

DRIVING SUSTAINABLE DIGITAL CONNECTIVITY

ESG Investor Update

Data for 2015-2018

Focus on sustainable development in the midst of digitalization



We use technology to transform global challenges into infinite possibilities, empower people and communities, and protect the planet.



ESG highlights




Environment 

20% reduction in Direct and Indirect GHG emissions over 3 years

27% reduction in water consumption over 3 years

20% reduction in electricity consumption over 3 years

~400 expenditures on environment in 2018
RUB mn

Social 

37% of female employees

69% employee engagement rate

30k employees had training in 2018

~700 health & safety expenses in 2018
RUB mn

Governance 

91% of non-executive directors

94% of FCF dividend payout for 2018

37% free float

1 ordinary = 1 vote
share

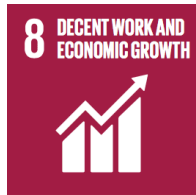
Progress made towards UN Sustainable Development Goals



First level priority



- RUB 73 bn of capital investments in 2018
- 35 mn of households passed by fibre
- 13 mn of broadband subscribers



- 32% growth in productivity since 2015
- 12% increase in health & safety investment since 2015
- 100% employees are covered by the Collective bargaining agreement



- Employee training expenditures of RUB 0.5 bn in 2018
- 85k of senior citizens had an Internet training in 2018
- Developing E-education platform



- SmartCity projects are being implemented in over 50 regions
- 8k settlements connected to Internet under the BDD project
- 9k medical institutions connected to Internet within the 'Digital Economy' programme



- RUB 193 mn spent on charity in 2018
- Access to distant education and better equipment for 3.6k of kids with disabilities and orphans

Second level priority



- Member of Autonomous NGO 'Digital Economy'
- Member of Russian Union of Industrialists and Entrepreneurs (RSPP)
- Member of Internet of Things Association



- Anti-corruption trainings for > 3,000 top and middle managers across all branches since 2014
- RUB 10 bn taxes paid in 2018



- ↓ 20% electricity and ↓ 15% heat consumption since 2015
- ↓ 27% water consumption since 2015
- ↓ 16% incidents per employee since 2015

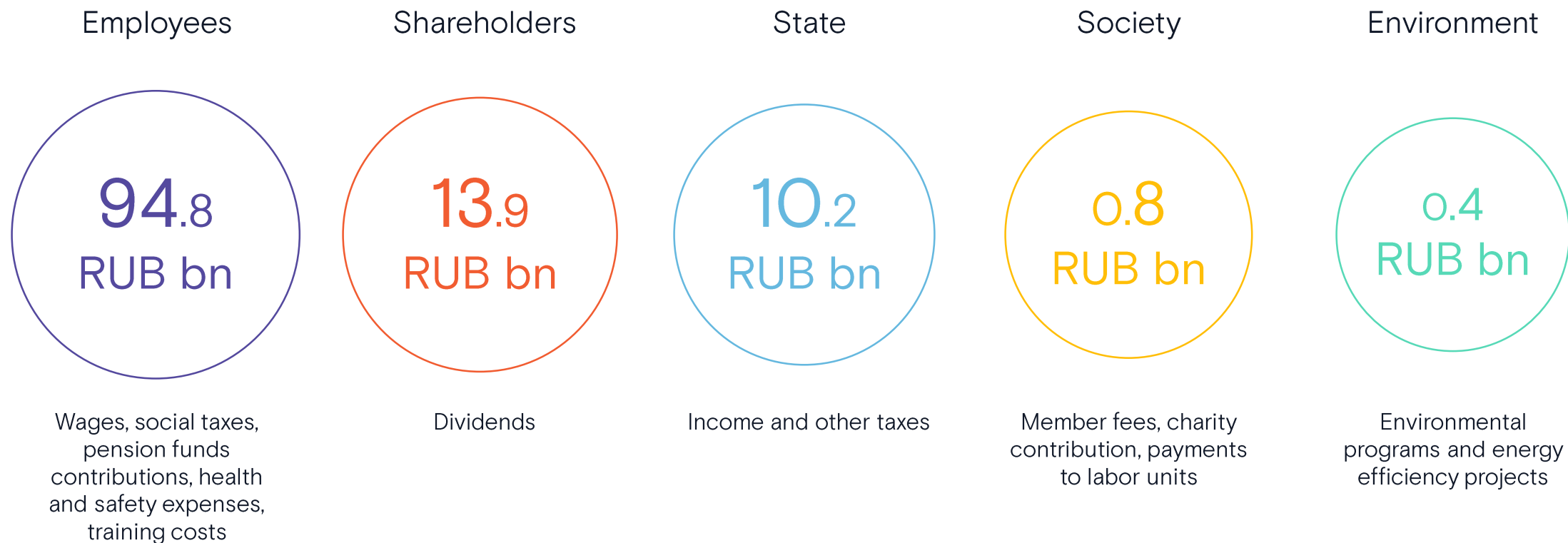


- ↓ > 20% reduction in Direct and Indirect GHG emissions since 2015
- Transition to electronic billing – 153k e-bill delivered in 2018
- Transition to use of Euro 5 vehicles



- ↓ 13% waste generated since 2015
- ↓ 34% waste paper volumes since 2015
- Collecting paper and batteries for recycling

Contribution to society in 2018





Environment

Rostelecom



Environmental highlights



159 

RUB mn

Expenditures environmental
programmes

+10% yoy

198 

RUB mn

Expenditures on internal
energy efficiency projects

+14% yoy

ISO 

14001

EMS certified

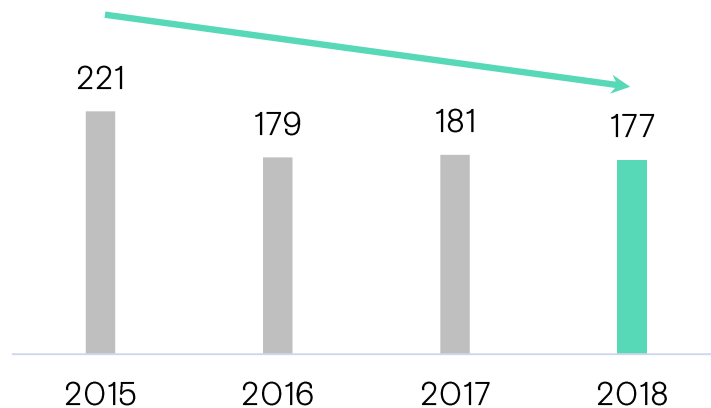
Commitment to consistent reduction in emissions



20%

reduction in Direct GHG emissions over 3 years

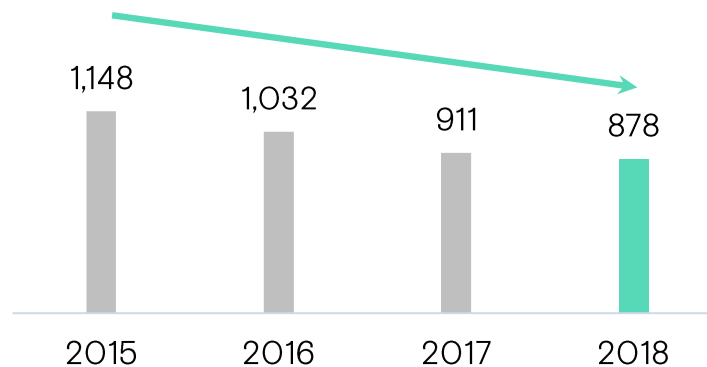
Direct GHG emissions (Scope 1)
metric tonnes CO₂ equivalents



24%

reduction in Indirect GHG emissions over 3 years

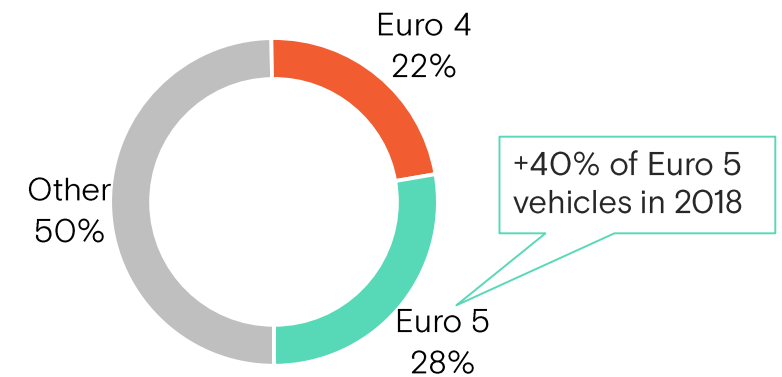
Indirect GHG emissions (Scope 2)
metric tonnes CO₂ equivalents



