

**Minutes of the Extraordinary General Shareholders' Meeting
of Public Joint Stock Company "MegaFon"**
(hereinafter also referred to as the "Company")

Address of the Company: Moscow, Russian Federation.

Type of General Meeting: Extraordinary General Shareholders' Meeting of the Company.

Form of holding the Extraordinary General Shareholders' Meeting of the Company: Meeting (joint presence of shareholders for discussion of Agenda items and taking decisions on issues put to vote).

Date of holding the Extraordinary General Shareholders' Meeting: March 12, 2018.

Venue of the Extraordinary General Shareholders' Meeting: 127006, Russian Federation, Moscow, Oruzheiny lane, 41.

Starting time of registration of persons entitled to participate in the Extraordinary General Shareholders' Meeting of the Company: 11-00.

Address to which the shareholders forwarded the executed voting ballots: 107076, Russian Federation, Moscow, Stromynka Street, 18, building 5B, Independent Registrar Company JSC.

Deadline for acceptance of the executed voting ballots: March 09, 2018.

Starting time of the Extraordinary General Shareholders' Meeting: 12-00.

End time of registration: 12-10.

Starting time for counting of votes: 12-20.

Closing time of the Extraordinary General Shareholders' Meeting of the Company: 12-30.

List of persons entitled to participate in the Extraordinary General Meeting of Shareholders was made according to the shareholders' register of the Company as of February 15, 2018.

The total number of votes held by the shareholders with voting shares of the Company according to the shareholders' register as of February 15, 2018: 620 000 000 votes.

The Extraordinary General Shareholders' Meeting of the Company has the quorum. The Extraordinary General Shareholders' Meeting has the authority to pass resolutions on all the Agenda items.

The Chairman of the Extraordinary General Shareholders' Meeting is S.V. Soldatenkov.

The Secretary of the Extraordinary General Shareholders' Meeting is E.L. Breeva.

In the Minutes of the Extraordinary General Shareholders' Meeting of Public Joint Stock Company "MegaFon" the following term shall be used: Provisions - Provisions on additional requirements to the procedure of preparation, convocation and holding the General Shareholders' Meeting, approved by the Order of FSFM of Russia dd. 02.02.2012. №12-6/pz-n.

Agenda:

1. Election of the Revision Commission of the Company.
2. Approval of the number of seats in the Management Board of the Company and election of the Management Board of the Company.
3. Determination of the amount of remuneration and (or) compensation of expenses to the members of the Company's Board of Directors related to performance of their duties.

4. The Company's participation in the National Association of Industrial Internet Market Participants (RAII).

The floor was taken by the Company's Corporate Secretary, Breeva E.L., who presented information on all the Agenda items of the Extraordinary General Shareholders' meeting of the Company.

On Item 1 of the Agenda:

Draft resolution:

To elect the Revision Commission of the Company in the following composition:

1. Zheimo Yuri Antonovich;
2. Grigoryan Gagik Arutyunovich;
3. Miklush Dmitry Vladimirovich.

Results of the voting on item 1 of the Agenda of the Extraordinary General Shareholders' Meeting:

The number of votes on this Agenda item of the General Meeting held by the persons included in the list of persons entitled to participate in the General Meeting	620 000 000
The number of votes assigned to the voting shares of the Company under this Agenda item of the General Meeting, calculated with consideration of item 4.20 of the Provisions	619 994 000
The number of votes on this item held by the persons who actually participated in the General Meeting	548 743 840
QUORUM on this item is PRESENT	88.5079%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	547 826 174	99.8328
"AGAINST"	381 825	0.0696
"ABSTAINED"	13 000	0.0024
Number of votes that were not counted due to be deemed as invalid or due to other grounds stipulated by the Provisions		
"Invalid"	2	0.0000004
"Other grounds"	522 839	0.0952
TOTAL:	548 743 840	100.0000

Resolution on Item 1 of the Agenda of the Extraordinary General Shareholders' Meeting of the Company was ADOPTED.

Adopted resolution:

To elect the Revision Commission of the Company in the following composition:

1. Zheimo Yuri Antonovich;
2. Grigoryan Gagik Arutyunovich;
3. Miklush Dmitry Vladimirovich.

On Item 2 of the Agenda:

Draft resolution:

1. To early terminate the powers of the Company's Management Board members.
2. To approve the number of seats in the Management Board of the Company (9 persons) and elect the Management Board of the Company in the following composition:
 1. Soldatenkov Sergey Vladimirovich;
 2. Barunin Alexander Anatolievich;
 3. Vatrak Valentina Igorevna;

4. Vermishyan Gevork Arutyunovich;
5. Wolfson Vlad;
6. Kononov Dmitry;
7. Korchagin Pavel Viktorovich;
8. Serebryanikova Anna Andreevna;
9. Sobolev Alexander Andreevich.

