



PHOSAGRO®

# APPENDICES 2023

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# REPORT ON COMPLIANCE WITH THE PRINCIPLES AND RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE

This Report on Compliance with the Principles and Recommendations of the Corporate Governance Code was reviewed by the Board of Directors PJSC PhosAgro at the meeting held on «16» February 2024 (minutes dd. «19» February 2024 unnumb.). The Board of Directors confirms that the material presented herein contains comprehensive and reliable information on the Company's compliance with the principles and recommendations of the Corporate Governance Code for the 2023 reporting year.

N	Corporate governance principles	Corporate governance principle compliance criteria	Status <sup>1</sup> of conformity with the corporate governance principle	Explanations <sup>2</sup> of deviation from the assessment criteria of compliance with the corporate governance principle
<b>1.1</b>	<b>The Company shall ensure equal and fair treatment of all shareholders when they exercise their right to participate in the Company's governance.</b>			
1.1.1	The Company should create the most favourable conditions for its shareholders to enable them to participate in the general meeting and to develop informed positions on issues on its agenda, as well as to provide them with the opportunity to coordinate their actions and express their opinions on issues being discussed.	1. The Company provides an easy-to-access way to communicate with the community, such as a hotline, email or Internet forum that enables shareholders to express their opinion and to put forward issues for the agenda pending preparation for the General Meeting. These ways of communication were arranged by the company and made available to the shareholders during preparation for each General Meeting held in the reporting period.	<b>complied</b> partially complied did not comply	
1.1.2	Procedures for notification of the General Meeting and the provision of materials for it should enable shareholders to properly prepare for participation therein.	1. The notice of the General Meeting of Shareholders was posted (published) on the website at least 30 days prior to the date of the General Meeting. 2. The meeting notice specifies the venue of the meeting and the documents required to get access to the premises. 3. Access to the information on the individuals who proposed the agenda items and those who nominated candidates to the Board of Directors and the Internal Audit Commission of the Company was provided to shareholders.	complied <b>partially complied</b> did not comply	Criterion 1 is partially met, since for one of the three General Meetings of Shareholders of the Company held in 2023, the announcement of the General Meeting of Shareholders of the Company was made not 30, but 22 days in advance. This fact was due to the short timeframe for preparation of the Annual General Meeting of Shareholders of the Company.  At the same time, violation of the deadlines for notifying shareholders in accordance with Art. 52 of the Federal Law «On Joint-Stock Companies» dd. 26.12.1995 No. 208-FZ was not made.  The Company will continue to strive for proper compliance with the terms of posting (publication) of a notice on holding a general meeting of shareholders, provided for by law and recommendations of the Corporate Governance Code.
1.1.3	During the preparation for, and holding of, the General Meeting, shareholders should be able to freely receive information on a timely basis about the meeting and its materials, to pose questions to members of the Company's executive bodies and Board of Directors, and to communicate with each other.	1. The shareholders were enabled to ask members of the executive bodies and members of the Company's Board of Directors before and during the Annual General Meeting in the reporting period. 2. The standpoint of the Board of Directors (including any special opinions included in the minutes) on each agenda item of the General Meetings conducted during the reporting period was included in the materials of the General Meeting of Shareholders. 3. The Company provided shareholders with the appropriate entitlement with access to the list of individuals eligible to attend the General Meeting, starting from the date of its receipt by the Company, in all cases of holding General Meetings in the reporting period.	<b>complied</b> partially complied did not comply	
1.1.4	There should be no unjustified difficulties preventing shareholders from exercising their right to request that a General Meeting be convened, to nominate candidates to the company's governing bodies and to place proposals on its agenda.	1. In the reporting period, shareholders were entitled, within not less than 60 days from the end of the respective calendar year, to put forward proposals to be included on the agenda of the Annual General Meeting. 2. In the reporting period, the Company did not refuse to accept proposals for the agenda or candidates to the Company's bodies due to misprints or other insignificant defects in a shareholder's proposal.	<b>complied</b> partially complied did not comply	
1.1.5	Each shareholder should be able to freely exercise his/her right to vote in a straightforward and convenient way.	1. The Company's Articles of Association provide for the possibility to complete the electronic voting ballot form on the website, the address of which is specified in the notification of the General Meeting of Shareholders	complied partially complied <b>did not comply</b>	Formally, the principle is not observed, since the Articles of Association of the Company do not provide for the possibility of using the electronic form of the ballot on the internet website. However, please note that the vast majority of the Company's shareholders are served by nominee holders (with the exception of only 25 shareholders out of 262 thousand, that is, 0.01%), which allows each of these shareholders to take advantage of remote voting by giving instructions to the nominal holder (proxy voting), and thus to exercise their right to vote freely, in a simple and convenient way. In the future (for example, upon significant increase in the share of shareholders who do not use the services of nominal holders), the Company may return to discussing the need to introduce electronic voting.