50%

of Euro 4 and Euro 5 vehicles owned in 2018

Transport structure



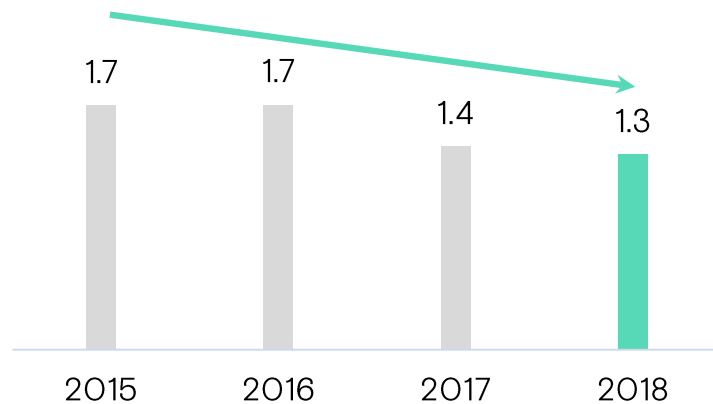
Commitment to energy efficiency



20%

reduction in electricity
consumption over 3 years

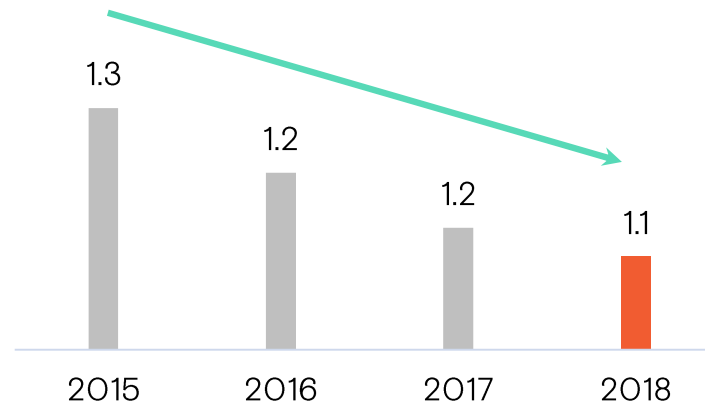
Electricity consumption
MWh



15%

reduction in heat
consumption over 3 years

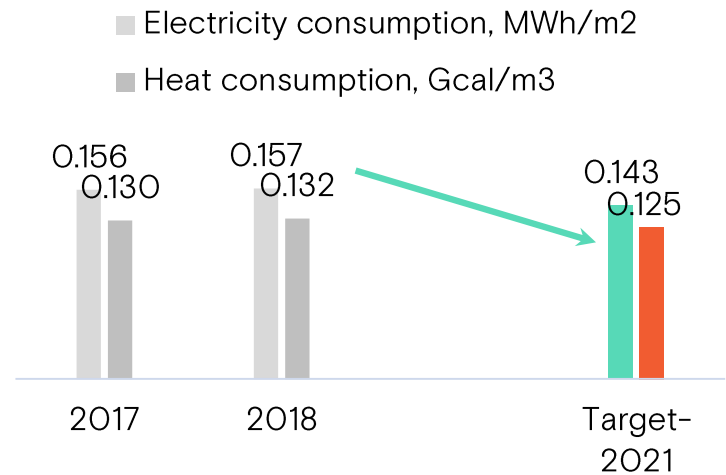
Heat consumption
Gcal



9%/5%

reduction in electricity / heat
consumption by 2022

Energy efficiency targets



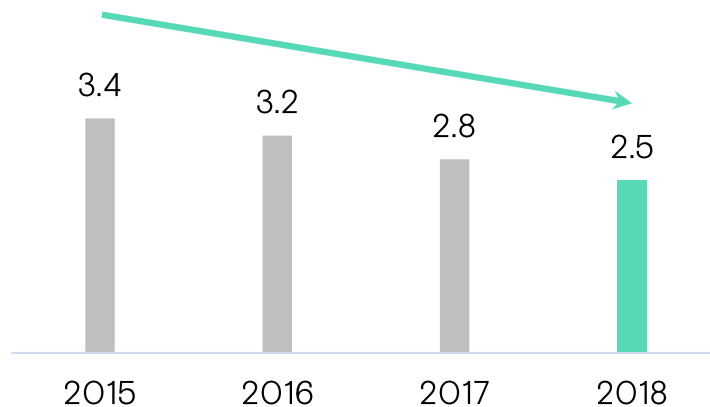
Smart approach to water consumption and waste generation



27%

reduction in water
consumption over 3 years

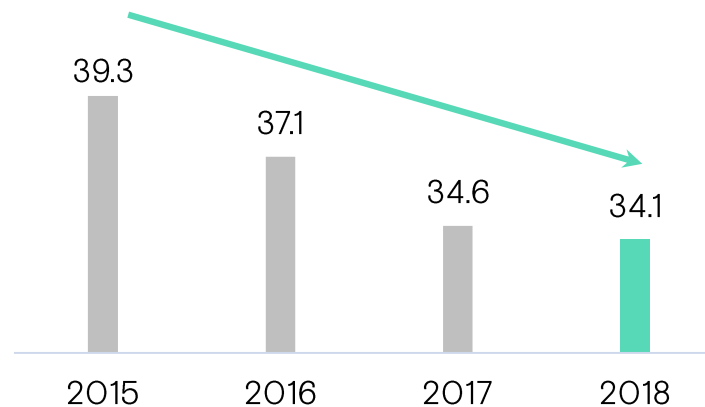
Water consumption
Mn cu m



13%

reduction in waste generated
over 3 years

Waste generated
K tonnes



1.1 tonnes

batteries collected by
employees for recycling
in 2018 (3x yoy)

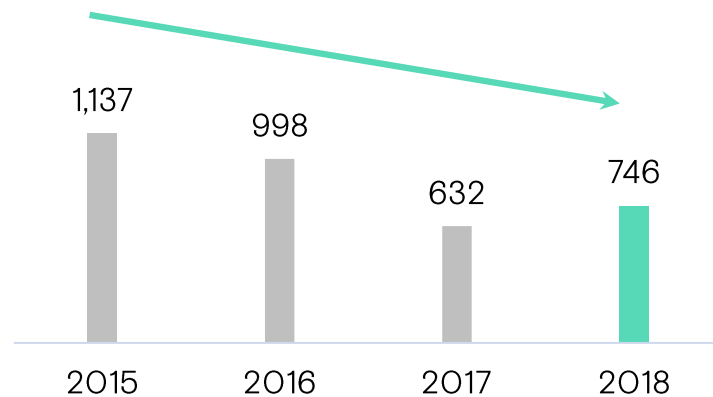
Optimizing paper waste and moving towards recycling



34%

reduction in waste paper volumes over 3 years

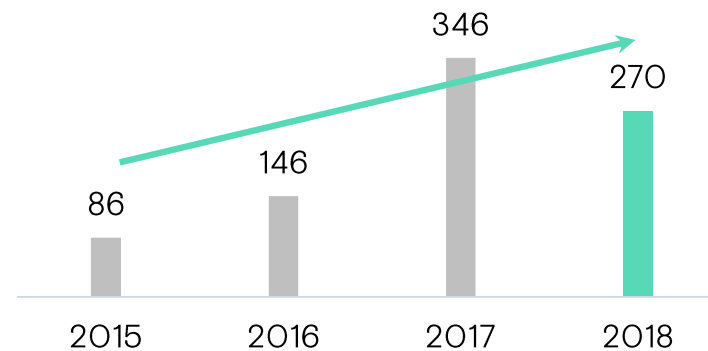
Waste paper tonnes



3x

Increase in paper handed over for recycling over 3 years

Paper handed over for recycling tonnes



153 bn

of e-bills delivered to customers in 2018 (+7% yoy)



