

# Major transactions of PJSC MegaFon in 2019

Governing body that approved the transaction	Subject matter and material terms of the transaction
<b>Board of Directors (Minutes No. 294(358) dated 2 November 2018)</b>	Loan Agreement between PJSC MegaFon (Lender) and LLC MegaFon Finance (Borrower) PJSC MegaFon (Lender) issues an up-to-tree-year (inclusive) loan at an interest rate of 0% per annum to LLC MegaFon Finance (Borrower).
<b>General Meeting of Shareholders (minutes w/n dated 7 December 2018)</b>	Total loan amount: not exceeding RUB 90,000,000,000. The Loan Agreement is related to the Surety Agreement signed on 10 December 2018 between PJSC MegaFon and Bank GPB (JSC), under which PJSC MegaFon provides a surety to Bank GPB (JSC) to secure the obligations of LLC MegaFon Finance under a bank guarantee agreement. The Company disclosed the details of the said Surety Agreement in its Annual Report 2018. The value of the related transactions (including the Surety Agreement) does not exceed 50% of the book value of PJSC MegaFon's assets.

# Interested party transactions of PJSC MegaFon in 2019

Governing body that approved the transaction	Subject matter and material terms of the transaction	Interested parties involved in the transaction
<b>Board of Directors (Minutes No. 259(323) dated 26 April 2017; No. 281(345) dated 16 May 2018; No. 308(372) dated 29 May 2019)</b>	Revolving Loan Agreement between PJSC MegaFon (Borrower) and JSC FTC (Lender) <ul style="list-style-type: none"> <li>• Loan amount: up to RUB 6,000,000,000</li> <li>• Loan maturity date: 27 July 2022</li> <li>• Interest rate: zero (0) percent per annum</li> </ul>	LLC USM Holding Company LLC USM Telecom LLC AF Telecom Holding

Governing body that approved the transaction	Subject matter and material terms of the transaction	Interested parties involved in the transaction
<b>Board of Directors (Minutes No. 294(358) dated 2 November 2018)</b>  <b>General Meeting of Shareholders (minutes w/n dated 7 December 2018)</b>	Loan Agreement between PJSC MegaFon (Lender) and LLC MegaFon Finance (Borrower)  PJSC MegaFon (Lender) issues an up-to-tree-year (inclusive) loan at an interest rate of 0% per annum to LLC MegaFon Finance (Borrower).  Total loan amount: not exceeding RUB 90,000,000,000.  The Loan Agreement is related to the Surety Agreement signed on 10 December 2018 between PJSC MegaFon and Bank GPB (JSC), under which PJSC MegaFon provides a surety to Bank GPB (JSC) to secure the obligations of LLC MegaFon Finance under a bank guarantee agreement. The Company disclosed the details of the said Surety Agreement in its Annual Report 2018.	Interested parties: LLC USM Holding Company LLC USM Telecom LLC AF Telecom Holding Aleksandr A. Barunin, Member of the Company's Management Board  Grounds for recognising them as interested parties: <ul style="list-style-type: none"> <li>• The counterparty to the transaction, LLC MegaFon Finance, is controlled by parties also controlling the Company</li> <li>• Aleksandr A. Barunin, Member of the Company's Management Board, is the CEO of the counterparty to the transaction, LLC MegaFon Finance</li> </ul> Share ownership of interested parties in PJSC MegaFon at the time of transaction: <ul style="list-style-type: none"> <li>• LLC USM Holding Company: nil</li> <li>• LLC USM Telecom: nil</li> <li>• LLC AF Telecom Holding: 56.3178%</li> <li>• Aleksandr A. Barunin: nil.</li> </ul> Share ownership of interested parties in the counterparty: nil.

Governing body that approved the transaction	Subject matter and material terms of the transaction	Interested parties involved in the transaction
<b>Board of Directors (Minutes No. 297(361) dated 5 December 2018)</b>	<p>Related surety agreements to secure the obligations of PJSC MegaFon subsidiaries (Debtors) to banks, customers and partner companies.</p> <p>The subject matter of the surety agreements is PJSC MegaFon's liability to secure the obligations of PJSC MegaFon subsidiaries:</p> <ol style="list-style-type: none"> <li>1. to banks under bank guarantee agreements (including guarantees issued to secure subsidiaries' obligations under public contracts)</li> <li>2. to customers under public contracts and agreements executed as part of commercial tenders</li> <li>3. to partner companies under distribution agreements and supply agreements</li> <li>4. under bank financing and factoring agreements.</li> </ol> <p>The total price of the property (services) under the related surety agreements providing for PJSC MegaFon's liability to secure the obligations of PJSC MegaFon subsidiaries to banks, customers, and partner companies will not exceed RUB 6,000,000,000.</p>	<p>LLC USM Holding Company</p> <p>LLC USM Telecom</p> <p>LLC AF Telecom Holding</p>

# Corporate Governance Code Compliance Report

This Corporate Governance Code (the Code) Compliance Report was discussed by the Board of Directors of Public Joint Stock Company MegaFon (the Company) at its meeting held on 6 May 2020 (Minutes No. 331 (395) dated 6 May 2020).

The Board of Directors certifies that all data in this Report contain full and reliable information on compliance by the Company with the principles and recommendations of the Code for 2019.

The compliance with the Code was assessed by the Company in accordance with the Recommendations on Preparation of the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code (Letter of the Bank of Russia No. IN-06-52/8 dated 17 February 2016).