<sup>1</sup> The 'complied with' status is only indicated if the Company meets all the criteria of the corporate governance principle compliance assessment. Otherwise, the 'partially complied with' or 'not complied with' status is displayed.  
<sup>2</sup> They are shown for each criterion of the corporate governance principle compliance if the Company meets only part of the criteria or fails to meet any of the principle compliance assessment criteria. If the Company indicated the 'complied with' status, no explanations are required.



N	Corporate governance principles	Corporate governance principle compliance criteria	Status of conformity with the corporate governance principle	Explanations of deviation from the assessment criteria of compliance with the corporate governance principle
1.1.6	Procedures for holding a General Meeting set by the Company should provide equal opportunity to all persons present at the General Meeting to express their opinions and ask questions that might be of interest to them.	<ol style="list-style-type: none"> <li>When General Meetings of Shareholders are held in the reporting period in the form of a meeting (joint presence of shareholders), sufficient time is envisaged for reports on agenda items and the time to discuss these issues, the shareholders were given the opportunity to express their opinions and ask questions of interest on the agenda.</li> <li>Nominees to the Company's governance and supervisory bodies were available to answer shareholders' questions at the meeting where they were voted upon.</li> <li>The sole executive body, the person responsible for accounting, the Chairman or other members of the Board of Directors Audit Committee were available to answer shareholders' questions at General Meetings of Shareholders held in the reporting period.</li> <li>The Board of Directors reviewed the use of telecommunications tools to provide shareholders with remote access to participate in the General Meetings in the reporting period when making decisions related to the preparation and holding of General Meetings Shareholders.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>1.2 Shareholders are provided with an equitable and fair opportunity to participate in the Company's profits through the payment of dividends.</b>				
1.2.1	The Company should develop and put in place a transparent and clear mechanism for determining the amount of dividends and payment thereof.	<ol style="list-style-type: none"> <li>The Company's dividend policy was developed, approved by the Board of Directors and disclosed on the Company's website.</li> <li>If the Company's dividend policy uses criteria from the Company's financial accounts to determine the amount of dividends, the dividend policy shall employ the consolidated financial accounts.</li> <li>Rationale for the proposed distribution of net profit, inter alia for the purpose of paying dividends and satisfying the Company's own needs, and assessment of its compliance with the dividend policy adopted by the Company, with explanations and economic justification of the need to allocate a certain portion of the net profit for own needs in the reporting period have been included in the materials for the General Meeting of Shareholders, the agenda of which contains the issue of profit distribution (including the payment (declaration) of dividends)</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
1.2.2	The Company should not make a decision on the payment of dividends if such decision, without formally violating the limits set by the law, is unjustified from an economic perspective or might lead to the formation of false assumptions about the Company's activity.	<ol style="list-style-type: none"> <li>The Company's dividend policy comprises clear-cut indications in relation to the financial/economic circumstances under which no dividends are due to the Company.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
1.2.3	The Company should not allow any deterioration of the dividend rights of its existing shareholder.	<ol style="list-style-type: none"> <li>In the reporting period, the Company did not take any steps that impaired existing shareholders' dividend rights.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
1.2.4	The Company should strive to rule out any ways through which its shareholders can obtain any profit or gain at the Company's expense other than dividends and the payment of the liquidation value thereof.	<ol style="list-style-type: none"> <li>To eliminate other methods for shareholders to generate profit (income) at the Company's expense, other than dividends and the payment of the liquidation value thereof, the Company's internal documents establish controls that ensure the timely identification and procedure for the approval of transactions with individuals affiliated (related) with substantial shareholders (individuals entitled to the votes attached to voting shares), where the law does not formally recognize such transactions as related-party transactions.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>1.3 The system and practices of corporate governance should ensure equal terms and conditions for all shareholders owning shares of the same class (category) within a company, including minority and foreign shareholders, as well as their equal treatment by the Company.</b>				
1.3.1	The Company should create conditions that enable its governing bodies and controlling parties to treat each shareholder fairly and, in particular, that rule out the possibility of any abuse of minority shareholders by majority shareholders.	<ol style="list-style-type: none"> <li>During the reporting period, the procedures for management of potential conflicts of interest among existing shareholders were efficient, and the Board of Directors paid enough attention to conflicts among shareholders, where such existed.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
1.3.2	The Company should not perform any acts that will or might result in the artificial reallocation of corporate control therein.	<ol style="list-style-type: none"> <li>Quasi-treasury shares are not available or were not used in the voting during the reporting period.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>1.4 Shareholders should be provided with reliable and efficient means of recording their rights in shares as well as with the opportunity to freely dispose of such shares in a non-onerous manner.</b>				
1.4	Shareholders should be provided with reliable and efficient means of recording their rights in shares as well as with the opportunity to freely dispose of such shares in a non-onerous manner.	<ol style="list-style-type: none"> <li>The Registrar's quality and reliability in keeping the register of securities holders meet the Company's and its shareholders' needs.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	