Social

Rostelecom

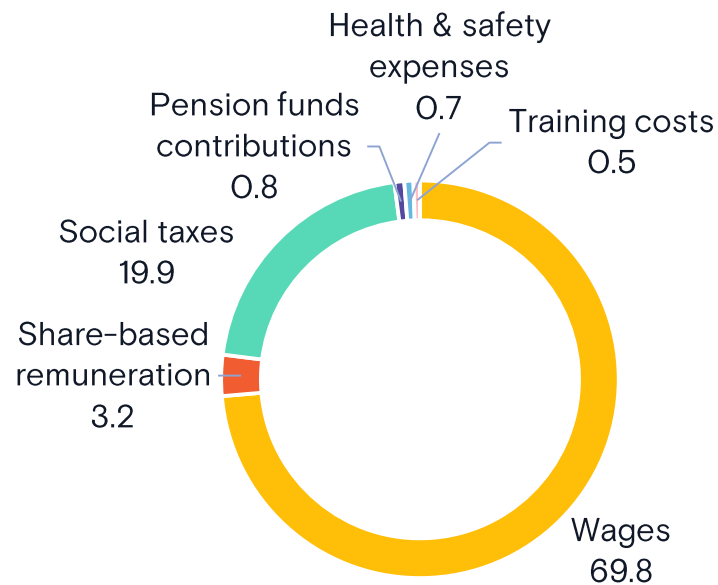


Employee highlights

RUB 95 bn

Contribution to employees in 2018

Contributions, RUB bn

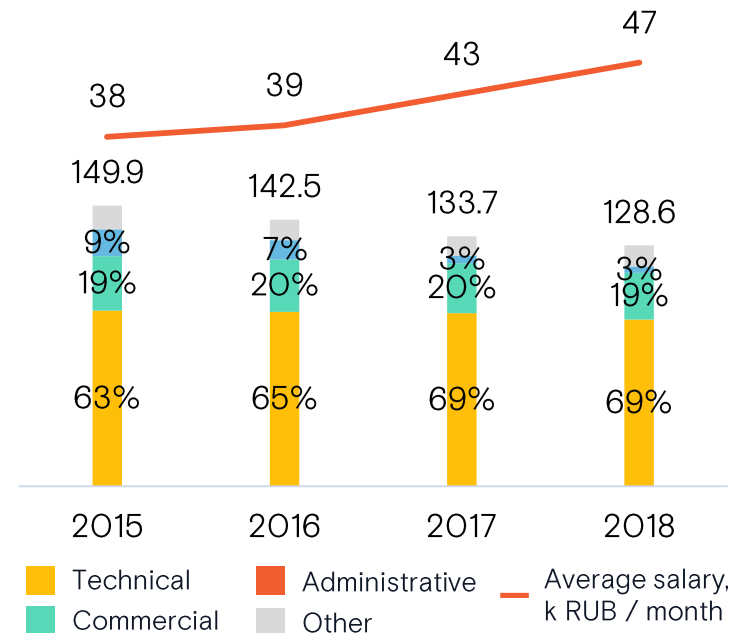


Scope: Group (refer to slide 29).

24%

Increase in average salary over 3 years

Employee headcount (k), composition and average salary (k RUB / month)



42k

employees are members of the corporate pension scheme

69%

Employee engagement, increased by 19 pp over 3 years

100%

employees covered by the Collective bargaining agreement

Supporting diversity



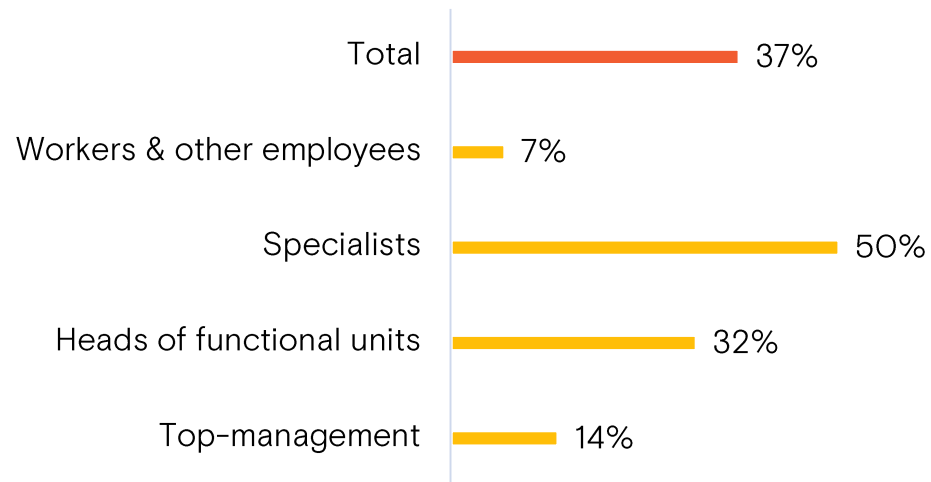
37%

of female employees among
the workforce

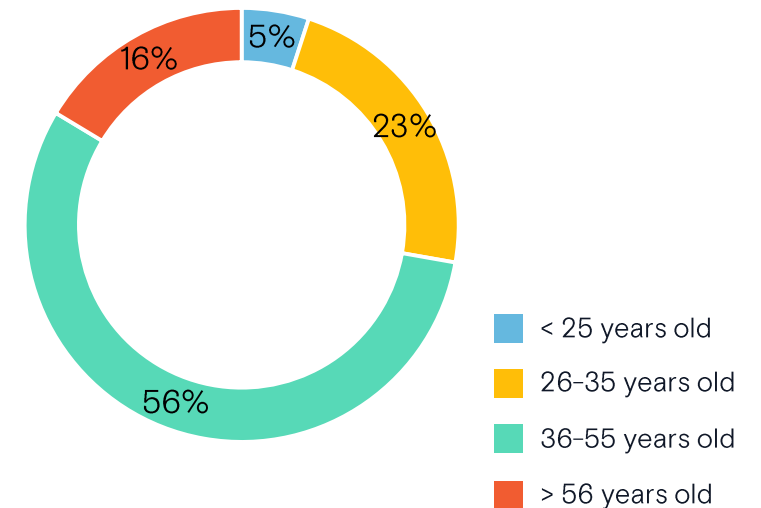
26%

of female employees with
higher education

Gender diversity by positions



Diversity by age



Employee learning & development



30k

Employees trained in 2018

RUB 0.5 bn

Training expenses in 2018

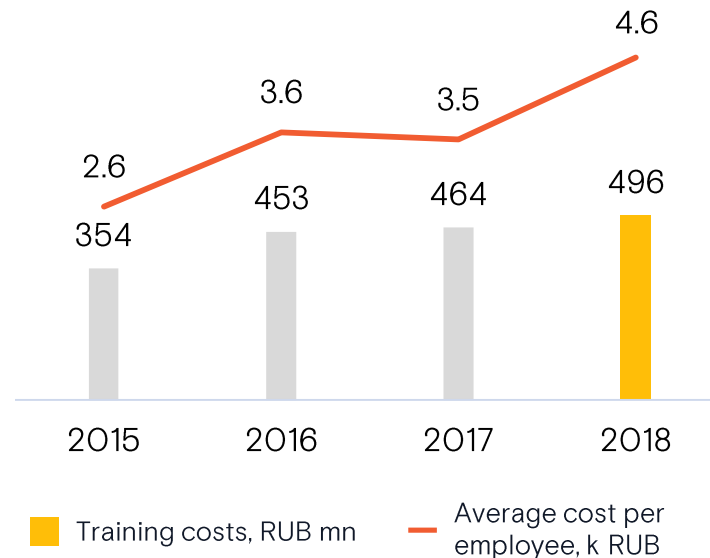
40%

Increase in employee training expenses over 3 years

21 hours

Average time of training per employee in 2018

Employee training investment



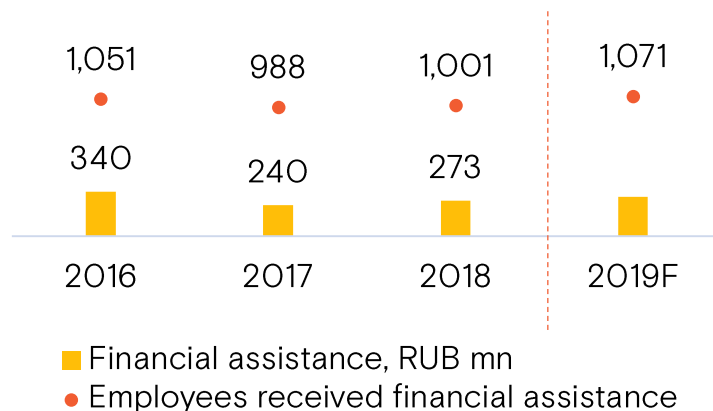
Improving employees' living conditions through Housing Programme