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
<b>1.1</b>	<b>The company shall ensure fair and equitable treatment of all shareholders in exercising their corporate governance rights.</b>			
1.1.1	The company ensures the most favourable conditions for its shareholders to participate in the general meeting, develop an informed position on agenda items of the general meeting, coordinate their actions, and voice their opinions on items considered.	<ol style="list-style-type: none"> <li>1. The company's internal document approved by the general meeting of shareholders governing the procedures to hold general meetings of shareholders is publicly available.</li> <li>2. The company provides accessible means of communication with the company, such as a hotline, email or online forum, to enable shareholders to express their opinion and send questions on the agenda in preparation for the general meeting. The company performed the above actions in advance of each general meeting held in the reporting period.</li> </ol>	Full	
1.1.2	The procedure for giving notice of, and providing relevant materials for, the general meeting enables shareholders to properly prepare for attending the general meeting.	<ol style="list-style-type: none"> <li>1. The notice of an upcoming general shareholders meeting is posted (published) online at least 30 days prior to the date of the general meeting.</li> <li>2. The notice of an upcoming meeting indicates the location of the meeting and the documents required for admission.</li> <li>3. Shareholders were given access to the information on who proposed the agenda items and who proposed nominees to the company's board of directors and revision committee.</li> </ol>	Full	
1.1.3	In preparing for, and holding of, the general meeting, shareholders were able to receive clear and timely information on the meeting and related materials, put questions to the company's executive bodies and the board of directors, and to communicate with each other.	<ol style="list-style-type: none"> <li>1. In the reporting period, shareholders were given an opportunity to put questions to members of executive bodies and members of the board of directors in advance of and during the annual general meeting.</li> <li>2. The position of the board of directors (including dissenting opinions entered in the minutes) on each item on the agenda of general meetings held in the reporting period was included in the materials for the general meeting of shareholders.</li> <li>3. The company gave duly authorized shareholders access to the list of persons entitled to participate in the general meeting, as from the date when such list was received by the company, for all general meetings held in the reporting period.</li> </ol>	Full	
1.1.4	There were no unjustified difficulties preventing shareholders from exercising their right to request that a general meeting be convened, to propose nominees to the company's governing bodies, and to make proposals for the agenda of the general meeting.	<ol style="list-style-type: none"> <li>1. In the reporting period, shareholders had an opportunity to make proposals for the agenda of the annual general meeting for at least 60 days after the end of the respective calendar year.</li> <li>2. In the reporting period, the company did not reject any proposals for the agenda or nominees to the company's governing bodies due to misprints or other insignificant flaws in the shareholder's proposal.</li> </ol>	Full	
1.1.5	Each shareholder was able to freely exercise their voting right in the simplest and most convenient way.	<ol style="list-style-type: none"> <li>1. An internal document (internal policy) of the company contains provisions stipulating that every participant in the general meeting may, before the end of the respective meeting, request a copy of the ballot filled in by them and certified by the counting commission.</li> </ol>	Full	
1.1.6	The procedure for holding a general meeting set by the company provides equal opportunities for all persons attending the meeting to voice their opinions and ask questions.	<ol style="list-style-type: none"> <li>1. During general meetings of shareholders held in the reporting period in the form of a meeting (joint presence of shareholders), sufficient time was allocated for reports on, and discussion of, the agenda items.</li> <li>2. Nominees to the company's governing and control bodies were available to answer questions of shareholders at the meeting at which their nominations were put to vote.</li> <li>3. When passing resolutions on preparing and holding general meetings of shareholders, the board of directors considered using telecommunication means for remote access of shareholders to general meetings in the reporting period.</li> </ol>	Partial	<ol style="list-style-type: none"> <li>1. Full</li> <li>2. Given the Company's shareholder structure during General Meetings of Shareholders (GMS) in the reporting period (100% of the Company shares were held by a single group of persons), the Company did not deem it expedient that nominees be present at the GMS at which their nominations were put to vote. At the same time, nominees to the Company's governing and control bodies were available to answer shareholders' questions in preparation for the GMS. The Company may hold GMSs with nominees to the governing and control bodies present if this is demanded by shareholders.</li> <li>3. The use of filming equipment, video and/or audio recording devices during the GMS, as well as video and/or audio broadcast of the GMS is prohibited by the Company's Regulations on the GMS to prevent unauthorised disclosure of the Company's insider and confidential information. The Company does not plan to change its current approach to holding GMSs, which, inter alia, complies with shareholder's interests to maintain confidentiality of information received and considered by them in the course of GMSs</li> </ol>

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
<b>1.2</b>	<b>Shareholders have equal and fair rights to share profits of the company by receiving dividends.</b>			
1.2.1	The company has developed and introduced a transparent and clear mechanism for determining the dividend amount and paying dividends.	<ol style="list-style-type: none"> <li>The company's dividend policy is developed, approved by the board of directors, and disclosed.</li> <li>If the company's dividend policy uses reporting figures to determine the dividend amount, then relevant provisions of the dividend policy take into account the consolidated financial statements.</li> </ol>	Full	
1.2.2	The company does not resolve to pay out dividends if such payout, while formally compliant with law, is economically unjustified and may lead to a false representation of the company's performance.	<ol style="list-style-type: none"> <li>The company's dividend policy clearly identifies financial/economic circumstances under which the company shall not pay out dividends.</li> </ol>	Full	
1.2.3	The company does not allow for dividend rights of its existing shareholders to be impaired.	<ol style="list-style-type: none"> <li>In the reporting period, the company did not take any actions that would lead to the impairment of the dividend rights of its existing shareholders.</li> </ol>	Full	
1.2.4	The company makes every effort to prevent its shareholders profiting from the company through any means other than dividends and liquidation value.	<ol style="list-style-type: none"> <li>To prevent its shareholders profiting from the company through any means other than dividends and liquidation value, the company's internal documents provide for controls to timely identify and approve deals with affiliates (associates) of the company's substantial shareholders (persons entitled to use votes attached to voting shares) where the law does not formally recognise such deals as interested party transactions.</li> </ol>	Full	
<b>1.3</b>	<b>The corporate governance system and practices ensure equal conditions for all shareholders owning the same type (class) of shares, including minority and non-resident shareholders, and their equal treatment by the company.</b>			
1.3.1	The company has created conditions for fair treatment of each shareholder by the company's governing and control bodies, including conditions that rule out abuse by major shareholders against minority shareholders.	<ol style="list-style-type: none"> <li>In the reporting period, procedures for managing potential conflicts of interest among significant shareholders were efficient, while the board of directors paid due attention to conflicts, if any, between shareholders.</li> </ol>	Full	
1.3.2	The company does not take any actions that lead or may lead to artificial redistribution of corporate control.	<ol style="list-style-type: none"> <li>No quasi-treasury shares were issued or used to vote in the reporting period.</li> </ol>	Partial	As at 31 December 2019, 29.68% of the Company shares were held by its wholly-owned subsidiary LLC MegaFon Finance. Taking into account the significance of the shareholding, the Company deems it expedient that LLC MegaFon Finance takes part in voting and is included in the quorum. At the same time, given the Company's shareholder structure in the reporting period, voting with quasi-treasury shares could not influence the resolutions passed by the GMS. Resolutions were passed unanimously by all shareholders at all GMSs held in the reporting period. Thus, although quasi-treasury shares are used to vote, the Company does not take any actions that may lead to redistribution of corporate control and does not create obstacles for shareholders to manage the Company and implement their management decisions.
<b>1.4</b>	<b>Shareholders are provided with reliable and efficient means of recording their rights to shares and are able to freely dispose of their shares without any hindrance.</b>			
1.4	Shareholders are provided with reliable and efficient means of recording their rights to shares and are able to freely dispose of their shares without any hindrance.	<ol style="list-style-type: none"> <li>The company's registrar maintains the share register in an efficient and reliable way that meets the needs of the company and its shareholders.</li> </ol>	Full	



