

**Table of comparison
of amendments to the Regulations on the Board of Directors of MTS PJSC with the current version (2018)**

No. of clause	Current version	New version	Comment
3.5	None	<p>3.5. Engagement of external consultants by the Board of Directors</p> <p>3.5.1. For the purposes of rendering assistance in the performance of functions of a Board of Directors member, external consultants, experts and other advisors may be engaged. The engagement of such person is possible: (1) by the decision of the Board of Directors; (2) by the decision of a Committee of the Board of Directors; (3) at the initiative of any member of the Board of Directors, as agreed with the Chairman of the Board of Directors.</p> <p>3.5.2. The engagement of such consultants shall be made at the expense of the Company. Estimated costs related to the engagement of external consultants shall be included in the budget of the Company. The engagement of external consultants and payment for their services shall be made in accordance with in-house procedures of the Company.</p>	<p>The Regulations have been supplemented with new Clause 3.5.</p> <p>For the purposes of implementing the recommendation contained in Sub-clause 131 of the Code of Corporate Governance, the existing procedure has been formalized for engaging external consultants to render assistance to members of the Board of Directors in the performance of their functions. By the decision of the Corporate Governance Committee of MTS PJSC Board of Directors as of February 28, 2018, recommendations were given to formalize the procedure for engaging external consultants in the Company's in-house documents. The formalization of the procedure in the Regulations on the Board of Directors will allow heightening MTS Corporate Governance Index.</p>
4.1.8.	<p>4.1.8. The notice of a meeting and materials shall be sent to each member of the Board of Directors at least 10 (ten) business days prior to the meeting in the form and manner prescribed by the Rules of Procedure of the Board of Directors "Preparation of and Holding Meetings of the Board of Directors" (Annex No. 4). The members of the Board of Directors are expected to review and devote appropriate time to studying Board of Directors and committee materials, and</p>	<p>4.1.8. Meeting notice and materials shall be sent to each member of the Board of Directors at least ten (10) calendar days before the meeting, in the form and manner established by the Policy "Preparing and Holding Meetings of the Board of Directors" (Annex No. 4). Members of the Board of Directors are expected to consider provided materials related to the meeting of the Board of Directors, and materials of Committees of the Board of Directors, setting aside some time for the study of such materials. Herewith, members of the Board of Directors may request additional information, if necessary. In case of</p>	<p>Technical correction. The proposal has been moved to Clause 4.2.5</p>

	may request additional information as appropriate. In case of absentee voting, the notice of the meeting and materials shall be accompanied by a voting ballot (Annex No. 5).	absentee voting, the meeting notice and materials shall be accompanied by a voting ballot (Annex No. 5).	
4.2.5	4.2.5. A resolution of the Board of Directors may be adopted by absentee voting, i.e. without holding a meeting of the Board of Directors	4.2.5. A resolution of the Board of Directors may be adopted by absentee voting, i.e. without holding a meeting of the Board of Directors by personal attendance. Voting on issues on the agenda of an absentee meeting of the Board of Directors shall be carried out by voting ballots (Annex No. 5).	Technical correction; the proposal has been moved from Clause 4.1.8
4.2.6	4.2.6. Members of the Board of Directors shall be deemed participating in absentee voting, if copies of their signed ballots are received by e-mail prior to the deadline of ballot receipt. Absentee voting by the Board of Directors members shall be deemed performed if at least a half of its elected members participate in voting (except where a larger quorum is required by law or the Company's Charter).	4.2.6. Members of the Board of Directors shall be deemed to have participated in the absentee voting, if copies of the ballots signed by them were received by e-mail, or if they filled out an electronic voting ballot form in the electronic document management system designed for collective management bodies of the Company , prior to the deadline of ballot receipt. Absentee voting by the Board of Directors members shall be deemed performed if at least a half of its elected members participate in voting (except where a larger quorum is required by law or the Company's Charter).	The possibility has been established to fill out an electronic voting ballot form to vote on issues on the agenda of an absentee voting of the Board of Directors, along with filling out ballots on paper. In 2014, an electronic document management system was introduced at the Company to support activities of collective management bodies, implemented on personal tablets of members of the Board of Directors. The said electronic system enables to accumulate, in the single information space, the necessary and relevant set of options for activities of members of the Company's collective management bodies, automate their work, and ensure the mobility of participants for taking important managerial decisions. The service is being permanently updated; currently, there is a technical solution to implement the electronic voting on issues on the agenda of an absentee meeting of the Board of Directors. The use of electronic systems (platforms) to organize meetings and sessions of collective management bodies, the possibility of electronic voting is in line with global digital technology