3,040

Employees received financial assistance through the programme in 2016–2018

programme statistics



RUB 853 mn

Allocated to the Program in 2016–2018 as interest-free loans and/or interest expense reimbursements

up to 10 years

Period of financial assistance

up to RUB 1 mn

Interest expenses per person reimbursed

Long-term incentive programme 2017–2019



up to **1,000**

Employees can participate in the programme

up to **6%**

of ordinary shares dedicated to the programme

$\geq 50\%$

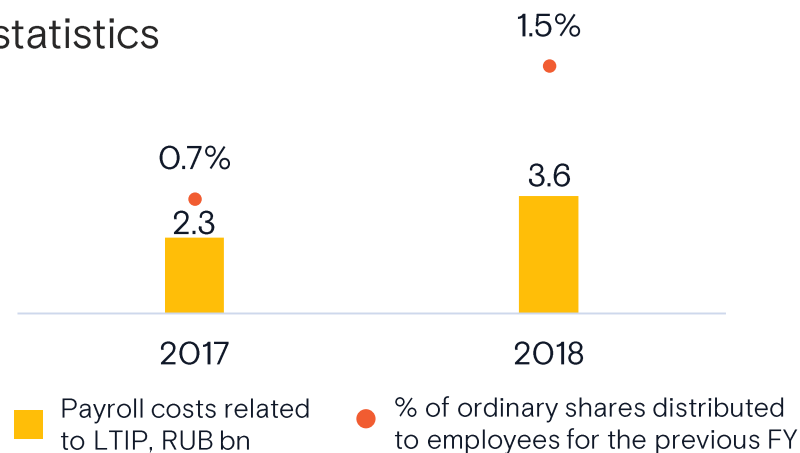
Of additional shares granted under previous cycles senior management has to keep to participate in the 2nd & 3rd cycles

SMP

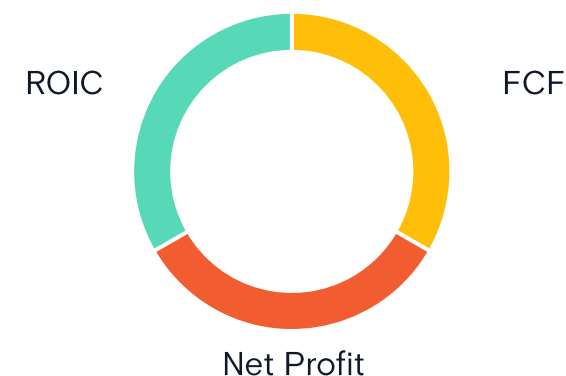
Co-financing principle
(share matching plan)

LTIP

statistics



KPIs



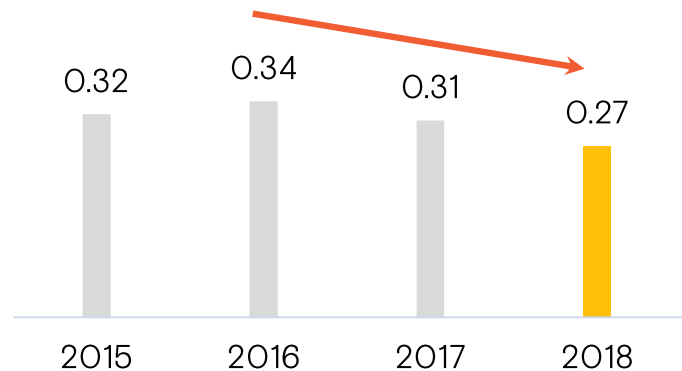
Health & Safety



16%

Reduction in injury rate
over 3 years

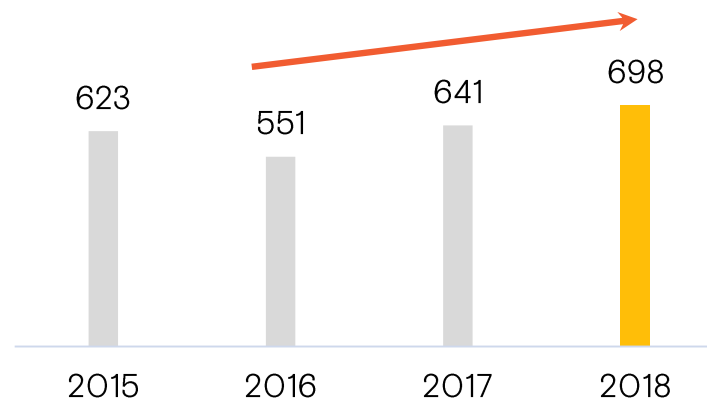
Injury rate
Incidents per 1000 employees



12%

Increase in health & safety
expenses over 3 years

Health & safety expenditures
RUB mn



Charity



RUB 0.2 bn

Funds distributed for charitable causes in 2018

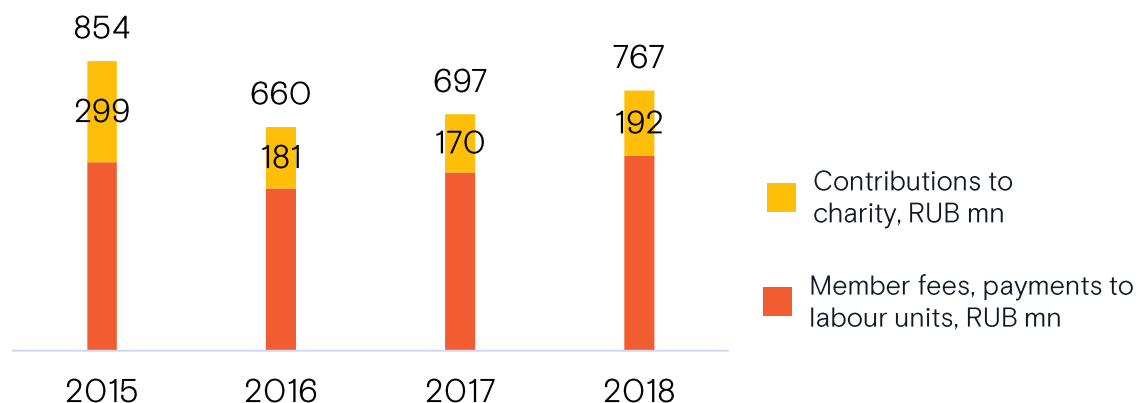
3.5k

Employees regularly involved in volunteering projects

200

Volunteering projects carried out in 2018

Member fees, charity contribution, payments to labour units
RUB mn



Programme 'Digital Equality' – the cornerstone of our social policy



2018

Key goal –
better access
to education
for children
and elderly

85k

Seniors participated in
'Internet ABC'

+31% yoy

89k

Registered school students
of the portal 'Learn the
Internet – Rule it!'

+24% yoy

3.6k

Children helped within
educational projects:
'Growth' ⁽¹⁾, 'Distance learning
for disabled children' and
'Computerization of
orphanages'

+37% yoy

Note: (1) 'Growth' is a distance learning project to promote development, education, socialisation, and employment for children in orphanages and foster homes, as well as those deprived of parental care, providing children with access to quality education over the internet and a healthy social environment while paving the way towards beneficial employment in the future.

Developing unique infrastructure to service people & businesses...