Results of the voting on item 2 of the Agenda of the Extraordinary General Shareholders' Meeting:

The number of votes on this Agenda item of the General Meeting held by the persons included in the list of persons entitled to participate in the General Meeting	620 000 000
The number of votes assigned to the voting shares of the Company under this Agenda item of the General Meeting, calculated with consideration of item 4.20 of the Provisions	620 000 000
The number of votes on this item held by the persons who actually participated in the General Meeting	548 743 840
QUORUM on this item is PRESENT	88.5070%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	547 825 874	99.8327
"AGAINST"	381 827	0.0696
"ABSTAINED"	13 300	0.0024
Number of votes that were not counted due to be deemed as invalid or due to other grounds stipulated by the Provisions		
"Invalid"	0	0.0000
"Other grounds"	522 839	0.0953
TOTAL:	548 743 840	100.0000

Resolution on Item 2 of the Agenda of the Extraordinary General Shareholders' Meeting of the Company was ADOPTED.

Adopted resolution:

1. To early terminate the powers of the Company's Management Board members.
2. To approve the number of seats in the Management Board of the Company (9 persons) and elect the Management Board of the Company in the following composition:
 1. Soldatenkov Sergey Vladimirovich;
 2. Barunin Alexander Anatolievich;
 3. Vatrak Valentina Igorevna;
 4. Vermishyan Gevork Arutyunovich;
 5. Wolfson Vlad;
 6. Kononov Dmitry;
 7. Korchagin Pavel Viktorovich;
 8. Serebryanikova Anna Andreevna;
 9. Sobolev Alexander Andreevich.

On Item 3 of the Agenda:

Draft resolution:

1. To fix the amount of the fee payable to an independent Board member of the Company for his performance as the Company's independent Board member in the amount of EUR 250,000 (Two Hundred Fifty Thousand) for one calendar year.

The indicated remuneration shall be payable to the independent Board member in proportion to the actual period of performance as the independent Board member and be determined as a product of the amount of the independent

Board member's fee multiplied by the ratio of the actual period of the Board member's service and the number of days in the respective calendar year. In this case:

- the start date for the actual performance as the independent Board member shall be deemed to be: (1) the date of his election to the Company's Board of Directors, provided that he complies with the independence criteria as of the date of election to the Company's Board of Directors, or (2) the date, when he is recognized to be independent by the decision of the Company's Board of Directors, if he becomes to comply with the independence criteria after being elected to the Company's Board of Directors.
- the end date for the actual performance as the independent Board member shall be deemed to be: (1) the date when he ceases to be Company's Board member, provided that he complies with the independence criteria as of the date of termination, or (2) the date when he actually stopped complying with the independence criteria.

The actual period of the independent Board member's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

In addition to the Board membership fee, the independent Board members of the Company shall get full compensation of documented overhead expenses incurred in relation to the Company's Board meetings. Such overhead expenses shall be reimbursed against the original source documents as presented by the independent Board members of the Company that meet the requirements of the Russian Federation statutory accounting.

2. To fix the amount of the fee payable to a non-independent Board member of the Company for his performance as the Company's Board member: USD 40,000 (Forty Thousand) for one calendar year.

The indicated remuneration shall be payable to the Board member in proportion to the actual period of performance as the Board member and be determined as a product of the amount of the Board member's fee multiplied by the ratio of the actual period of the Board member's service and the number of days in the respective calendar year. The actual period of the Board member's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

3. To fix the amount of the fee payable to the Chairman of the Board of Directors of the Company for his performance as the Chairman of the Company's Board of Directors: USD 60,000 (Sixty Thousand) for one calendar year.

The indicated remuneration shall be payable to the Chairman of the Board of Directors in proportion to the actual period of performance as the Chairman of the Board of Directors and be determined as a product of the amount of the Board Chairman's fee multiplied by the ratio of the actual period of the Board Chairman's service and the number of days in the respective calendar year. The actual period of the Board Chairman's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

4. The remuneration shall be payable as follows:

- The remuneration for the period from the date of the Annual General Shareholders' Meeting till the end of the respective present calendar year shall be payable no later than January 31 of the next calendar year;
 - The remuneration for the period starting from January 1 of the respective present calendar year till the date of the Annual General Shareholders' Meeting shall be payable no later than July 31 of the respective present calendar year once held the Annual General Shareholders' Meeting.
5. The amount of remuneration shall be determined accurate till the second decimal place according to the mathematical rounding rules.