development trends, improves the safety and quality of preparing meetings and materials, and makes the access to meetings materials more convenient for members of the Board of Directors.

4.3.4

4.3.4. The written opinions of the Board of Directors members not present at the Board of Directors meeting shall be taken into account when determining whether a quorum is present and determining the results of voting on items on the agenda for the meeting in praesentia. A written opinion must bear the signature and full printed name of the Board of Directors member. Written opinions shall be submitted by the Board of Directors members to the Board of Directors Chairman or the Board of Directors Secretary before the beginning of the meeting. A written opinion may be sent by a member of the Board of Directors by means of electronic communication with subsequent provision of the original.

4.3.4. The written opinions of the Board of Directors members not present at the Board of Directors meeting shall be taken into account when determining whether a quorum is present and determining the results of voting on items on the agenda for the meeting in praesentia. A written opinion must bear the signature and full printed name of the Board of Directors member. Written opinions shall be submitted by the Board of Directors members to the Board of Directors Chairman or the Board of Directors Secretary before the beginning of the meeting. A written opinion may be sent by a member of the Board of Directors by means of electronic communication with subsequent provision of the original **or an electronic written opinion form may be filled out in the electronic document management system designed for collective management bodies of the Company. If the electronic written opinion form is filled out in the electronic document management system designed for collective management bodies of the Company, the electronic written opinion form must be signed by a qualified electronic signature of the member of the Board of Directors. In such a case, the electronic written opinion form signed by a qualified electronic signature shall be considered to be equivalent to the written opinion on paper signed by personal handwritten signature.**

If directors participate in an attendee meeting of the Board of Directors via provision of the written opinion on issues on the agenda, a possibility has been established to fill out an electronic written opinion form in the electronic document management system for collective management bodies of the Company.
See Clause 4.2.6 for the rationale

