



## ESG information

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## ENVIRONMENT

	Units	2015	2016	2017	2018	2019	CAGR 2015-2019
<b>Operational data</b>							
<b>Greenhouse gas (GHG) emissions</b>							
Direct GHG emissions (Scope 1)	metric tonnes of CO2 equivalents	220,622	178,625	187,173	181,429	184,415	-4%
Indirect GHG emissions (Scope 2)	metric tonnes of CO2 equivalents	1,147,930	1,032,015	994,849	973,255	850,942	-7%
<b>Total GHG emissions (Scope 1 &amp; 2)</b>	<b>metric tonnes of CO2 equivalents</b>	<b>1,368,552</b>	<b>1,210,640</b>	<b>1,182,022</b>	<b>1,154,684</b>	<b>1,035,357</b>	<b>-7%</b>
Indirect GHG emissions (Scope 3) (1)	metric tonnes of CO2 equivalents	72,318	93,482	86,234	85,812	85,214	4%
<b>Total energy consumption</b>	thousand kWh	3,483,684	3,411,839	2,999,429	2,854,350	2,771,121	-6%
<b>Fuel and energy consumption</b>							
Electricity	thousand kWh	1,678,785	1,685,223	1,397,559	1,344,116	1,335,164	-6%
Heat	Gcal	1,332,291	1,484,623	1,377,361	1,298,568	1,234,700	-2%
Natural gas	k cubic meters	19,246	38,317	30,540	27,208	23,226	5%
Liquefied gas	litres	n/a	1,266,922	1,123,053	1,087,580	866,569	-12%
Coal	tonnes	14,233	12,364	10,011	10,695	10,846	-7%
Firewood	cubic meters	9,641	10,128	9,861	9,238	7,367	-7%
Fuel briquettes (pellets)	cubic meters	408	485	475	503	231	-13%
Diesel fuel	litres	n/a	8,624,525	8,535,517	7,956,848	7,653,002	-4%
Petrol	litres	n/a	25,774,006	24,447,230	28,644,554	35,985,403	12%
Renewable energy (biomass combustion)	MWh	20,568	26,239	25,560	24,197	18,558	-3%
Electricity consumption / total area	thousand kWh / sq m	n/a	n/a	0.167	0.166	0.162	-2%
Heat consumption / total area	Gcal / sq m	n/a	n/a	0.165	0.160	0.149	-5%
	MWh	n/a	85,637	n/a	n/a	144,601	19%
Power Usage Effectiveness (PUE)		n/a	1.64	n/a	n/a	1.80	3%
<b>Water consumption</b>							
Total water use	mn cubic meters	3.397	3.151	2.801	2.496	2.368	-9%
<i>Groundwater</i>	<i>mn cubic meters</i>	<i>0.397</i>	<i>0.378</i>	<i>0.376</i>	<i>0.230</i>	<i>0.206</i>	<i>-15%</i>
<i>Public and other water systems</i>	<i>mn cubic meters</i>	<i>3.001</i>	<i>2.773</i>	<i>2.425</i>	<i>2.267</i>	<i>2.162</i>	<i>-8%</i>
<b>Waste disposed</b>							
Total waste disposed	metric tonnes	35,014	33,826	30,281	30,617	29,704	-4%
<i>Total waste generated</i>	<i>metric tonnes</i>	<i>39,299</i>	<i>37,103</i>	<i>34,607</i>	<i>34,109</i>	<i>33,226</i>	<i>-4%</i>
<i>Total waste used/recycled/sold</i>	<i>metric tonnes</i>	<i>4,286</i>	<i>3,277</i>	<i>4,326</i>	<i>3,493</i>	<i>3,523</i>	<i>-5%</i>

**Responsible consumption**

Waste paper	tonnes	1,137	998	632	746	321	-27%
Paper handed over for recycling	tonnes	86	146	346	270	321	39%
E-bills	mn			143	153	158	5%
Batteries collected for recycling	tonnes			0.3	1.1	1.8	127%

**Emission of pollutants to the atmosphere**

Carbon monoxide	tonnes	910	916	904	857	767	-4%
Nitrogen dioxide	tonnes	112	112	117	131	140	6%
Sulphur dioxide	tonnes	117	107	106	116	103	-3%
Nitrogen oxide	tonnes	24	23	22	23	24	-1%
Carbon black	tonnes	260	159	147	179	160	-11%
<b>Total</b>	<b>tonnes</b>	<b>1,422</b>	<b>1,317</b>	<b>1,296</b>	<b>1,306</b>	<b>1,194</b>	<b>-4%</b>