N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
<b>2.3</b>	<b>The board of directors manages the company in an efficient and professional manner and is capable of making fair and independent judgements and adopting resolutions in the best interests of the company and its shareholders.</b>			
2.3.1	Only persons of impeccable business and personal reputation who have the knowledge, expertise and experience required to make decisions within the authority of the board of directors and essential to performing its functions in an efficient way are elected to the board of directors.	<ol style="list-style-type: none"> <li>1. The procedure for assessing the board of directors' performance established in the company includes, inter alia, assessment of directors' professional qualifications.</li> <li>2. In the reporting period, the board of directors (or its nomination committee) assessed nominees to the board of directors for required experience, expertise, business reputation, absence of conflicts of interest, etc.</li> </ol>	Full	
2.3.2	The company's directors are elected via a transparent procedure that enables shareholders to obtain information on nominees sufficient to judge on their personal and professional qualities.	<ol style="list-style-type: none"> <li>1. Whenever throughout the reporting period the agenda of the general meeting of shareholders included election of the board of directors, the company provided to shareholders the biographical details of all nominees to the board of directors, the results of their assessment carried out by the board of directors (or its nomination committee), and the information on whether the nominee meets the independence criteria set forth in Recommendations 102–107 of the Code, as well as the nominees' written consent to be elected to the board of directors.</li> </ol>	Full	
2.3.3	The board of directors has a balanced membership, including in terms of directors' qualifications, experience, expertise and business skills, and has the trust of shareholders.	<ol style="list-style-type: none"> <li>1. As part of the board of directors' performance assessment run in the reporting period, the board of directors reviewed its requirements to professional qualifications, experience and business skills.</li> </ol>	Full	
2.3.4	The company has a sufficient number of directors to organise the board of directors' activities in the most efficient way, including the ability to set up committees of the board of directors and enable the company's significant minority shareholders to elect a nominee to the board of directors for whom they vote.	<ol style="list-style-type: none"> <li>1. As part of the board of directors' performance assessment run in the reporting period, the board of directors considered whether the number of directors met the company's needs and shareholders' interests.</li> </ol>	Full	
<b>2.4</b>	<b>The board of directors includes a sufficient number of independent directors.</b>			
2.4.1	An independent director is a person who is sufficiently professional, experienced and independent to develop their own position, and capable of making unbiased judgements in good faith, free of influence by the company's executive bodies, individual groups of shareholders, or other stakeholders. It should be noted that a nominee (elected director) who is related to the company, its significant shareholder, significant counterparty or competitor, or is related to the government, may not be considered as independent under normal circumstances.	<ol style="list-style-type: none"> <li>1. In the reporting period, all independent directors met all independence criteria set out in Recommendations 102–107 of the Code, or were deemed independent by resolution of the board of directors.</li> </ol>	Full	
2.4.2	The company assesses compliance of nominees to the board of directors and reviews compliance of independent directors with independence criteria on a regular basis. In such assessment, substance should prevail over form.	<ol style="list-style-type: none"> <li>1. In the reporting period, the board of directors (or its nomination committee) made a judgement on the independence of each nominee to the board of directors and provided its opinion to shareholders.</li> <li>2. In the reporting period, the board of directors (or its nomination committee) reviewed, at least once, the independence of incumbent directors listed by the company as independent directors in its annual report.</li> <li>3. The company has in place procedures defining the actions to be taken by directors if they cease to be independent, including the obligation to timely notify the board of directors thereof.</li> </ol>	Full	

N	Corporate governance principles	Compliance criteria
2.4.3	Independent directors make up at least one third of elected directors.	1. Independent directors make up at least one third of directors.
2.4.4	Independent directors play a key role in preventing internal conflicts in the company and in ensuring that the company performs material corporate actions.	1. Independent directors (who do not have a conflict of interest) run a preliminary assessment of material corporate actions implying a potential conflict of interest, and submit the results to the board of directors.
<b>2.5</b>	<b>The chairman of the board of directors ensures that the board of directors discharges its duties in the most efficient way.</b>	
2.5.1	The board of directors is chaired by an independent director, or a senior independent director is chosen from among the elected independent directors to coordinate the activities of independent directors and enable the interaction with the chairman of the board of directors.	1. The board of directors is chaired by an independent director, or a senior independent director is chosen from among the independent directors. 2. The role, rights and duties of the chairman of the board of directors (and, if applicable, of the senior independent director) are duly set out in the company's internal documents.
2.5.2	The chairman of the board of directors maintains a constructive environment at meetings, enables free discussion of agenda items, and supervises the execution of resolutions passed by the board of directors.	1. Performance of the chairman of the board of directors was assessed as part of the board of directors' performance assessment in the reporting period.
2.5.3	The chairman of the board of directors takes all steps necessary for the timely provision to directors of information required to pass resolutions on agenda items.	1. The company's internal documents set out the duty of the chairman of the board of directors to take all steps necessary for the timely provision to directors of materials regarding items on the agenda of a board meeting.
<b>2.6</b>	<b>Directors act reasonably and in good faith in the best interests of the company and its shareholders, on a fully informed basis and with due care and diligence.</b>	
2.6.1	Directors pass resolutions on a fully informed basis, with no conflict of interest, subject to equal treatment of the company's shareholders, and assuming normal business risks.	1. The company's internal documents stipulate that a director should notify the board of directors of any existing conflict of interest as to any agenda item of a meeting of the board of directors or its committee, prior to discussing the relevant agenda item. 2. The company's internal documents stipulate that a director should abstain from voting on any item in connection with which they have a conflict of interest. 3. The company has in place a procedure enabling the board of directors to get professional advice on matters within its remit at the expense of the company.

