of MTS PJSC recommended approving the MTS PJSC Charter, as amended.

Procedure for resolution adoption:

The resolution is made by the qualified majority of three fourths of votes by shareholders attending the meeting.

Draft resolution:

Resolved that the MTS PJSC Charter, as revised, be approved (Appendix 2).

On the sixth issue on the agenda:

On approval of the revised Regulations on the Board of Directors of MTS PJSC.

The current edition of the Regulations on the MTS PJSC Board of Directors was approved by the resolution of the MTS PJSC Annual General Meeting of Shareholders on June 18, 2023 (Minutes 55).

The new edition of the Regulations on the Board of Directors includes the following amendments:

- due to the cancellation of registration of MTS PJSC ordinary shares and American depositary shares with the US Securities and Exchange Commission, the requirements inapplicable to the activities of the MTS PJSC Board of Directors were terminated (adjusted), the provisions of the document were brought in line with the requirements contained in the Moscow Exchange Listing Rules (provisions related to the criteria for determining the independence of members of the MTS PJSC Board of Directors, the formation of Committees of the MTS PJSC Board of Directors);
- the scope of information and the list of documents provided when nominating candidates for members of the MTS PJSC Board of Directors has been specified;
- several provisions contained in the Procedure for Settling Conflicts of Interest of members of the Board of Directors of MTS PJSC have been changed;
- some provisions related to the duties of members of the Board of Directors, as well as provisions related to the convening of meetings of the MTS PJSC Board of Directors, have been specified;
- as well as other amendments made.

Draft of the new Regulations on the Board of Directors of MTS PJSC and the comparison table of amendments to the Regulations on the Board of Directors of MTS PJSC are attached.

The Board of Directors of MTS PJSC recommended approving the Regulations on the Board of Directors of MTS PJSC, as amended.

Procedure for resolution adoption:

The resolution shall be made by a simple majority of votes of the shareholders attending the meeting.

Draft resolution:

Resolved that Regulations on the Board of Directors of MTS PJSC, as revised, be approved (Appendix 3).