**Expenses**

Expenses on environmental programs	RUB mn	155.67	172.85	145.51	159.49	159.60
<i>Training</i>	<i>RUB mn</i>	<i>1.90</i>	<i>1.49</i>	<i>2.35</i>	<i>1.57</i>	<i>1.58</i>
<i>Waste disposal</i>	<i>RUB mn</i>	<i>93.60</i>	<i>93.55</i>	<i>83.50</i>	<i>99.83</i>	<i>97.90</i>
<i>Protection against pollution of land and water</i>	<i>RUB mn</i>	<i>3.57</i>	<i>3.26</i>	<i>5.61</i>	<i>5.91</i>	<i>6.48</i>
<i>Air protection</i>	<i>RUB mn</i>	<i>0.71</i>	<i>2.33</i>	<i>2.43</i>	<i>5.75</i>	<i>5.74</i>
<i>Landscaping</i>	<i>RUB mn</i>	<i>0.23</i>	<i>2.19</i>	<i>1.64</i>	<i>2.13</i>	<i>2.50</i>
<i>Payment for negative impact on the environment (1)</i>	<i>RUB mn</i>	<i>34.20</i>	<i>33.78</i>	<i>19.59</i>	<i>11.18</i>	<i>8.37</i>
<i>Other</i>	<i>RUB mn</i>	<i>21.46</i>	<i>36.24</i>	<i>30.39</i>	<i>33.12</i>	<i>37.05</i>
Penalties for breaching the environmental legislation	RUB mn	0.13	0.07	0.15	0.09	0.09
Energy efficiency projects expenditure	RUB mn	n/a	n/a	173.57	198.13	244.52

Notes: Environmental expenses cover PJSC Rostelecom standalone without 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**

	Units	2016	2017	2018	2019
<b>Rostelecom Group</b>					
<b>Average number of employees</b>					
<b>Group</b>	<b>people</b>	<b>142,532</b>	<b>133,685</b>	<b>128,584</b>	<b>126,878</b>
PJSC Rostelecom standalone	people	121,316	112,595	107,984	105,754
Consolidated subsidiaries	people	21,216	21,090	20,600	21,124
<b>Employee structure by function</b>					
Technical	people	89,402	88,125	84,390	82,874
Commercial	people	28,101	26,793	24,772	24,682
Administrative	people	10,190	3,985	3,347	2,883
Other (incl. IT)	people	14,838	14,782	16,075	16,439
<b>Total</b>	<b>people</b>	<b>142,533</b>	<b>133,685</b>	<b>128,584</b>	<b>126,878</b>
<b>Share by function</b>					
Technical	%	63%	66%	66%	65%
Commercial	%	20%	20%	19%	19%
Administrative	%	7%	3%	3%	2%
Other (incl. IT)	%	10%	11%	13%	13%
Total	%	100%	100%	100%	100%
<b>Payroll</b>					
<b>Wages, salaries, other benefits and payroll taxes</b>	<b>RUB mn</b>	<b>90,340</b>	<b>93,381</b>	<b>97,350</b>	<b>106,193</b>
Salary expenses	RUB mn	66,018	67,238	69,812	74,675
Share-based remuneration	RUB mn	1,186	2,016	3,162	3,449
Social taxes	RUB mn	18,987	19,287	19,866	21,216
Loss / (gain) for pension plans	RUB mn	-546	-223	-198	1,273
Other personnel costs	RUB mn	4,695	5,063	4,708	5,580
Average salary	RUB k / month	38.6	41.9	45.2	49.0
Average salary (incl. capitalized salaries)	RUB k / month	40.0	44.0	46.0	53.0

## Charity

Member fees, charity contribution, payments to labour units	RUB mn	660	697	767	821
incl. charity contributions	RUB mn	181	170	192	177

<b>PJSC Rostelecom (not incl. subsidiaries)</b>		<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2019 Group</b>
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## Employees

### Headcount and structure (1)

Top-management	people YE	153	173	201	212
Heads of functional units	people YE	12,150	12,163	12,324	12,833
Specialists	people YE	80,921	79,177	77,714	79,843
Workers & other employees	people YE	34,009	29,086	26,875	25,694
<b>Total</b>	<b>people YE</b>	<b>127,233</b>	<b>120,599</b>	<b>117,114</b>	<b>118,582</b>
<i>incl.</i>					
<i>Part-time employees</i>	<i>people YE</i>	<i>4,465</i>	<i>7,171</i>	<i>7,983</i>	<i>9,635</i>
<i>Temporary employees</i>	<i>people YE</i>	<i>5,328</i>	<i>4,653</i>	<i>4,232</i>	<i>4,193</i>
Employees under a civil law contract (GPC)	people YE	16,418	17,815	22,200	26,192