Compliance status	Reasons for non-compliance
None	As at 31 December 2019, the Company shares were included in the Third Level Quotation List of the Moscow Exchange. The Listing Rules of the Moscow Exchange do not require that independent directors be present on the board of directors of a company whose securities are included in the Third Level Quotation List. From 1 January to 23 September 2019, the Company's Board of Directors had two independent directors; as at 31 December 2019, all members of the Board of Directors are non-executive directors. Given the Company's shareholder structure in the reporting period, the Company believes that the current Board of Directors has the optimal number of members and meets shareholders' interests.
None	From 1 January to 23 September 2019, the Company's Board of Directors had two independent directors who carried out a preliminary assessment of material corporate actions implying a potential conflict of interest. As at 31 December 2019, there were no independent directors on the Board of Directors, as it corresponds to the shareholder structure, and the presence of independent directors is not required by the Listing Rules of the Moscow Exchange. All members of the Board of Directors are non-executive directors. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in carrying out a preliminary assessment of material corporate actions implying a potential conflict of interest.
None	As at 31 December 2019, there were no independent directors on the Board of Directors, as it corresponds to the shareholder structure, and the presence of independent directors is not required by the Listing Rules of the Moscow Exchange. From 1 January to 23 September 2019, the Board of Directors had two independent directors who chaired key Committees of the Board of Directors and were actively involved in discussing and reviewing all the matters of the Board. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in the work of the Board and its Committees in the most influential roles.
Full	
Full	
Full	

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
2.6.2	The rights and duties of directors are clearly stated and incorporated in the company's internal documents.	1. The company has adopted and published an internal document that clearly defines the rights and duties of directors.	Full	
2.6.3	Directors have sufficient time to perform their duties.	1. Individual attendance at board and committee meetings, as well as time devoted to preparation for attending meetings, was recorded as part of the procedure for assessing the board of directors in the reporting period. 2. In accordance with the company's internal documents, directors should notify the board of directors of their intentions to be elected to governing bodies of other entities (apart from the entities controlled by, or affiliated to, the company), and of their election to such bodies.	Full	
2.6.4	All directors have equal access to the company's documents and information. Newly elected members of the board of directors are furnished with sufficient information about the company and the board of directors' performance as soon as possible.	1. In accordance with the company's internal documents, directors are entitled to access documents and make queries regarding the company and its controlled entities, while executive bodies of the company should furnish all relevant information and documents. 2. The company has in place a formalised induction programme for newly elected members of the board of directors.	Full	
<b>2.7</b>	<b>Meetings of the board of directors, preparation for such meetings, and participation of directors ensure efficient performance by the board of directors.</b>			
2.7.1	Meetings of the board of directors are held as needed, taking into account the scale of operations and goals of the company at a particular time.	1. The board of directors held at least six meetings in the reporting year.	Full	
2.7.2	The company's internal regulations formalise a procedure for arranging and holding meetings of the board of directors, enabling members of the board of directors to properly prepare for such meetings.	1. The company has an approved internal document that describes the procedure for arranging and holding meetings of the board of directors and stipulates, in particular, that the notice of the meeting is to be given, as a rule, at least five days prior to such meeting.	Full	
2.7.3	The format of the meeting of the board of directors is determined taking into account the importance of its agenda items. The most important matters are dealt with at meetings of the board of directors held in person.	1. The company's charter or internal document provides for the most important matters (as per the list set out in Recommendation 168 of the Code) to be passed at meetings of the board of directors held in person.	Full	
2.7.4	Resolutions on most important matters relating to the company's operations are passed at a meeting of the board of directors by a qualified majority or by a majority of all elected directors.	1. The company's charter provides for resolutions on the most important matters set out in Recommendation 170 of the Code to be passed at a meeting of the board of directors by a qualified majority of at least three quarters or by a majority of all elected directors.	Partial	<p>The Company's Charter does not provide for a qualified majority to pass resolutions on all matters set out in Recommendation 170 of the Code. The simple majority of directors' votes on such matters is deemed sufficient to comply with shareholder interests, as the Company's Charter was approved by the GMS. The Company has no plans to make any amendments to the Company's Charter in this regard.</p> <p>The Company's Charter does not provide for a qualified majority to pass resolutions on all matters set out in Recommendation 170 of the Code. The simple majority of directors' votes on such matters is deemed sufficient to comply with shareholder interests, as the Company's Charter was approved by the GMS. The Company has no plans to make any amendments to the Company's Charter in this regard.</p> <p>However, in the reporting year, all resolutions on such matters were in fact passed unanimously by all directors.</p>

N	Corporate governance principles	Compliance criteria
<b>2.8</b>	<b>The board of directors sets up committees for preliminary consideration of the most important matters related to the company's operations.</b>	
2.8.1	An audit committee comprised of independent directors was set up to preview matters related to controlling the company's financial and business activities.	<ol style="list-style-type: none"> <li>1. The board of directors set up an audit committee comprised solely of independent directors.</li> <li>2. The company's internal documents set out the tasks of the audit committee, including those listed in Recommendation 172 of the Code.</li> <li>3. At least one member of the audit committee represented by an independent director has experience and knowledge of preparing, analysing, assessing and auditing accounting (financial) statements.</li> <li>4. In the reporting period, meetings of the audit committee were held at least once a quarter.</li> </ol>
2.8.2	To preview matters related to adopting an efficient and transparent remuneration scheme, a remuneration committee was set up, comprised of independent directors and headed by an independent director who is not the chairman of the board of directors.	<ol style="list-style-type: none"> <li>1. The board of directors set up a remuneration committee comprised solely of independent directors.</li> <li>2. The remuneration committee is chaired by an independent director who is not the chairman of the board of directors.</li> <li>3. The company's internal documents set out the tasks of the remuneration committee, including those listed in Recommendation 180 of the Code.</li> </ol>