N	Corporate governance principles	Corporate governance principle compliance criteria	Status of conformity with the corporate governance principle	Explanations of deviation from the assessment criteria of compliance with the corporate governance principle
<b>2.1</b>	<b>The Board of Directors shall be in charge of the strategic management of the company, determine the major principles of and approaches to the creation of a risk management and internal control system within the Company, supervise the activity of the Company's executive bodies and carry out other key functions.</b>			
2.1.1	The Board of Directors should be responsible for decisions to appoint and remove (members) of executive bodies, including in connection with their failure to properly perform their duties. The Board of Directors should also ensure that the Company's executive bodies act in accordance with an approved development strategy and the Company's main business goals.	<ol style="list-style-type: none"> <li>The Board of Directors has the powers stipulated in the Articles of Association to appoint and dismiss members of executive bodies, as well as determine the conditions of their contracts.</li> <li>In the reporting period, the Nomination (Appointment, Human Resources) Committee<sup>1</sup> reviewed the compliance of the professional expertise, skills and experience of the members of the executive bodies with the current and expected needs of the Company, dictated by the Company's approved strategy.</li> <li>The Board of Directors reviewed the report(s) of the sole executive body and members of the collegial executive body on the fulfilment of the Company's strategy.</li> </ol>	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	<p>Criterion 1 is partially met, because the Board of Directors appoints and dismisses members of executive bodies from their positions, sets contract terms for the general director, but not for each of the Board members (and therein lies a partial non-compliance with the criterion). In addition, this distribution of powers appears to be optimal, as the Board of Directors approves the income and expenditure estimates containing the planned remuneration costs for the members of executive bodies, budgetary control report, as well as approves the reports on their execution of key performance indicators, which serve as the basis for the accrual of additional remuneration. In this regard, non-fulfillment of the criterion is not time-limited, and introduction to the Company of the Board of Directors' practice determining the terms of employment contracts with members of the Board other than the General Director is not considered in the current period.</p> <p>Criteria 2 and 3 are fully met.</p>
2.1.2	The Board of Directors should establish the basic long-term objectives of the Company's activity, evaluate and approve its key performance indicators and principal business goals, as well as evaluate and approve its strategy and business plans in respect of its principal areas of operation.	<ol style="list-style-type: none"> <li>During the reporting period, meetings of the Board of Directors reviewed the progress made in the execution and updating of the Company's strategy, the approval of its financial and business plan (budget), and the review of the criteria and measures (including intermediate) to implement the Company's strategy and business plan.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.1.3	The Board of Directors should determine the principles of, and approaches to, the creation of the risk management and internal control system within the Company.	<ol style="list-style-type: none"> <li>The Board of Directors determines the principles and approaches to the risk management and internal control system within the Company which are formalized in the Company's internal documents which determine the risk management and internal control policy.</li> <li>The Board of Directors assessed the Company's risk management and internal control system during the reporting period.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.1.4	The Board of Directors should determine the Company's policy on remuneration due to, and/or reimbursement of costs incurred by, its board members, members of its executive bodies and other key managers.	