### Gender diversity

Top-management	% of women	20.5%	18.9%	19.8%	19.3%	26.3%
All management	% of women	31.4%	30.9%	30.8%	31.0%	37.8%
IT	% of women	29.2%	29.7%	32.0%	31.5%	32.8%
<b>Total</b>	<b>% of women</b>	<b>42.2%</b>	<b>42.4%</b>	<b>41.6%</b>	<b>40.2%</b>	<b>42.3%</b>

### Headcount movements

Employees hired	people	14,002	21,188	21,278	24,822	
<i>female</i>	<i>people</i>	<i>7,073</i>	<i>12,568</i>	<i>10,515</i>	<i>9,642</i>	
<i>male</i>	<i>people</i>	<i>6,929</i>	<i>8,620</i>	<i>10,763</i>	<i>15,180</i>	
Total employee turnover rate	%	7.0%	8.4%	9.7%	10.6%	13.4%
Voluntary employee turnover rate	%	7.0%	8.0%	10.0%	11.0%	13.4%
Involuntary employee turnover rate	%	8.4%	10.5%	6.6%	6.3%	5.9%

## Employee training & development

Employee training costs	RUB mn	453	464	496	575
Training costs per FTE	RUB	3.6	3.5	4.6	5.5
Average hours per FTE of training	hours	32.7	38.1	21.0	31.1

## Health & Safety

### Recordable incident rate

The number of injured	people	42	39	30	47
incl. women	people	6	6	8	5
incl. fatal	people	5	0	1	1
Incidents per 1000 employees	incidents	0.34	0.31	0.27	0.44
Lost time injury frequency rate	days	2,078	4,503	2,145	2,199

Fires on site	# fires	48	50	32	22
Health & safety expenditures	RUB mn	551	641	698	773

## Employee support

### Maternity / Paternity and Parental Leave - Total Employees

- had the right for the maternity/paternity leave	people	17,064	15,794	14,599	13,524
female	people	8,189	7,529	6,831	6,020
male	people	8,875	8,265	7,768	7,504
- took the maternity/paternity leave	people	2,337	2,022	1,716	1,487
female	people	2,251	1,916	1,640	1,401
male	people	86	106	76	86
- went back to work after the leave	people	587	928	1,437	1,961
female	people	518	839	1,328	1,883
male	people	69	89	109	78

### Housing program

Employees received financial assistance	people	1,051	988	1,001	1,115
Financial assistance	RUB mn	340	240	273	287

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) Number of employees - the total number of employees of PJSC Rostelecom at the end of the period, taking into account employees working part-time and employees on maternity leave.

**GOVERNANCE**

	Units	2015	2016	2017	2018	2019	6/30/2020
<b>Board of Directors &amp; Management Board</b>							
<b>Board of Directors</b>							
Size	people	11.0	11.0	11.0	11.0	11.0	
# Independent directors	people	4.0	4.0	4.0	3.0	3.0	
# Non-executive directors	people	10.0	10.0	10.0	10.0	10.0	
# Executive directors	people	1.0	1.0	1.0	1.0	1.0	
% Independent directors	%	36%	36%	36%	27%	27%	
% Non-executive directors	%	91%	91%	91%	91%	91%	
CEO-Chairman duality		No	No	No	No	No	
Independent lead director		No	Yes	Yes	Yes	Yes	
Board gender diversity	%	0%	0%	0%	0%	0%	
# Board meetings	meetings	40.0	27.0	24.0	27.0	20.0	
Board member average age	years	47.5	49.5	51.0	50.0	50.0	
Board member average tenure	years			4.3	4.3	4.5	
<b>Management Board</b>							
Size of the Board	people	6.0	6.0	9.0	9.0	8.0	
# Female Executives	people	3.0	1.0	2.0	2.0	2.0	
% Female Executives	%	50%	17%	22%	22%	25%	
Average age	years			44.0	44.2	45.6	
Average tenure	years			4.9	5.3	6.3	
<b>Remuneration</b>							
Board of Directors	RUB mn	27.4	32.2	32.8	27.7	28.0	
Management Board	RUB mn	568.4	403.8	574.6	960.0	972.6	
Salary	RUB mn	208.1	144.4	177.1	241.8	236.7	
Bonuses	RUB mn	313.7	255.8	397.6	718.1	735.9	
short-term incentives	RUB mn	132.9	64.4	74.7	146.7	165.5	
long-term incentives (LTIP)	RUB mn	180.7	191.4	322.9	571.4	570.4	
Other compensation	RUB mn	46.6	3.5				