Compliance status	Reasons for non-compliance
Partial	<ol style="list-style-type: none"> <li>1. The Company has in place its Audit Committee. As at the beginning of the reporting period, the Audit Committee was chaired by an independent director, Jarkko Armas Veijalainen. The Committee also included directors who are not independent but whose professional experience and knowledge are essential for effective performance of the Committee, Aleksandr Yu. Esikov and Anna A. Serebryanikova. A new Board of Directors was elected at the extraordinary General Meeting of Shareholders held on 23 September 2019. As independent directors were not included in the new Board by resolution of shareholders, Maksim N. Anipkin, a non-executive director, was elected the third member and Chairman of the Audit Committee. Mr Anipkin had been a member of the Audit Committee earlier; he has an extensive knowledge of analysing, assessing and auditing accounting (financial) statements. The Board of Directors believes that Mr Anipkin's expertise and practical experience will enable him to maintain the Committee's high performance.</li> <li>2. Full</li> <li>3. Full compliance as at the beginning of the reporting period. As from 23 September 2019, there are no independent directors on the Board of Directors. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in the work of the Board and its Committees in the most influential roles.</li> <li>4. Full</li> </ol>
Partial	<ol style="list-style-type: none"> <li>1. The Company has in place its Remuneration and Nominations Committee. As at the beginning of the reporting period, the Remuneration and Nominations Committee partially complied with this requirement: the Remuneration and Nominations Committee was chaired by an independent director, Harri Eerik Koponen, while directors who were not independent but whose professional experience and knowledge were essential for effective performance of the Committee, Evgeny A. Bystrykh and Maksim N. Anipkin, non-executive directors, became the Committee members by a unanimous resolution of the Board of Directors. A new Board of Directors was elected at the extraordinary General Meeting of Shareholders held on 23 September 2019. As independent directors were not included in the new Board by resolution of shareholders, Anton M. Rybalkin became the third member of the Remuneration and Nominations Committee and Evgeny A. Bystrykh was elected the Committee Chairman by a unanimous resolution of the Board of Directors. The Committee had such composition to fulfil its core functions and tasks in line with its Regulations. The analysis took into account the requirements of the Committee to skill sets, as well as skills, professional expertise, and experience of each member of the Company's Board of Directors, along with their personal schedules and preferences.</li> <li>2. As at the beginning of the reporting period, this recommendation was complied with – the Remuneration and Nominations Committee was chaired by Harri Eerik Koponen, an independent director who was not the Chairman of the Board of Directors. As from 23 September 2019, the new Board of Directors has no independent directors. Evgeny A. Bystrykh was elected Chairman of the Remuneration and Nominations Committee by a unanimous resolution of the Board of Directors. Evgeny A. Bystrykh has been a member of the Committee since 2018. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in the work of the Board and its Committees in the most influential roles.</li> <li>3. Full</li> </ol>

N	Corporate governance principles	Compliance criteria
2.8.3	To preview matters related to talent management (succession planning), professional composition, and efficiency of the board of directors, a nomination (appointments, HR) committee was set up, predominantly comprised of independent directors.	<ol style="list-style-type: none"> <li>The board of directors set up a nomination committee (or its tasks listed in Recommendation 186 of the Code are fulfilled by another committee) predominantly comprised of independent directors.</li> <li>The company's internal documents set out the tasks of the nomination committee (or the tasks of the committee with combined functions), including those listed in Recommendation 186 of the Code.</li> </ol>
2.8.4	Taking into account the company's scope of business and level of risks, the company's board of directors made sure that the composition of its committees is in line with the company's business goals. Additional committees were either set up or not deemed necessary (strategy committee, corporate governance committee, ethics committee, risk management committee, budget committee, health, safety and environment committee, etc.).	<ol style="list-style-type: none"> <li>In the reporting period, the company's board of directors considered whether the composition of its committees was in line with the board's tasks and the company's business goals. Additional committees were either set up or not deemed necessary.</li> </ol>
2.8.5	Committees are composed so as to enable comprehensive discussions of matters under preview, taking into account the diversity of opinions.	<ol style="list-style-type: none"> <li>Committees of the board of directors are headed by independent directors.</li> <li>The company's internal documents (policies) include provisions stipulating that persons who are not members of the audit committee, the nomination committee, and the remuneration committee may attend committee meetings only by invitation of the chairman of the respective committee.</li> </ol>
2.8.6	Committee chairmen inform the board of directors and its chairman on the performance of their committees on a regular basis.	<ol style="list-style-type: none"> <li>In the reporting period, committee chairmen reported to the board of directors on the performance of committees on a regular basis.</li> </ol>

Compliance status	Reasons for non-compliance
Partial	<ol style="list-style-type: none"> <li>The functions of the nomination committee are performed in the Company by the Remuneration and Nominations Committee. As at the beginning of the reporting period, the Committee partially complied with this criterion: the Remuneration and Nominations Committee was chaired by an independent director, Harri Eerik Koponen, while directors who were not independent but whose professional experience and knowledge were essential for effective performance of the Committee, Evgeny A. Bystrykh and Maksim N. Anipkin became the Committee members by a unanimous resolution of the Board of Directors. The Committee had such composition to fulfil its core functions and tasks, taking into account the requirements to skill sets, considering the professional expertise and experience of each member of the Board of Directors, as well as their personal schedules and preferences. As from 23 September 2019, the new Board of Directors has no independent directors by resolution of shareholders. Subsequently, by a unanimous resolution of the Board of Directors, Anton M. Rybalkin became the third member of the Remuneration and Nominations Committee and Evgeny A. Bystrykh was elected the Committee Chairman. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in the work of the Board and its Committees in the most influential roles.</li> <li>Full</li> </ol>
Full	
Partial	<ol style="list-style-type: none"> <li>As at the beginning of the reporting period, the Audit Committee and the Remuneration and Nominations Committee were headed by independent members of the Board of Directors. Following the GMS held on 23 September 2019, the Board of Directors was re-elected, and independent directors were not included in the new Board of Directors by resolution of shareholders. Subsequently, Maksim N. Anipkin was elected Chairman of the Audit Committee, and Evgeny A. Bystrykh was elected Chairman of the Remuneration and Nominations Committee. Since their election to the Company's Board of Directors, Mr Anipkin and Mr Bystrykh have served on relevant committees and have a deep knowledge of the Committees' underlying principles and practices. The election of Mr Anipkin and Mr Bystrykh chairmen of the Audit Committee and the Remuneration and Nominations Committee, respectively, ensures continuity and helps maintain the Committees' procedures established by independent directors, as well their high performance.</li> <li>Full</li> </ol>
Full	