<p>4.5</p>	<p>none</p>	<p>4.5. Engagement of an appraiser/financial expert in decision-making of the Board of Directors.</p> <p>4.5.1. An independent appraiser and, in certain cases, an investment bank or other independent financial expert shall be engaged in decision-making of the Board of Directors in the following instances:</p> <ul style="list-style-type: none"> (1) to evaluate a property (except for monetary funds) alienated under a major transaction; (2) to evaluate a property alienated or purchased under a material interested-party transaction; (3) to evaluate shares/stocks acquired or alienated under a material transaction concluded with the Company’s controlling shareholder and/or with companies controlled by the controlling shareholder of the Company; (4) to determine the market value, where the engagement of an independent appraisal is required by law. <p>4.5.2. In preparation for considering by the Board of Directors an issue requiring an independent evaluation/engagement of a financial expert in accordance with Clause 4.5.1. of these Regulations, the responsible internal division of the Company shall organize an independent appraisal/expert investigation before materials related to relevant issue are brought before the Board of Directors for consideration. The list of appraisers/financial experts engaged to carry out an independent appraisal/issue an independent opinion shall be approved by the head of the responsible division. When selecting an appraiser/financial expert, its business reputation and appraisal experience in corresponding area shall be taken into account. The result of (report on) the</p>	<p>The Regulations have been supplemented with the new Clause 4.5.</p> <p>The Code of Corporate Governance recommends that the procedure be formalized in in-house documents of the Company for engaging an appraiser to evaluate the property under major transactions and material interested-party transactions, as well as evaluate the cost of acquisition and redemption of the Company’s shares (Sub-clauses 7.2.2, 313, 315, 330, 352).</p> <p>In order to implement the recommendations stipulated by the Corporate Governance Code, it is suggested to formalize the Company procedure for engaging an independent appraiser and, in some cases, an investment bank or other independent financial expert to determine the value of assets for major transactions, material interested-party transactions and material transactions related to the acquisition of shares/stocks with the companies of the group of Sistema PJFSC, which is the controlling shareholder of MTS PJSC. By the decision of the Corporate Governance Committee of the Board of Directors as of February 28, 2018, recommendations were given to formalize the procedure for engaging an appraiser in the Regulations on the Board of Directors.</p> <p>The procedure formalization in the Regulations will allow to heighten the MTS PJSC Corporate Governance Index.</p>
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		independent appraisal/expert opinion shall be an exhibit to materials of the Board of Directors' meeting.	
Changes in the Rules of Procedure Preparation for and Holding of the Board of Directors Meetings (Appendix 4 to the Regulations on the Board of Directors)			
2.2	Definitions The Company – MTS PJSC. MTS PJSC (MTS) means all structural divisions, branches and representative offices	2.2. Definitions of terms Company: MTS PJSC MTS PJSC (MTS) means all structural divisions, branches and representative offices. Electronic document management system designed for collective management bodies of the Company means a system of electronic document control to prepare, conduct and compile the results of meetings of collective management bodies of the Company.	Clause 2.2. has been supplemented by a new term “Electronic document management system designed for collective management bodies of the Company”. See Clause 4.2.6 for the rationale
4.22.	4.22. The notification of the meeting shall be forwarded in written form to all Board of Directors members by e-mail or any other mode convenient for them (including but not limited to: mail, telegraph, fax or otherwise).	4.22. The notification of the meeting shall be forwarded in written form to all Board of Directors members by e-mail and/or by posting the notice text in the electronic document management system designed for collective management bodies of the Company. The notice of the meeting may also be sent by mail, telegraph, and fax or otherwise, as convenient for the members of the Board of Directors of the Company.	The clause has been supplemented by a new way of notifying the members of the Board of Directors on the meetings by posting the notice text in the electronic document management system designed for collective management bodies of the Company. See Clause 4.2.6. for the rationale
4.26.	4.26. The information materials on the agenda items may be sent to the Board of Directors members along with the notification of the meeting or separately but in any case within 10 (ten) calendar days at the latest prior to the meeting. Information files on the agenda items are provided to the members of the Board of Directors by sending an electronic mail or in any other convenient way (through	4.26. Any information materials on the agenda items may be sent to the members of the Board of Directors together with the notice of the meeting or separately, but not later than 10 (ten) calendar days prior to the meeting in any case. The information materials on the agenda items are provided to the members of the Board of Directors by e-mail or by posting in the electronic document management system designed for collective management bodies of the Company. The information materials on the	A clarification has been made regarding the submittal of information materials on the agenda items to the electronic document management system designed for collective management bodies, along with the other means of sending materials See Clause 4.2.6. for the rationale

	electronic document management system for the Board of Directors, implemented in the Company, by mail, courier, fax, or other means)	agenda items may be provided to the members of the Board of Directors also by mail, courier, fax, or otherwise, as convenient for the members of the Board of Directors.	
5.2.	5.2. The Board of Directors member may participate in the meeting by sending a written opinion on the Board of Directors meeting agenda items to be considered in determining the presence of quorum and the voting results on the Board of Directors meeting agenda items.	5.2. The Board of Directors member may participate in the meeting by sending a written opinion on the Board of Directors meeting agenda items to be considered in determining the presence of quorum and the voting results on the Board of Directors meeting agenda items. An electronic written opinion form can be filled out by a member of the Board of Directors in the electronic document management system designed for collective management bodies of the Company. If the electronic written opinion form is filled out in the electronic document management system designed for collective management bodies of the Company, the electronic written opinion form must be signed by a qualified electronic signature of the member of the Board of Directors. In this case, the electronic written opinion form signed by a qualified electronic signature shall be deemed equivalent to a hard copy of the written opinion signed by hand.	If the directors participate in an attendee meeting of the Board of Directors via provision of the written opinion on issues on the agenda, a possibility is established to fill out an electronic written opinion form in the electronic document management system for collective management bodies of the Company. See Clause 4.2.6 for the rationale
6.3.	6.3. When making decision on holding absentee voting, the Board of Directors Chairman shall determine: <ul style="list-style-type: none"> - issues submitted to absentee voting; - draft resolution on the agenda items; - wording and form of the voting ballot; - list of information materials submitted to the Board of Directors members; - timing when the Board of Directors 	6.3. When deciding whether to hold an absentee voting, the Chairman of the Board of Directors shall determine the following: <ul style="list-style-type: none"> - issues put to absentee voting; - draft decision on the agenda items; - text and form of the voting ballot; - list of information materials provided to the members of the Board of Directors; - the date of provision of the members of the Board of Directors with voting ballots and other information materials; 	The procedure for convening a meeting of the Board of Directors in absentia has been supplemented by the e-voting procedure. See Clause 4.2.6. for the rationale