2018

35 mn

Households covered by fibre

86 mn

state E-services portal users

Fibre

High-speed fibre lines Kamchatka–Sakhalin–Magadan and Sakhalin–Kuril Islands

6k

Racks in data centers

117k

Cameras used for video surveillance at Unified State Exam

150

Banks using Rostelecom's biometric platform

...and socially-oriented Digital Economy programme



2018

now

8k

settlements connected
under the BDD project

9k

medical institutions
connected

50

regions where
SmartCity projects are
being implemented



E-Government



'Safe Roads'



112 Hot Line



CCTV safety
platform



Healthcare



Urban intellectual
transportation
platform



E-Learning



Energy efficiency



Ecology



Emergency alert
systems

future

14k

settlements by 2024

40k

schools and other
socially significant
institutions



Governance



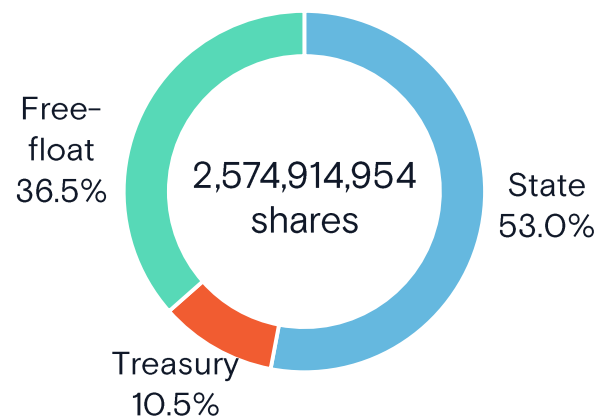
Rostelecom



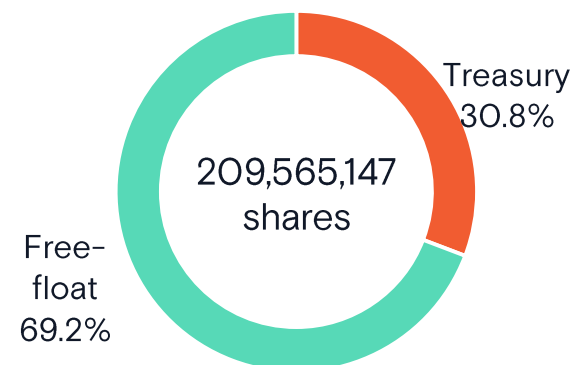
Share capital



Ordinary shares



Preferred shares



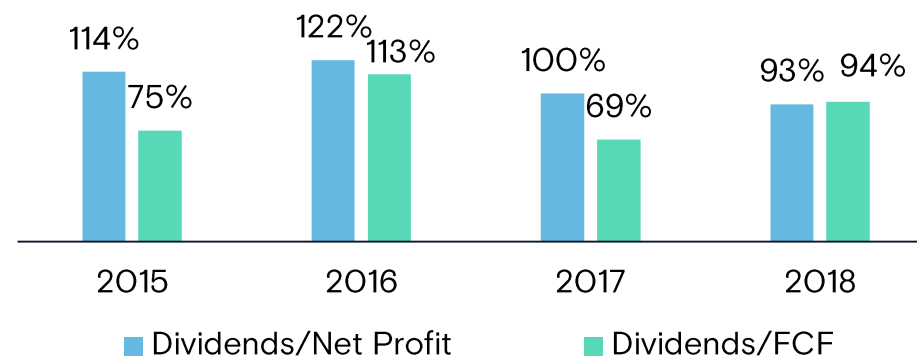
Dividend policy

≥ 5 RUB per ordinary share

$\geq 75\%$ of Free Cash Flow

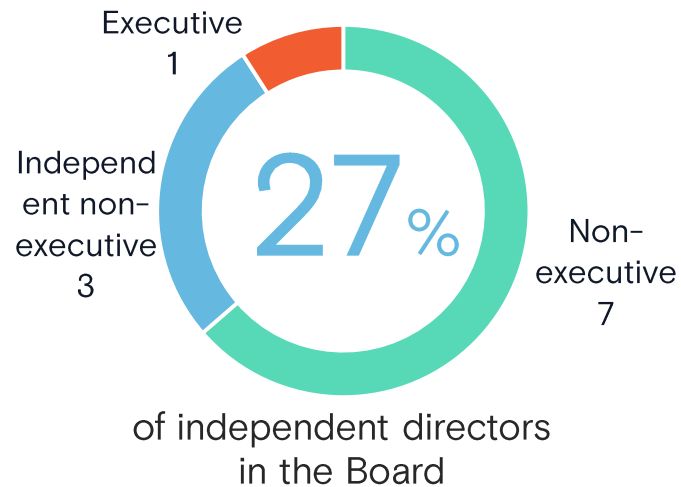
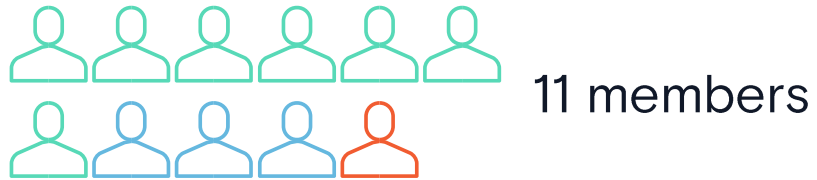
$50\% \leq \text{Dividend} \leq 100\%$ of Net Income

Dividend payout



Governing bodies

Board of directors



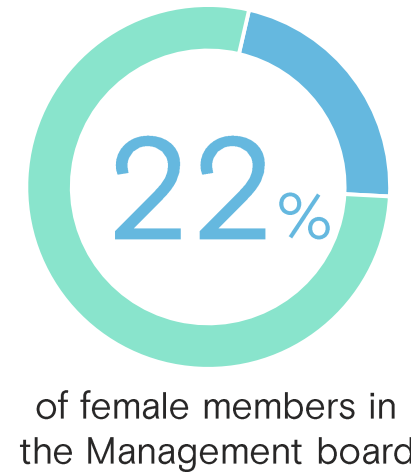
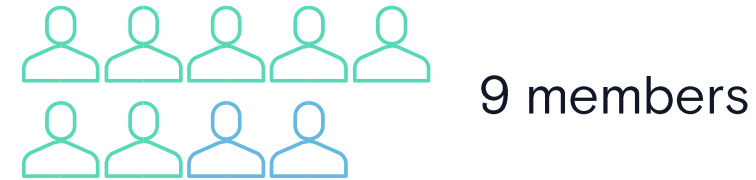
50

years old – average age of Board of directors

4.3

years – average tenure of Board of directors

Management board



44.2

years old – average age of Management board

5.3

years – average tenure of Management board



Remuneration of the governing bodies

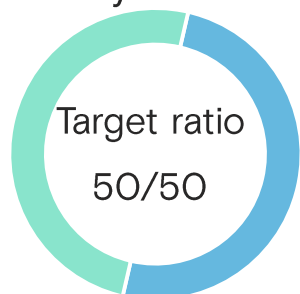


Board of directors ⁽¹⁾

| Fixed annual compensation per member of the board = RUB 4 mn | | | |
|--|---------------|-------------------------|-------|
| Reasons for increase: | | Reasons for reduction: | |
| Chairman position | 1.5x | <25% of meetings missed | -10% |
| Committee Chairman position | 1.25x | 25-50% meetings missed | -30% |
| Audit Committee | + RUB 0.44 mn | >50% meetings missed | -100% |
| Other Committee | + RUB 0.32 mn | | |

Management board

Basic salary

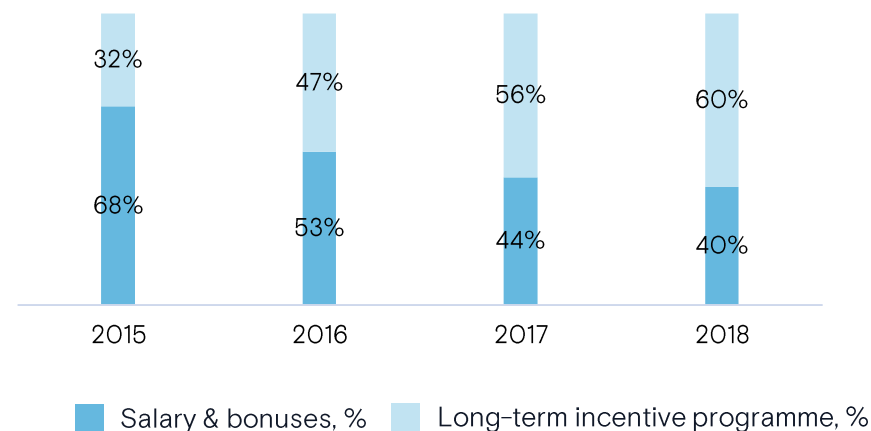


Long-term incentive
programme
based on three KPIs:
Net profit, FCF, ROIC

Annual bonus

based on business KPIs
(incl. Revenue, OIBDA,
TSR, productivity, etc.)