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
<b>2.9</b>	<b>The board of directors ensures performance assessment of the board of directors, its committees, and members of the board of directors.</b>			
2.9.1	The board of directors' performance assessment is aimed at determining the efficiency of the board of directors, its committees and members, consistency of their work with the company's growth requirements, as well as at bolstering the work of the board of directors and identifying areas for improvement.	<ol style="list-style-type: none"> <li>1. Self-assessment or external assessment of the board of directors' performance carried out in the reporting period included performance assessment of committees, individual directors, and the board of directors in general.</li> <li>2. Results of self-assessment or external assessment of the board of directors' performance carried out in the reporting period were reviewed at the meeting of the board of directors held in person.</li> </ol>	Full	
2.9.2	Performance of the board of directors, its committees and members is assessed regularly at least once a year. An external advisor is engaged at least once in three years to conduct an independent assessment of the board of directors' performance.	<ol style="list-style-type: none"> <li>1. The company engaged an external advisor to conduct an independent assessment of the board of directors' performance at least once over the last three reporting periods.</li> </ol>	None	<p>In 2019, self-assessment of the Company's Board of Directors was carried out by resolution of the Remuneration and Nominations Committee. The self-assessment methodology was developed in line with the recommendations of the Bank of Russia set out in Letter No. IN-06-28/41 dated 26 April 2019.</p> <p>Self-assessment results were reviewed and discussed in detail at the meetings of the Remuneration and Nominations Committee and the Board of Directors held in August 2019, leading to the development of a roadmap to address identified areas for development. The Company may consider carrying out an independent assessment after the annual self-assessment in the next period.</p>
<b>3.1</b>	<b>The company's corporate secretary ensures efficient ongoing interaction with shareholders, coordinates the company's efforts to protect shareholder rights and interests and support efficient performance of the board of directors.</b>			
3.1.1	The corporate secretary has the expertise, experience, and qualifications sufficient to perform his/her duties, as well as an impeccable reputation and the trust of shareholders.	<ol style="list-style-type: none"> <li>1. The company has adopted and published an internal document – regulations on the corporate secretary.</li> <li>2. The biographical data of the corporate secretary are published on the corporate website and in the company's annual report with the same level of detail as for members of the board of directors and the company's executives.</li> </ol>	Full	
3.1.2	The corporate secretary is sufficiently independent of the company's executive bodies and has the powers and resources required to perform his/her tasks.	<ol style="list-style-type: none"> <li>1. The board of directors approves the appointment, dismissal, and additional remuneration of the corporate secretary.</li> </ol>	Full	
<b>4.1</b>	<b>Remuneration payable by the company is sufficient to attract, motivate, and retain people with competencies and qualifications required by the company. Remuneration payable to directors, executive bodies and other key executives of the company is in compliance with the approved remuneration policy of the company.</b>			
4.1.1	The amount of remuneration paid by the company to directors, executive bodies and other key executives creates sufficient incentives for them to work efficiently while enabling the company to engage and retain competent and qualified specialists. At the same time, the company avoids unnecessarily high remuneration, as well as unjustifiably large gaps between remunerations of the above persons and the company's employees.	<ol style="list-style-type: none"> <li>1. The company has in place an internal document (internal documents) – the policy (policies) on remuneration of members of the board of directors, executive bodies, and other key executives, which clearly defines the approaches to remuneration of the above persons.</li> </ol>	Full	
4.1.2	The company's remuneration policy is devised by the remuneration committee and approved by the board of directors. The board of directors, assisted by the remuneration committee, ensures control over the introduction and implementation of the company's remuneration policy, revising and amending it as required.	<ol style="list-style-type: none"> <li>1. In the reporting period, the remuneration committee considered the remuneration policy (policies) and its (their) introduction practices to provide relevant recommendations to the board of directors as required.</li> </ol>	Full	

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
4.1.3	The company's remuneration policy includes transparent mechanisms for determining the amount of remuneration due to directors, executive bodies and other key executives of the company, and regulates all types of expenses, benefits and privileges provided to such persons.	1. The company's remuneration policy (policies) includes (include) transparent mechanisms for determining the amount of remuneration due to directors, executive bodies and other key executives of the company, and regulates (regulate) all types of expenses, benefits and privileges provided to such persons.	Full	
4.1.4	The company defines a policy on reimbursement (compensation) of expenses detailing a list of reimbursable expenses and specifying service levels that directors, executive bodies, and other key executives of the company may claim. Such policy can make part of the company's remuneration policy.	1. The remuneration policy (policies) defines (define) the rules for reimbursement of expenses incurred by directors, executive bodies, and other key executives of the company.	Full	
<b>4.2</b>	<b>Remuneration system for directors ensures alignment of financial interests of directors with long-term financial interests of shareholders.</b>			
4.2.1	The company pays fixed annual remuneration to its directors. The company does not pay remuneration for attending particular meetings of the board of directors or its committees. The company does not apply any form of short-term motivation or additional financial incentive for its directors.	1. Fixed annual remuneration was the only form of monetary remuneration payable to directors for their service on the board of directors during the reporting period.	Full	
4.2.2	Long-term ownership of the company's shares helps align the financial interests of directors with long-term interests of shareholders to the utmost. At the same time, the company does not link the right to dispose of shares to performance targets, and directors do not participate in stock option plans.	1. If the company's internal document(s) – the remuneration policy (policies) stipulates (stipulate) provision of the company's shares to members of the board of directors, clear rules for share ownership by board members shall be defined and disclosed, aimed at stimulating long-term ownership of such shares.	Full	
4.2.3	The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons.	1. The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons.	Partial	Following the resolution of the General Meeting of Shareholders dated 15 October 2019, extra bonuses were paid to Jarkko Veijalainen and Harri Koponen for their effective performance on the Board of Directors in 2018–2019.
<b>4.3</b>	<b>The company considers its performance and the personal contribution of each executive to the achievement of such performance when determining the amount of a fee payable to members of executive bodies and other key executives of the company.</b>			
4.3.1	Remuneration due to members of executive bodies and other key executives of the company is determined in a manner providing for reasonable and justified ratio of the fixed and variable parts of remuneration, depending on the company's results and the employee's personal contribution.	1. In the reporting period, annual performance targets approved by the board of directors were used to determine the amount of the variable part of remuneration due to members of executive bodies and other key executives of the company. 2. During the latest assessment of the remuneration system for members of executive bodies and other key executives of the company, the board of directors (remuneration committee) made sure that the company applies efficient ratio of the fixed and variable parts of remuneration. 3. The company has in place a procedure that guarantees return to the company of bonus payments illegally received by members of executive bodies and other key executives of the company.	Full	