	<p>members shall be provided with the voting ballots and other information materials;</p> <ul style="list-style-type: none"> - deadline for receipt of the ballots; - address for sending the ballots 	<ul style="list-style-type: none"> - deadline for the receipt of ballots; - addresses for mailing the ballots; <p>When deciding whether to hold an absentee voting, it may be possible to fill out an electronic form of the voting ballots in the electronic document management system designed for collective management bodies of the Company.</p>	
6.5.	<p>6.5. The notification of absentee voting shall include:</p> <ul style="list-style-type: none"> - issues submitted to absentee voting; - end date for collecting the ballots; - address for sending the ballots. <p>The notification on holding absentee voting shall be signed by the Board of Directors Chairman and on his behalf by the Board of Directors Secretary</p>	<p>6.5. The absentee voting notice shall include the following:</p> <ul style="list-style-type: none"> - issues put to absentee voting; - deadline for the receipt of ballots; - address for mailing the ballots; - indication of the possibility to fill out an electronic form of the voting ballots in the electronic document management system designed for collective management bodies of the Company. 	<p>The procedure for convening a meeting of the Board of Directors in absentia has been supplemented by the e-voting procedure. See Clause 4.2.6. for the rationale</p>
6.7.	<p>6.7. The written notification on holding absentee voting shall be sent to all members of the Board of Directors via e-mail or any other mode convenient for them (including but not limited to: fax, mail, telegraph, or other mode).</p>	<p>6.7. The written notification on holding absentee voting shall be sent to all members of the Board of Directors via e-mail and/or by posting the notification text in the electronic document management system designed for collective management bodies of the Company. The written notice of the absentee voting may also be sent by mail, fax, telegraph, or otherwise, as convenient for the members of the Board of Directors.</p>	<p>The clause has been supplemented by a new way of notifying the members of the Board of Directors on the in absentia meetings by posting the notice text in the electronic document management system designed for collective management bodies of the Company. See Clause 4.2.6. for the rationale</p>
6.9.	<p>The Board of Directors members are deemed to have taken part in absentee voting if copies of their signed ballots have been received by e-mail prior to or on the end date for collecting the ballots. Original signed ballot must be sent by a member of the Board of Directors to the Company at the address specified in the</p>	<p>6.9. The Board of Directors members are deemed to have taken part in absentee voting if copies of their signed ballots have been received by e-mail or if they filled out an electronic voting ballot form in the electronic document management system designed for collective management bodies of the Company, prior to or on the end date for collecting the ballots. In case of participating in the absentee</p>	<p>The clause has been supplemented by the procedure for e-voting on the items on the agenda of the absentee meeting of the Board of Directors. See Clause 4.2.6. for the rationale</p>

	<p>ballot, or handed over to the Secretary of the Board of Directors.</p>	<p>voting by sending a copy of the signed ballot by e-mail, the member of the Board of Directors shall send the original copy of the signed ballot to the Company address specified in the ballot or handed to the Secretary of the Board of Directors. If the electronic voting ballot form is filled out in the electronic document management system designed for collective management bodies of the Company, the filled out e-ballot form must be signed by a qualified electronic signature of the member of the Board of Directors. In this case, the e-ballot form signed by a qualified electronic signature shall be deemed equivalent to a hard copy of the ballot signed by hand.</p>	
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