Structure of the remuneration of Management board

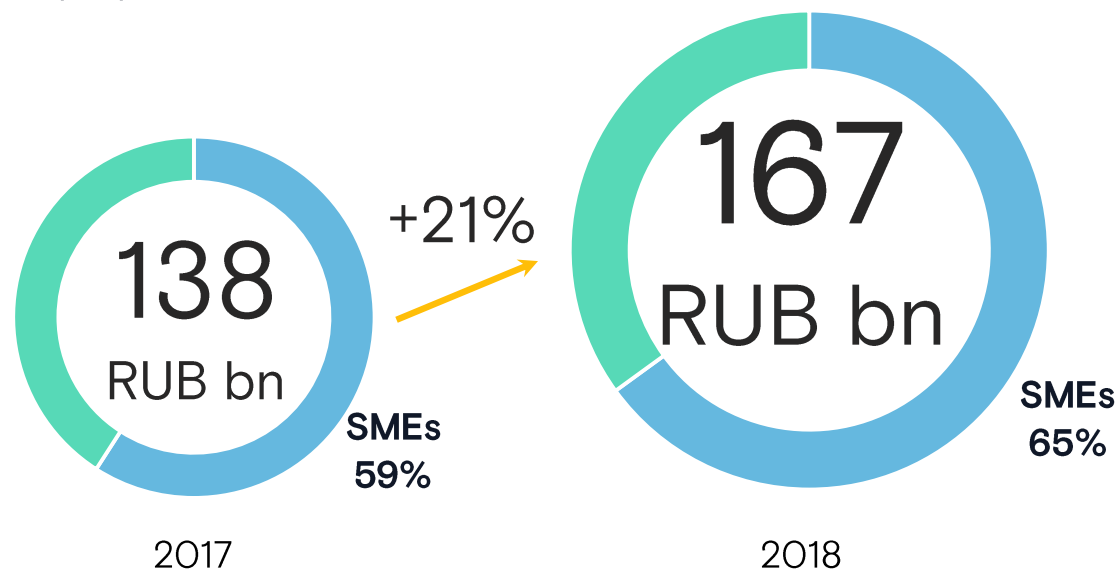


Notes: (1) No annual remuneration is paid to the members of the Board of Directors holding public offices or employed by the Company, or to the members who renounced their remuneration. In 2018 five members of the Board of directors did not receive annual remuneration.

High standards of procurement procedures and increasing SME participation



Agreements underwent procurement procedures
RUB bn



3.3

average number of bidders in a procurement procedure in 2018



Rostelecom topped the National Procurement Transparency Rating in 2018

Sustainability Indices



Rostelecom is a constituent of FTSE4Good Index Series and two MOEX-RSPP indices

MOEX-RSPP: Responsibility and Transparency Index (MRRT) & Sustainability Vector Index (MRSV)



FTSE4Good

Constituent since 2017

Scope & sources of information



Scope

| Scope of information | Group | PJSC | PJSC / Group ratio |
|---------------------------|--|--|--------------------|
| Description | PJSC Rostelecom including consolidated subsidiaries | PJSC Rostelecom not including consolidated subsidiaries | |
| Revenues 2018, RUB bn | 320.2 (IFRS) | 305.9 (RAS) | 96% |
| Average headcount 2018, k | 128.6 | 108.0 | 84% |

Additional sources of ESG information

1. [ESG information portal: www.company.rt.ru/en/ir/results_and_presentations/esg_information/](http://www.company.rt.ru/en/ir/results_and_presentations/esg_information/)
2. [Annual report 2018: www.company.rt.ru/en/ir/results_and_presentations/ar/](http://www.company.rt.ru/en/ir/results_and_presentations/ar/)
3. [Sustainability report 2018: www.company.rt.ru/en/social/report/](http://www.company.rt.ru/en/social/report/)



ESG data

Rostelecom



Environmental data



| Operational data | Units | 2015 | 2016 | 2017 | 2018 |
|---------------------------------------|----------------------------------|------------|------------|------------|------------|
| Greenhouse gas (GHG) emissions | | | | | |
| Direct GHG emissions (Scope 1) | metric tonnes of CO2 equivalents | 220,622 | 178,625 | 181,018 | 176,614 |
| Indirect GHG emissions (Scope 2) | metric tonnes of CO2 equivalents | 1,147,930 | 1,032,015 | 911,448 | 877,697 |
| Indirect GHG emissions (Scope 3) (1) | metric tonnes of CO2 equivalents | 72,318 | 93,482 | 80,151 | 79,316 |
| Energy consumption | | | | | |
| Nonrenewable energy consumption | MWh | 3,483,684 | 3,413,449 | 2,999,429 | 2,854,350 |
| Electricity purchased | MWh | 3,463,116 | 3,388,857 | 2,977,835 | 2,834,441 |
| Electricity generated (2) | MWh | 1,678,785 | 1,682,578 | 1,394,200 | 1,342,051 |
| Heat purchased | MWh | | 4,254 | 3,358 | 2,065 |
| Heat generated, net (3) | MWh | 1,549,455 | 1,446,003 | 1,357,743 | 1,311,877 |
| Renewable energy (biomass combustion) | MWh | 234,876 | 256,022 | 222,534 | 178,449 |
| | | 20,568 | 24,592 | 21,595 | 19,909 |
| Fuel and energy consumption | | | | | |
| Electricity | thousand kWh | 1,678,785 | 1,682,578 | 1,394,200 | 1,342,051 |
| Heat | Gcal | 1,332,291 | 1,243,339 | 1,167,449 | 1,128,011 |
| Natural gas | cubic meters | 19,246,161 | 38,316,914 | 30,540,204 | 27,208,191 |
| Liquefied gas | litres | n/a | 1,266,922 | 1,123,053 | 1,087,580 |
| Coal | tonnes | 14,233 | 12,364 | 10,011 | 10,695 |
| Firewood | cubic meters | 9,641 | 10,128 | 9,861 | 9,238 |
| Fuel briquettes (pellets) | cubic meters | 408 | 485 | 475 | 503 |
| Diesel fuel | litres | n/a | 8,624,525 | 8,535,517 | 7,956,848 |
| Petrol | litres | n/a | 25,774,006 | 24,447,231 | 28,644,554 |
| Water consumption | | | | | |
| Total water use | mn cubic meters | 3.397 | 3.151 | 2.801 | 2.496 |
| Groundwater | mn cubic meters | 0.397 | 0.378 | 0.376 | 0.230 |
| Public and other water systems | mn cubic meters | 3.001 | 2.773 | 2.425 | 2.267 |
| Cold water | mn cubic meters | 2.930 | 2.776 | 2.584 | 2.296 |
| Hot water | mn cubic meters | 0.467 | 0.375 | 0.216 | 0.200 |