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
4.3.2	The company has in place a long-term incentive program for members of executive bodies and other key executives of the company with the use of the company's shares (options and other derivative instruments where the company's shares are the underlying asset).	<ol style="list-style-type: none"> <li>The company has in place a long-term incentive program for members of executive bodies and other key executives of the company with the use of the company's shares (financial instruments based on the company's shares).</li> <li>The long-term incentive program for members of executive bodies and other key executives of the company implies that the right to dispose of shares and other financial instruments used in this program takes effect at least three years after such shares or other financial instruments are granted. The right to dispose of such shares or other financial instruments is linked to the company's performance targets.</li> </ol>	Full	
4.3.3	The compensation (golden parachute) payable by the company in case of early termination of powers of members of executive bodies or key executives at the company's initiative, provided that there have been no actions in bad faith on their part, does not exceed the double amount of the fixed part of their annual remuneration.	<ol style="list-style-type: none"> <li>In the reporting period, the compensation (golden parachute) payable by the company in case of early termination of the powers of executive bodies or key executives at the company's initiative, provided that there have been no actions in bad faith on their part, did not exceed the double amount of the fixed part of their annual remuneration.</li> </ol>	Full	
<b>5.1</b>	<b>The company has in place an effective risk management and internal control system providing reasonable assurance in the achievement of the company's goals.</b>			
5.1.1	The company's board of directors determined the principles of, and approaches to, setting up a risk management and internal control system at the company.	<ol style="list-style-type: none"> <li>Functions of different management bodies and business units of the company in the risk management and internal control system are clearly defined in the company's internal documents/relevant policy approved by the board of directors.</li> </ol>	Full	
5.1.2	The company's executive bodies ensure establishment and continuous operation of an efficient risk management and internal control system at the company.	<ol style="list-style-type: none"> <li>The company's executive bodies ensured the distribution of functions and powers related to risk management and internal control between the heads (managers) of business units and departments accountable to them.</li> </ol>	Full	
5.1.3	The company's risk management and internal control system ensures an objective, fair, and clear view of the current state and future prospects of the company, the integrity and transparency of the company's reporting, as well as reasonable and acceptable risk exposure.	<ol style="list-style-type: none"> <li>The company has in place an approved anti-corruption policy.</li> <li>The company established an accessible method of notifying the board of directors or the board's audit committee about violations of the law, the company's internal procedures and code of ethics.</li> </ol>	Full	
5.1.4	The company's board of directors takes necessary measures to make sure that the company's risk management and internal control system is consistent with the principles of, and approaches to, its setup and efficient functioning determined by the board of directors.	<ol style="list-style-type: none"> <li>In the reporting period, the board of directors or the board's audit committee assessed the performance of the company's risk management and internal control system. Key results of this assessment are included in the company's annual report.</li> </ol>	Full	
<b>5.2</b>	<b>The company performs internal audits for regular independent assessment of the reliability and efficiency of its risk management and internal control system, as well as corporate governance practice.</b>			
5.2.1	The company has set up a separate business unit or engaged an independent external organisation to carry out internal audits. Functional and administrative reporting lines of the internal audit unit are delineated. The internal audit unit functionally reports to the board of directors.	<ol style="list-style-type: none"> <li>To perform internal audits, the company has set up a separate business unit – internal audit division, functionally reporting to the board of directors or to the audit committee, or engaged an independent external organisation with the same line of reporting.</li> </ol>	Full	

N	Corporate governance principles	Compliance criteria	Compliance status	Reasons for non-compliance
5.2.2	The internal audit division assesses the performance of the internal control system, risk management system, and corporate governance systems. The company applies generally accepted standards of internal audit.	<ol style="list-style-type: none"> <li>In the reporting period, the performance of the internal control and risk management system was assessed as part of the internal audit procedure.</li> <li>The company applies generally accepted approaches to internal control and risk management.</li> </ol>	Full	
<b>6.1</b>	<b>The company and its operations are transparent for its shareholders, investors and other stakeholders.</b>			
6.1.1	The company has developed and implemented an information policy ensuring efficient exchange of information by the company, its shareholders, investors and other stakeholders.	<ol style="list-style-type: none"> <li>The company's board of directors approved an information policy developed in accordance with the Code's recommendations.</li> <li>The board of directors (or one of its committees) considered the matters related to the company's compliance with its information policy at least once in the reporting period.</li> </ol>	Partial	1–2. The Company has no formal information policy document approved by the Board of Directors. Nevertheless, the methods of communicating with investors and other stakeholders set out in the Corporate Governance Code have long been established and are actively used by the Company. The Company believes it does not need to formalise the existing pattern of its investor and stakeholder relations any further.
6.1.2	The company discloses information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of the Code.	<ol style="list-style-type: none"> <li>The company discloses information on its corporate governance system and general principles of corporate governance, including disclosure on its website.</li> <li>The company discloses information on the composition of its executive bodies and board of directors, independence of directors and their membership in the board of directors' committees (as defined by the Code).</li> <li>If the company has a controlling person, the company publishes a memorandum of the controlling person setting out this person's plans for the company's corporate governance.</li> </ol>	Full	
<b>6.2</b>	<b>The company makes timely disclosures of complete, updated, and reliable information to allow shareholders and investors to make informed decisions.</b>			
6.2.1	The company discloses information based on the principles of regularity, consistency and promptness, as well as availability, reliability, completeness and comparability of disclosed data.	<ol style="list-style-type: none"> <li>The company's information policy sets out the approaches to, and criteria for, identifying information that can have a material impact on the company's evaluation and the price of its securities, as well as procedures ensuring timely disclosure of such information.</li> <li>If company securities are traded on foreign organised markets, the company ensured concerted and equivalent disclosure of material information in the Russian Federation and in the said markets in the reporting year.</li> <li>If foreign shareholders hold a material portion of the company shares, the relevant information was disclosed in the reporting period both in the Russian language and one of the most widely used foreign languages.</li> </ol>	Full	
6.2.2	The company avoids a formalistic approach to information disclosure and discloses material information on its operations, even if disclosure of such information is not required by law.	<ol style="list-style-type: none"> <li>In the reporting period, the company disclosed annual and 6M financial statements prepared under the IFRS. The company's annual report for the reporting period included annual financial statements prepared under the IFRS, along with the auditor's report.</li> <li>The company discloses complete information on its capital structure, as stated in Recommendation 290 of the Code, in its annual report and on the corporate website.</li> </ol>	Full	
6.2.3	The company's annual report, as one of the most important tools of its information exchange with shareholders and other stakeholders, contains information enabling assessment of the company's annual performance results.	<ol style="list-style-type: none"> <li>The company's annual report contains information on the key aspects of its operational and financial performance.</li> <li>The company's annual report contains information on the environmental and social aspects of the company's operations</li> </ol>	Full	
<b>6.3</b>	<b>The company provides information and documents requested by its shareholders in accordance with the principles of fairness and ease of access.</b>			
6.3.1	The company provides information and documents requested by its shareholders in accordance with the principles of fairness and ease of access.	<ol style="list-style-type: none"> <li>The company's information policy establishes the procedure for providing shareholders with easy access to information, including information on legal entities controlled by the company, as requested by shareholders.</li> </ol>	Full	