<ol style="list-style-type: none"> <li>The Company has developed and implemented the policy(-ies) approved by the Board of Directors on the remuneration and reimbursement of costs incurred by the members of the Board of Directors, the Company's executive bodies and other key Company managers.</li> <li>The meetings of the Board of Directors reviewed issues related to the above policy(-ies) during the reporting period.</li> </ol>	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	<p>Criterion 1 is partially met, as there is no single document regulating payments to the members of the Board of Directors (and this is a partial failure to meet the criterion). However, during the establishment of each composition of the Board, the General Meeting of Shareholders approves the amounts and rules to determine and pay remunerations and compensations to the members of the Board of Directors. Determination of remuneration for executive bodies and executive officers is regulated by a number of internal documents of the Company and is subject to review by the Remunerations and Human Resources Committee of the Board of Directors at least twice a year. The Company believes that this procedure makes it possible to ensure the leadership role of the Board of Directors in determining the principles and rules for calculating and paying remunerations and compensations to both Board members and executive officers.</p> <p>In this regard, failure to meet the criterion is not time-limited, and the development and introduction of a unified policy on remuneration and reimbursement of expenses of members of the Board of Directors, executive bodies of the Company and other key executives of the Company are not considered for the current period.</p> <p>Criterion 2 is fully met.</p>
2.1.5	The Board of Directors should play a key role in the prevention, detection and resolution of internal conflicts between the Company's bodies, shareholders and employees.	<ol style="list-style-type: none"> <li>The Board of Directors plays a key part in the prevention, detection and settlement of internal conflicts.</li> <li>The Company has established a system to identify the transactions related to conflicts of interest and a system of efforts aimed at the settlement of such conflicts.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.1.6	The Board of Directors should play a key role in ensuring that the Company is transparent, discloses information in full and in due time, and provides its shareholders with unhindered access to its documents.	<ol style="list-style-type: none"> <li>The Company determined the individuals in charge of the implementation of the information policy.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.1.7	The Board of Directors should monitor the Company's corporate governance practices and play a key role in its material corporate events.	<ol style="list-style-type: none"> <li>During the reporting period, the Board of Directors reviewed the corporate governance practice within the Company.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>2.2</b>	<b>The Board of Directors should be accountable to the Company's shareholders.</b>			
2.2.1	Information about the Board of Directors' work should be disclosed and provided to the shareholders.	<ol style="list-style-type: none"> <li>The Company's annual report for the reporting period includes information on the attendance rate of meetings of the Board of Directors and its committees by individual directors.</li> <li>The annual report contains information on the principal findings of the Board of Directors' performance assessment for the reporting period.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.2.2	The Chairman of the Board of Directors must be available to communicate with the Company's shareholders.	<ol style="list-style-type: none"> <li>The Company has a transparent procedure that enables shareholders to submit their questions and their standpoint thereon to the Chairman of the Board of Directors.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	