| Operational data | Units | 2015 | 2016 | 2017 | 2018 |
|---|--------------------|--------------|--------------|--------------|--------------|
| Waste disposed | | | | | |
| Total waste disposed | tonnes | 35,014 | 33,826 | 30,281 | 30,617 |
| Total waste generated | tonnes | 39,299 | 37,103 | 34,607 | 34,109 |
| Total waste used/recycled/sold | tonnes | 4,286 | 3,277 | 4,326 | 3,493 |
| Responsible consumption | | | | | |
| Waste paper | tonnes | 1,137 | 998 | 632 | 746 |
| Paper handed over for recycling | tonnes | 86 | 146 | 346 | 270 |
| Batteries collected for recycling | tonnes | | | 0.3 | 1.1 |
| Emission of pollutants to the atmosphere | | | | | |
| Carbon monoxide | tonnes | 910 | 916 | 904 | 857 |
| Nitrogen dioxide | tonnes | 112 | 112 | 117 | 131 |
| Sulphur dioxide | tonnes | 117 | 107 | 106 | 116 |
| Nitrogen oxide | tonnes | 24 | 23 | 22 | 23 |
| Carbon black | tonnes | 260 | 159 | 147 | 179 |
| Total | tonnes | 1,422 | 1,317 | 1,296 | 1,306 |
| Energy efficiency targets | | | | | |
| Relative electricity consumption | thousand kW / m2 | | | 0.1558 | 0.1572 |
| Relative heat consumption | Gcal / cubic meter | | | 0.1305 | 0.1321 |
| Expenses | | | | | |
| Expenses on environmental programs | RUB mn | 155.7 | 172.8 | 145.5 | 159.5 |
| Training | RUB mn | 1.9 | 1.5 | 2.4 | 1.6 |
| Waste disposal | RUB mn | 126.1 | 126.1 | 101.6 | 109.6 |
| Protection against pollution of land and water | RUB mn | 3.6 | 3.3 | 3.3 | 5.9 |
| Air protection | RUB mn | 0.7 | 2.3 | 2.4 | 5.8 |
| Landscaping | RUB mn | 0.2 | 2.2 | 1.6 | 2.1 |
| Payment to the national budget for atmosphere emissions | RUB mn | 1.7 | 1.2 | 0.6 | 0.8 |
| Other | RUB mn | 21.5 | 36.2 | 33.6 | 33.8 |
| Penalties for breaching the environmental legislation | RUB mn | 0.1 | 0.1 | 0.2 | 0.1 |
| Energy efficiency projects expenditure | RUB mn | n/a | n/a | 173.6 | 198.1 |

Notes: All the Environmental data covers PJSC Rostelecom standalone and does not cover its subsidiaries.

(1) Business travel and Waste generated in operations.

(2) Diesel fuel and petrol are used for this purpose.

(3) Net of heat sold. The Company uses gas, coal, fuel oil, firewood and pellets to generate heat in its boiler houses.

Social data



| | Units | 2015 | 2016 | 2017 | 2018 |
|--------------------------------|----------------------|----------------|----------------|----------------|----------------|
| Employees | | | | | |
| Group | FTEs average | 149,869 | 142,532 | 133,685 | 128,584 |
| PJSC Rostelecom standalone | FTEs average | 131,597 | 121,316 | 111,785 | 107,984 |
| Consolidated subsidiaries | FTEs average | 18,272 | 21,216 | 21,900 | 20,600 |
| Employee structure | | | | | |
| By function | | | | | |
| Technical unit | FTEs average | 93,936 | 93,201 | 92,471 | 89,234 |
| Commercial | FTEs average | 29,044 | 28,101 | 26,793 | 24,772 |
| Administrative | FTEs average | 14,149 | 10,190 | 3,985 | 3,347 |
| Other | FTEs average | 12,740 | 11,040 | 10,436 | 11,231 |
| Total | FTEs average | 149,869 | 142,532 | 133,685 | 128,584 |
| Share by function | | | | | |
| Technical unit | % | 63% | 65% | 69% | 69% |
| Commercial | % | 19% | 20% | 20% | 19% |
| Administrative | % | 9% | 7% | 3% | 3% |
| Other | % | 9% | 8% | 8% | 9% |
| By position (1) * | | | | | |
| Top-management | FTEs year end | 564 | 123 | 95 | 86 |
| female | FTEs year end | 142 | 39 | 14 | 12 |
| male | FTEs year end | 422 | 84 | 81 | 74 |
| Heads of functional units | FTEs year end | 10,536 | 11,671 | 12,014 | 12,150 |
| female | FTEs year end | 3,152 | 3,802 | 3,735 | 3,865 |
| male | FTEs year end | 7,384 | 7,869 | 8,279 | 8,285 |
| Specialists | FTEs year end | 81,888 | 79,455 | 68,823 | 66,920 |
| female | FTEs year end | 43,691 | 44,439 | 35,409 | 33,643 |
| male | FTEs year end | 38,197 | 35,016 | 33,414 | 33,277 |
| Workers & other employees | FTEs year end | 38,032 | 33,116 | 28,440 | 26,260 |
| female | FTEs year end | 3,392 | 2,926 | 2,216 | 1,846 |
| male | FTEs year end | 34,640 | 30,190 | 26,224 | 24,414 |
| Total | FTEs year end | 131,020 | 124,365 | 109,372 | 105,416 |
| female | FTEs year end | 50,377 | 51,206 | 41,374 | 39,366 |
| male | FTEs year end | 80,643 | 73,159 | 67,998 | 66,050 |
| Share by position (1) * | | | | | |
| Top-management | % | 0% | 0% | 0% | 0% |
| Heads of functional units | % | 8% | 9% | 11% | 12% |
| Specialists | % | 63% | 64% | 63% | 63% |
| Workers & other employees | % | 29% | 27% | 26% | 25% |

| | Units | 2015 | 2016 | 2017 | 2018 |
|---|----------------------|----------------|----------------|----------------|----------------|
| Employees (cont.) | | | | | |
| Gender diversity * | | | | | |
| Top-management | % of women | 25% | 32% | 15% | 14% |
| Heads of functional units | % of women | 30% | 33% | 31% | 32% |
| Specialists | % of women | 53% | 56% | 51% | 50% |
| Workers & other employees | % of women | 9% | 9% | 8% | 7% |
| Total | % of women | 38% | 41% | 38% | 37% |
| By age group * | | | | | |
| < 25 | FTEs year end | 6,139 | 7,538 | 5,990 | 5,284 |
| female | FTEs year end | 2,219 | 3,013 | 2,094 | 1,796 |
| male | FTEs year end | 3,920 | 4,525 | 3,896 | 3,488 |
| 26-35 | FTEs year end | 28,660 | 30,895 | 24,873 | 23,994 |
| female | FTEs year end | 11,060 | 14,259 | 9,109 | 8,594 |
| male | FTEs year end | 17,600 | 16,636 | 15,764 | 15,400 |
| 36-55 | FTEs year end | 73,677 | 67,800 | 61,379 | 58,880 |
| female | FTEs year end | 31,588 | 29,615 | 25,976 | 24,537 |
| male | FTEs year end | 42,089 | 38,185 | 35,403 | 34,343 |
| >56 | FTEs year end | 22,544 | 18,132 | 17,130 | 17,258 |
| female | FTEs year end | 5,510 | 4,319 | 4,195 | 4,439 |
| male | FTEs year end | 17,034 | 13,813 | 12,935 | 12,819 |
| Total | FTEs year end | 131,020 | 124,365 | 109,372 | 105,416 |
| female | FTEs year end | 50,377 | 51,206 | 41,374 | 39,366 |
| male | FTEs year end | 80,643 | 73,159 | 67,998 | 66,050 |
| Age diversity * | | | | | |
| < 25 | % | 5% | 6% | 5% | 5% |
| 26-35 | % | 22% | 25% | 23% | 23% |
| 36-55 | % | 56% | 55% | 56% | 56% |
| >56 | % | 17% | 15% | 16% | 16% |
| Headcount movements* | | | | | |
| Employees dismissed | people | 42,427 | 20,904 | 21,511 | 20,441 |
| Employees hired | people | 26,554 | 14,142 | 13,067 | 15,948 |
| female | people | 15,401 | 7,148 | 5,777 | 7,388 |
| male | people | 11,153 | 6,994 | 7,290 | 8,560 |
| Employees taking parental leave | people | 5,502 | 4,098 | 4,987 | 4,635 |
| Employees returned after parental leave | people | 2,222 | 6,343 | 5,919 | 2,589 |
| Housing program* | | | | | |
| Employees received financial assistance | people | na | 1,051 | 988 | 1,001 |
| Financial assistance | RUB mn | na | 340 | 240 | 273 |

Notes: The data with the sign * covers PJSC Rostelecom standalone and does not cover its subsidiaries. The rest of the information considers consolidated data of PJSC Rostelecom and its subsidiaries.