## Share capital

Ordinary shares	shares	2,574,914,954	2,574,914,954	2,574,914,954	2,574,914,954	2,574,914,954	3,282,997,929
Preferred shares	shares	209,565,147	209,565,147	209,565,147	209,565,147	209,565,147	209,565,147
<b>Total number of shares</b>	<b>shares</b>	<b>2,784,480,101</b>	<b>2,784,480,101</b>	<b>2,784,480,101</b>	<b>2,784,480,101</b>	<b>2,784,480,101</b>	<b>3,492,563,076</b>

## Shareholder structure

Ordinary shares							
Russian Federation represented by Federal Agency for State F	%	48.71%	48.71%	48.71%	48.71%	48.71%	38.20%
JSC Telecom Investments	%	-	-	-	-	-	20.98%
VTB Bank (PJSC)	%	-	-	-	-	-	8.44%
State Development Corporation VEB.RF	%	4.29%	4.29%	4.29%	4.29%	4.29%	3.36%
Mobitel	%	15.06%	15.06%	10.49%	10.49%	10.49%	0.49%
Other	%	31.95%	31.95%	36.52%	36.52%	36.52%	29.02%

## Preferred shares

Russian Federation represented by Federal Agency for State F	%	-	-	-	-	-	-
State Development Corporation VEB.RF	%	-	-	-	-	-	-
JSC Telecom Investments	%	-	-	-	-	-	-
VTB Bank (PJSC)	%	-	-	-	-	-	-
Mobitel	%	30.79%	30.79%	30.79%	30.79%	30.79%	30.79%
Other	%	69.21%	69.21%	69.21%	69.21%	69.21%	69.21%

## Share capital

Russian Federation represented by Federal Agency for State F	%	45.04%	45.04%	45.04%	45.04%	45.04%	35.91%
JSC Telecom Investments	%	-	-	-	-	-	19.72%
VTB Bank (PJSC)	%	-	-	-	-	-	7.93%
State Development Corporation VEB.RF	%	3.96%	3.96%	3.96%	3.96%	3.96%	3.16%
Mobitel	%	16.24%	16.24%	12.01%	12.01%	12.01%	1.85%
Other	%	34.75%	34.75%	38.98%	38.98%	38.98%	31.44%

## Management ownership

CEO							
Share capital	%	0.420%	0.453%	0.000%	0.074%	0.173%	
Ordinary shares	%	0.190%	0.226%	0.000%	0.080%	0.182%	
Management Board							
Share capital	%	0.485%	0.553%	0.086%	0.279%	0.549%	
Ordinary shares	%	0.228%	0.304%	0.097%	0.302%	0.589%	



**Long-term incentive program (LTIP)**

Shares distributed within LTIP	shares	6,818,718	12,855,030	18,322,439	39,445,687	53,958,975
% of ordinary shares granted to employees for the previous FY	%	0.265%	0.499%	0.712%	1.532%	2.096%
Payroll costs related to LTIP	RUB mn	1,654	1,347	2,344	3,638	4,007

**Dividends****Dividends for FY**

Dividends gross	RUB mn	16,472	15,000	14,050	13,922	17,463
Ordinary shares	RUB mn	15,232	13,871	12,993	12,875	16,415
Preferred shares	RUB mn	1,240	1,129	1,057	1,048	1,048
DPS						
Ordinary shares	RUB/share	5.92	5.39	5.05	5.00	5.00
Preferred shares	RUB/share	5.92	5.39	5.05	5.00	5.00
Payout						
% of FCF	%	75%	113%	69%	94%	77%
% of Net Income	%	114%	122%	100%	93%	106%
Free Cash Flow	RUB mn	21,962	13,298	20,385	14,751	22,810
Net Income	RUB mn	14,391	12,249	14,050	15,012	16,474

Notes: All the data is presented on a consolidated basis unless stated otherwise.

Dividends for the financial year are usually paid during the next financial year.

<b>Scope of information</b>	<b>Rostelecom Group</b>	<b>PJSC Rostelecom</b>	<b>PJSC / Group ratio</b>
Description	PJSC Rostelecom <b>including</b> consolidated subsidiaries	PJSC Rostelecom <b>not including</b> consolidated subsidiaries	
Revenues 2019, RUB bn	337.4	315.5	94%
Average headcount 2019, k	126.9	105.8	83%

Note: Data for 2019 does not include Tele2 Russia and DataLine, that were acquired and consolidated in the beginning of 2020.