<sup>1</sup> hereinafter - the "Nomination Committee".

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<b>2.3 The Board of Directors should be an efficient and professional governing body of the Company that is able to make objective and independent decisions and adopt resolutions in the best interests of the Company and its shareholders.</b>				
2.3.1	Only individuals with an impeccable business and personal reputation should be elected to the Board of Directors; such individuals should also have the knowledge, skills and experience necessary to make decisions that fall within the jurisdiction of the Board of Directors and to perform its functions efficiently.	1. In the reporting period, the Board of Directors (or its Nominations Committee) assessed the nominees to the Board of Directors in terms of their required experience, expertise, goodwill, the absence of conflicts of interest, etc.	<b>complied</b> partially complied did not comply	
2.3.2	Board members should be elected pursuant to a transparent procedure enabling shareholders to obtain information about the respective candidates that is sufficient for them to get an idea of the candidates' personal and professional qualities.	1. In all instances when a General Meeting of Shareholders was held during the reporting period the agenda of which includes the election of the Board of Directors, the Company provided shareholders with biographical information about all the nominees to the Board of Directors, assessments assigned to the nominees by the Board of Directors (or its Nominations Committee) and information on the conformity of the nominees with the independence criteria, according to the recommendations in paragraphs 102 to 107 of the Code and the nominees' written consent to be elected to the Board of Directors.	complied <b>partially complied</b> did not comply	The criterion is partially met, the shareholders were not provided with information regarding the assessment of the compliance of the professional qualifications, experience and skills of candidates with the current and expected needs of the Company, conducted by the Board of Directors or its Remuneration and Human Resources Committee. This was due to the lack of time between the second date for accepting proposals for the agenda of the annual general meeting of shareholders of the Company, as well as proposals for nominating candidates to the Board of Directors of the Company and the date of the meeting of the Board of Directors of the Company to consider these proposals.  In 2024 and subsequent years, information on the assessment of the compliance of the professional qualifications, experience and skills of candidates with the current and expected needs of the Company, conducted by the Board of Directors or the Remuneration and Human Resources Committee, will be provided to shareholders.
2.3.3	The composition of the Board of Directors should be balanced, in particular, in terms of the qualifications, expertise and business skills of its members. The Board of Directors should enjoy the confidence of the shareholders.	1. As part of the assessment of the Board of Directors in the reporting period, the Board of Directors reviewed its own needs in professional qualifications, experience and business skills.	<b>complied</b> partially complied did not comply	
2.3.4	The membership of the Company's Board of Directors must enable the Board to organise its activities in the most efficient way possible, in particular, to create Board committees, as well as to enable the Company's substantial minority shareholders to elect a candidate to the Board of Directors for whom they would vote.	1. As part of the assessment of the Board of Directors held in the reporting period, the Board of Directors reviewed the conformity of the number of members of the Board of Directors with the Company's needs and the shareholders' interests.	<b>complied</b> partially complied did not comply	
<b>2.4 The Board of Directors should include a sufficient number of independent directors.</b>				
2.4.1	An independent director means any person who has the required professional skills and expertise and is able to have his/her own position and make objective and bona fide judgments, free from the influence of the Company's executive bodies, any individual group of shareholders or other stakeholders. It should be noted that, under normal circumstances, a candidate (or an elected director) may not be deemed to be independent if he/she is associated with the Company, any of its substantial shareholders, material trading partners competitors or the government.	1. During the reporting period, all independent members of the Board of Directors met the independence criteria specified in recommendations 102 to 107 of the Code or were recognized as such by resolution of the Board of Directors.	<b>complied</b> partially complied did not comply	
2.4.2	It is recommended to evaluate whether or not candidates nominated to the Board of Directors meet the independence criteria as well as to review, on a regular basis, whether or not independent Board members meet the independence criteria. When carrying out such evaluations, substance should take precedence over form.	1. In the reporting period, the Board of Directors (or the Nominations Committee of the Board of Directors) evaluated the independence of each nominee to the Board of Directors and submitted the relevant opinion to shareholders. 2. In the reporting period, the Board of Directors (or the Nominations Committee of the Board of Directors) reviewed the independence of the existing members of the Board of Directors, as indicated by the Company in the annual report as independent directors, at least once. 3. The Company has drafted procedures that determine the necessary actions to be taken by a member of the Board of Directors if he/she loses his/her independence, including the obligation to notify the Board of Directors accordingly and in a timely manner.	<b>complied</b> partially complied did not comply	
2.4.3	Independent directors should account for at least one-third of all directors elected to the Board of Directors.	1. Independent directors must account for at least one-third of the Board of Directors.	<b>complied</b> partially complied did not comply	
2.4.4	Independent directors should play a key role in the prevention of internal conflicts in the Company and the performance by the latter of material corporate actions.	1. Independent directors (who do not have any conflicts of interest) provide a preliminary assessment of substantial corporate actions related to a potential conflict of interest, and the findings of such an assessment are submitted to the Board of Directors.	<b>complied</b> partially complied did not comply	