(1) In 2016 there was a change in methodology.

Social data (cont.)



| | Units | 2015 | 2016 | 2017 | 2018 |
|--|---------------|---------------|---------------|---------------|---------------|
| Employee training & development * | | | | | |
| Employee training costs | RUB mn | 354 | 453 | 464 | 496 |
| Training costs per FTE | RUB | 2,600 | 3,600 | 3,500 | 4,600 |
| Average hours per FTE of training | hours | 20.3 | 32.7 | 38.1 | 21.4 |
| Number of employees trained | | | | | |
| Top-management | people | 3 | 92 | 54 | 92 |
| Heads | people | 16,212 | 7,951 | 7,148 | 5,752 |
| Specialists | people | 32,835 | 20,075 | 18,999 | 17,506 |
| Special categories (implementation of core competencies) | people | 16,298 | 9,111 | 7,837 | 6,424 |
| Total | people | 65,348 | 37,229 | 34,038 | 29,774 |
| Health & Safety * | | | | | |
| Recordable incident rate | | | | | |
| The number of injured | people | 46 | 42 | 39 | 30 |
| incl. women | people | 12 | 6 | 6 | 8 |
| incl. fatal | people | 1 | 5 | 0 | 1 |
| Number of incidents per 1000 employees | people | 0.32 | 0.34 | 0.31 | 0.27 |
| Lost time injury frequency rate | days | 3,560 | 2 078 | 4 503 | 2,145 |
| Fires on site | # fires | na | 48 | 50 | 32 |
| incl. on the rented or leased premises by the fault of other organizations / individuals | # fires | na | na | 25 | 20 |
| Health and safety management expenditure | RUB mn | 623 | 551 | 641 | 698 |

| | Units | 2015 | 2016 | 2017 | 2018 |
|---|-----------|--------|--------|--------|--------|
| Payroll | | | | | |
| Wages, salaries, other benefits and payroll taxes | RUB mn | 91,081 | 90,340 | 93,381 | 97,350 |
| Salary expenses | RUB mn | 67,184 | 66,018 | 67,238 | 69,812 |
| Share-based remuneration | RUB mn | 1,437 | 1,186 | 2,016 | 3,162 |
| Social taxes | RUB mn | 19,042 | 18,987 | 19,287 | 19,866 |
| Loss / (gain) for pension plans | RUB mn | -1,148 | -546 | -223 | -198 |
| Other personnel costs | RUB mn | 4,566 | 4,695 | 5,063 | 4,708 |
| Average salary | RUB/month | 37.4 | 38.6 | 41.9 | 45.2 |
| Charity | | | | | |
| Member fees, charity contribution, payments to labour units | RUB mn | 854 | 660 | 697 | 767 |
| incl. charity contributions | RUB mn | 299 | 181 | 170 | 192 |

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(1) In 2016 there was a change in methodology.

Governance data



| | Units | 2015 | 2016 | 2017 | 2018 | | Units | 2015 | 2016 | 2017 | 2018 |
|--|---------------|----------------------|----------------------|----------------------|----------------------|---|-----------|-----------|------------|------------|------------|
| Board of Directors & Management Board | | | | | | Share capital (cont.) | | | | | |
| Board of Directors | | | | | | Share capital | | | | | |
| Size | people | 11.0 | 11.0 | 11.0 | 11.0 | Share capital | | | | | |
| # Independent directors | people | 4.0 | 4.0 | 4.0 | 3.0 | Russian Federation represented by | | | | | |
| # Non-Executive directors | people | 10.0 | 10.0 | 10.0 | 10.0 | Federal Agency for State Property | | | | | |
| # Executive directors | people | 1.0 | 1.0 | 1.0 | 1.0 | Management | % | 45.04% | 45.04% | 45.04% | 45.04% |
| % Independent directors | % | 36% | 36% | 36% | 27% | State Development Corporation VEB.RF | % | 3.96% | 3.96% | 3.96% | 3.96% |
| % Non-Executive directors | % | 91% | 91% | 91% | 91% | Mobitel | % | 16.24% | 16.24% | 12.01% | 12.01% |
| CEO-Chairman Duality | | No | No | No | No | Other | % | 34.75% | 34.75% | 38.98% | 38.98% |
| Independent Lead director | | No | Yes | Yes | Yes | Management ownership | | | | | |
| Board gender diversity | % | 0% | 0% | 0% | 0% | CEO | | | | | |
| # Board Meetings | meetings | 40.0 | 27.0 | 24.0 | 27.0 | Share capital | % | 0.420% | 0.453% | 0.000% | 0.074% |
| Board Member Average Age | years | 47.5 | 49.5 | 51.0 | 50.0 | Ordinary shares | % | 0.190% | 0.226% | 0.000% | 0.080% |
| Management Board | | | | | | Management Board | | | | | |
| Size of the Board | people | 6.0 | 6.0 | 9.0 | 9.0 | Share capital | % | 0.485% | 0.553% | 0.086% | 0.279% |
| # Female Executives | people | 3.0 | 1.0 | 2.0 | 2.0 | Ordinary shares | % | 0.228% | 0.304% | 0.097% | 0.302% |
| % Female Executives | % | 50% | 17% | 22% | 22% | Long-term incentive program (LTIP) | | | | | |
| Share capital | | | | | | Shares distributed within LTIP | shares | 6,818,718 | 12,855,030 | 18,322,439 | 39,445,687 |
| Ordinary shares | shares | 2,574,914,954 | 2,574,914,954 | 2,574,914,954 | 2,574,914,954 | % of ordinary shares | % | 0.265% | 0.499% | 0.712% | 1.532% |
| Preferred shares | shares | 209,565,147 | 209,565,147 | 209,565,147 | 209,565,147 | Payroll costs related to LTIP | RUB mn | 1,654 | 1,347 | 2,344 | 3,638 |
| Total number of shares | shares | 2,784,480,101 | 2,784,480,101 | 2,784,480,101 | 2,784,480,101 | Dividends | | | | | |
| Shareholder structure | | | | | | Dividends for FY | | | | | |
| Ordinary shares | | | | | | Dividends total | RUB mn | 16,472 | 15,000 | 14,050 | 13,922 |
| Russian Federation represented by | | | | | | Ordinary shares | RUB mn | 15,232 | 13,871 | 12,993 | 12,875 |
| Federal Agency for State Property | | | | | | Preferred shares | RUB mn | 1,240 | 1,129 | 1,057 | 1,048 |
| Management (FASPM) | % | 48.71% | 48.71% | 48.71% | 48.71% | DPS | | | | | |
| State Development Corporation VEB.RF | % | 4.29% | 4.29% | 4.29% | 4.29% | Ordinary shares | RUB/share | 5.92 | 5.39 | 5.05 | 5.00 |
| Mobitel | % | 15.06% | 15.06% | 10.49% | 10.49% | Preferred shares | RUB/share | 5.92 | 5.39 | 5.05 | 5.00 |
| Other | % | 31.95% | 31.95% | 36.52% | 36.52% | Payout | | | | | |
| Preferred shares | | | | | | % of FCF | % | 75% | 113% | 69% | 94% |
| Russian Federation | % | - | - | - | - | % of Net Income | % | 114% | 122% | 100% | 93% |
| State Development Corporation VEB.RF | % | - | - | - | - | Free Cash Flow | RUB mn | 21,962 | 13,298 | 20,385 | 14,751 |
| Mobitel | % | 30.79% | 30.79% | 30.79% | 30.79% | Net Income | RUB mn | 14,391 | 12,249 | 14,050 | 15,012 |
| Other | % | 69.21% | 69.21% | 69.21% | 69.21% | | | | | | |

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Contacts

Investor relations

Office: +7 (499) 995 9780

E-mail: ir@rt.ru

Web: www.company.rt.ru/en/ir/