Remuneration shall be subject to deduction of all applicable taxes of the Russian Federation.

Remuneration to residents of the Russian Federation shall be payable in the Russian Rubles at the exchange rate of the Bank of Russia on the date when the monetary funds are transferred. Remuneration to non-residents of the Russian Federation shall be payable in EURO.

6. This resolution shall cover the period from the date of the Extraordinary General Shareholders' Meeting - 19.01.2018, shall have unlimited term and shall cease its effect, in case the Company's General Shareholders' Meeting adopts a new resolution that cancels this resolution.
7. Payment of remuneration to the Company's Board members, who have performed their duties prior to 19.01.2018, shall be made in the amount, according to the procedures and within the timeline as set forth by the resolution on determination of the amount of remuneration and (or) compensation of expenses to the members of the Company's Board of Directors related to performance of their duties as adopted by the Extraordinary General Shareholders' Meeting on 22.09.2014 (Minutes dated 22.09.2014). In any other respect, the abovementioned resolution of the Company's General Shareholders' Meeting shall cease its effect from 19.01.2018.
8. To pay additional bonus in the amount of GBP 200,000 (Two Hundred Thousand) net of taxes to the independent Board member Lord Paul Myners for his performance as the Board member of the Company from 2013 till 2018.
9. To pay additional bonus in the amount of GBP 200,000 (Two Hundred Thousand) net of taxes to the independent Board member Jan Eric Rudberg for his performance as the Board member of the Company from 2010 till 2018.

Results of the voting on item 3 of the Agenda of the Extraordinary General Shareholders' Meeting:

The number of votes on this Agenda item of the General Meeting held by the persons included in the list of persons entitled to participate in the General Meeting	620 000 000
The number of votes assigned to the voting shares of the Company under this Agenda item of the General Meeting, calculated with consideration of item 4.20 of the Provisions	620 000 000
The number of votes on this item held by the persons who actually participated in the General Meeting	548 743 840
QUORUM on this item is PRESENT	88.5070%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	507 160 428	92.4221
"AGAINST"	41 565 041	7.5746
"ABSTAINED"	15 540	0.0028
Number of votes that were not counted due to be deemed as invalid or due to other grounds stipulated by the Provisions		
"Invalid"	0	0.0000
"Other grounds"	2 831	0.0005
TOTAL:	548 743 840	100.0000

Resolution on Item 3 of the Agenda of the Extraordinary General Shareholders' Meeting of the Company was ADOPTED.

Adopted resolution:

1. To fix the amount of the fee payable to an independent Board member of the Company for his performance as the Company's independent Board member in the amount of EUR 250,000 (Two Hundred Fifty Thousand) for one calendar year.

The indicated remuneration shall be payable to the independent Board member in proportion to the actual period of performance as the independent Board member and be determined as a product of the amount of the independent Board member's fee multiplied by the ratio of the actual period of the Board member's service and the number of days in the respective calendar year. In this case:

- the start date for the actual performance as the independent Board member shall be deemed to be: (1) the date of his election to the Company's Board of Directors, provided that he complies with the independence criteria as of the date of election to the Company's Board of Directors, or (2) the date, when he is recognized to be independent by the decision of the Company's Board of Directors, if he becomes to comply with the independence criteria after being elected to the Company's Board of Directors.

- the end date for the actual performance as the independent Board member shall be deemed to be: (1) the date when he ceases to be Company's Board member, provided that he complies with the independence criteria as of the date of termination, or (2) the date when he actually stopped complying with the independence criteria.

The actual period of the independent Board member's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

In addition to the Board membership fee, the independent Board members of the Company shall get full compensation of documented overhead expenses incurred in relation to the Company's Board meetings. Such overhead expenses shall be reimbursed against the original source documents as presented by the independent Board members of the Company that meet the requirements of the Russian Federation statutory accounting.

2. To fix the amount of the fee payable to a non-independent Board member of the Company for his performance as the Company's Board member: USD 40,000 (Forty Thousand) for one calendar year.