N	Corporate governance principles	Compliance criteria
6.3.2	When providing information to shareholders, the company ensures reasonable balance between the interests of particular shareholders and its own interests consisting in preserving the confidentiality of important commercial information which may materially affect its competitive edge.	<ol style="list-style-type: none"> <li>In the reporting period, the company did not refuse shareholders' requests for information, or such refusals were justified.</li> <li>In cases defined by the information policy, shareholders are warned of the confidential nature of the information and undertake to maintain its confidentiality.</li> </ol>
<b>7.1</b>	<b>Actions that materially affect or may affect the company's share capital structure and financial position, and accordingly the position of its shareholders ('material corporate actions') are taken on fair terms ensuring that the rights and interests of shareholders and other stakeholders are observed.</b>	
7.1.1	Material corporate actions include company reorganisation, acquisition of 30% or more of the company's voting shares (takeover), execution by the company of significant transactions, increase or decrease of the company's charter capital, listing or delisting of the company's shares, as well as other actions which may lead to material changes in the rights of shareholders or violation of their interests. The company's charter provides for a list (criteria) of transactions or other actions classified as material corporate actions within the authority of the company's board of directors.	<ol style="list-style-type: none"> <li>The company's charter include a list of transactions or other actions classified as material corporate actions, and their identification criteria. Resolutions on material corporate actions are referred to the jurisdiction of the board of directors. When execution of such corporate actions is expressly referred by law to the jurisdiction of the general meeting of shareholders, the board of directors presents relevant recommendations to shareholders.</li> <li>According to the company's charter, material corporate actions include at least: company reorganization, acquisition of 30% or more of the company's voting shares (in case of takeover), execution by the company of major transactions, increase or decrease of the company's charter capital, listing or delisting of the company's shares.</li> </ol>
7.1.2	The board of directors plays a key role in passing resolutions or making recommendations on material corporate actions, relying on the opinions of the company's independent directors.	<ol style="list-style-type: none"> <li>The company has in place a procedure enabling independent directors to express their opinions on material corporate actions prior to approval thereof.</li> </ol>
7.1.3	When taking material corporate actions affecting the rights and legitimate interests of shareholders, equal terms and conditions are guaranteed for all shareholders; if the statutory procedure designed to protect shareholders' rights proves insufficient, additional measures are taken to protect their rights and legitimate interests. In doing so, the company is guided by the corporate governance principles set forth in the Code, as well as by formal statutory requirements.	<ol style="list-style-type: none"> <li>Due to the specifics of the company's operations, the company's charter contains less stringent criteria for material corporate actions than required by law.</li> <li>All material corporate actions in the reporting period were duly approved before they were taken.</li> </ol>
<b>7.2</b>	<b>The company takes material corporate actions in such a way as to ensure that shareholders timely receive complete information about such actions, allowing them to influence such actions and guaranteeing adequate protection of their rights when taking such actions.</b>	
7.2.1	Information about material corporate actions is disclosed with explanations of the grounds, circumstances, and consequences.	<ol style="list-style-type: none"> <li>In the reporting period, the company disclosed information about its material corporate actions in due time and in detail, including the grounds for, and timelines of, such actions.</li> </ol>
7.2.2	Rules and procedures related to material corporate actions taken by the company are set out in the company's internal documents.	<ol style="list-style-type: none"> <li>The company's internal documents set out a procedure for engaging an independent appraiser to estimate the value of assets either disposed of or acquired in a major transaction or an interested party transaction.</li> <li>The company's internal documents set out a procedure for engaging an independent appraiser to estimate the value of shares acquired and bought back by the company.</li> <li>The company's internal documents provide for an expanded list of grounds on which the company's directors and other persons as per the applicable law are deemed to be interested parties to the company's transactions.</li> </ol>

Compliance status	Reasons for non-compliance
Full	
Partial	1-2. 'Material corporate actions' and 'significant transactions' are not defined in the Company's Charter. Nevertheless, transactions and/or actions listed in the Corporate Governance Code are effectively treated by the Company as significant transactions and material actions and are decided upon by supreme governing bodies: the Board of Directors (major transactions, interested party transactions according to the Federal Law On Joint Stock Companies, transactions worth over US\$ 50,000,000) and the General Meeting of Shareholders (Company reorganisation, listing and de-listing of the Company's shares, increase or decrease of the Company's charter capital, major transactions, interested party transactions according to the Federal Law On Joint Stock Companies). Whenever any such matter is included as an agenda item of the General Meeting of Shareholders, the Board of Directors presents its recommendations thereon to shareholders. As the requirements of the Code are effectively complied with, the Company believes there is no need to formalise this process any further. The Company has no plans to make any relevant amendments to the Company's Charter.
Partial	The Board of Directors plays a key role in passing resolutions and making recommendations on material corporate actions, relying on the opinions of the company's independent directors. At the same time, as at 31 December 2019, the Board of Directors had no independent directors. In case of a resolution to include independent directors on the Company's Board of Directors, they will be engaged in the work of the Board in the most influential roles.
Full	
Full	
Full	