The indicated remuneration shall be payable to the Board member in proportion to the actual period of performance as the Board member and be determined as a product of the amount of the Board member's fee multiplied by the ratio of the actual period of the Board member's service and the number of days in the respective calendar year. The actual period of the Board member's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

3. To fix the amount of the fee payable to the Chairman of the Board of Directors of the Company for his performance as the Chairman of the Company's Board of Directors: USD 60,000 (Sixty Thousand) for one calendar year.

The indicated remuneration shall be payable to the Chairman of the Board of Directors in proportion to the actual period of performance as the Chairman of the Board of Directors and be determined as a product of the amount of the Board Chairman's fee multiplied by the ratio of the actual period of the Board Chairman's service and the number of days in the respective calendar year. The actual period of the Board Chairman's service shall be calculated in business days according to the labor calendar in compliance with the Russian Federation law.

4. The remuneration shall be payable as follows:

- The remuneration for the period from the date of the Annual General Shareholders' Meeting till the end of the respective present calendar year shall be payable no later than January 31 of the next calendar year;
- The remuneration for the period starting from January 1 of the respective present calendar year till the date of the Annual General Shareholders' Meeting shall be payable no later than July 31 of the respective present calendar year once held the Annual General Shareholders' Meeting.

5. The amount of remuneration shall be determined accurate till the second decimal place according to the mathematical rounding rules.

Remuneration shall be subject to deduction of all applicable taxes of the Russian Federation.

Remuneration to residents of the Russian Federation shall be payable in the Russian Rubles at the exchange rate of the Bank of Russia on the date when the monetary funds are transferred. Remuneration to non-residents of the Russian Federation shall be payable in EURO.

6. This resolution shall cover the period from the date of the Extraordinary General Shareholders' Meeting - 19.01.2018, shall have unlimited term and shall cease its effect, in case the Company's General Shareholders' Meeting adopts a new resolution that cancels this resolution.
7. Payment of remuneration to the Company's Board members, who have performed their duties prior to 19.01.2018, shall be made in the amount, according to the procedures and within the timeline as set forth by the resolution on determination of the amount of remuneration and (or) compensation of expenses to the members of the Company's Board of Directors related to performance of their duties as adopted by the Extraordinary General Shareholders' Meeting on 22.09.2014 (Minutes dated 22.09.2014). In any other respect, the abovementioned resolution of the Company's General Shareholders' Meeting shall cease its effect from 19.01.2018.

8. To pay additional bonus in the amount of GBP 200,000 (Two Hundred Thousand) net of taxes to the independent Board member Lord Paul Myners for his performance as the Board member of the Company from 2013 till 2018.
9. To pay additional bonus in the amount of GBP 200,000 (Two Hundred Thousand) net of taxes to the independent Board member Jan Eric Rudberg for his performance as the Board member of the Company from 2010 till 2018.

On Item 4 of the Agenda:

Draft resolution:

To approve the Company's participation in in the National Association of Industrial Internet Market Participants (RAII).

Results of the voting on item 4 of the Agenda of the Extraordinary General Shareholders' Meeting:

The number of votes on this Agenda item of the General Meeting held by the persons included in the list of persons entitled to participate in the General Meeting	620 000 000
The number of votes assigned to the voting shares of the Company under this Agenda item of the General Meeting, calculated with consideration of item 4.20 of the Provisions	620 000 000
The number of votes on this item held by the persons who actually participated in the General Meeting	548 743 840
QUORUM on this item is PRESENT	88.5070%

Voting options	Number of votes for each voting option	% of actual participants of the meeting
"IN FAVOR"	548 207 961	99.9023
"AGAINST"	0	0.0000
"ABSTAINED"	13 040	0.0024
Number of votes that were not counted due to be deemed as invalid or due to other grounds stipulated by the Provisions		
"Invalid"	0	0.0000
"Other grounds"	522 839	0.0953
TOTAL:	548 743 840	100.0000

Resolution on Item 4 of the Agenda of the Extraordinary General Shareholders' Meeting of the Company was ADOPTED.

Adopted resolution:

To approve the Company's participation in in the National Association of Industrial Internet Market Participants (RAII).

The Minutes of the Extraordinary General Shareholders' Meeting were made on March 12, 2018.

Attachments:

1. Minutes confirming the results of voting at the Extraordinary General Shareholders' Meeting of the Company.

Chairman of the Extraordinary General Shareholders' Meeting _____ / S.V. Soldatenkov/

Secretary of the Extraordinary General Shareholders' Meeting _____ /E.L. Breeva/