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<b>2.5 The Chairman of the Board of Directors should help it carry out the functions imposed thereon in the most efficient manner possible.</b>				
2.5.1	It is recommended to either elect an independent director to the position of the Chairman of the Board of Directors or to identify the a senior independent director from among the Company's independent directors who would coordinate the work of the independent directors and liaise with the Chairman of the Board of Directors.	<ol style="list-style-type: none"> <li>The Chairman of the Board of Directors is an independent director or a senior independent director identified from among the independent directors<sup>1</sup>.</li> <li>The role, rights and duties of the Chairman of the Board of Directors (and, if applicable, the senior independent director) are duly determined in the Company's internal documents.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	The Chairman of the Board of Directors shall be an independent director. This practice, from the Company's point of view, is the best possible option; the independent Chairman not only coordinates the work of the independent directors, but also leads and directs activities of the Board of Directors in general.
2.5.2	The Board Chairman should ensure that Board meetings are held in a constructive atmosphere and that any items on the meeting agenda are discussed freely. The Chairman should also monitor fulfilment of decisions made by the Board of Directors.	<ol style="list-style-type: none"> <li>The performance of the Chairman of the Board of Directors was assessed as part of the Board of Directors' efficiency assessment procedure in the reporting period.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.5.3	The Chairman of the Board of Directors should take any and all measures as may be required to provide Board members, in a timely fashion, with information required to make decisions on issues on the agenda.	<ol style="list-style-type: none"> <li>The duty of the Chairman of the Board of Directors to make an effort to ensure the timely filing of documents for members of the Board of Directors on agenda items of meetings of the Board of Directors is established in the Company's internal documents.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>2.6 Board members must act reasonably and in good faith in the best interests of the Company and its shareholders, who should be properly informed, with due care and diligence.</b>				
2.6.1	Acting reasonably and in good faith means that Board members should make decisions by considering all available information, in the absence of a conflict of interest, treating the Company's shareholders equally, and assuming normal business risks.	<ol style="list-style-type: none"> <li>The Company's internal documents establish that a member Board of the Directors is obliged to notify the Board of Directors if he/she has a conflict of interest with respect to any item on the agenda for a meeting of the Board of Directors or a committee of the Board of Directors, before the start of the discussion of relevant agenda item.</li> <li>The Company's internal documents envisage that a member of the Board of Directors should refrain from voting on any item where he/she has a conflict of interest.</li> <li>The Company establishes a procedure that enables the Board of Directors to obtain professional advice on issues falling within its competence, at the Company's expense.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.6.2	The rights and duties of Board members should be clearly stated and documented in the Company's internal documents.	<ol style="list-style-type: none"> <li>The Company adopted and published an internal document that clearly specifies the rights and duties of members of the Board of Directors.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.6.3	Board members should have sufficient time to perform their duties.	<ol style="list-style-type: none"> <li>Individual attendance at meetings of the Board and committees as well as the time spent on preparation for participation in meetings was taken into account as part of the assessment procedure of the Board of Directors in the reporting period.</li> <li>According to the Company's internal documents, members of the Board of Directors are obliged to notify the Board of Directors of their intention to join the governance bodies of other companies (except for the Company's affiliates and dependent companies) and about such actual appointments.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.6.4	All Board members should have an equal opportunity to access the Company's documents and information. Newly elected Board members should be provided with sufficient information about the Company and the work of its Board of Directors as soon as practicable.	<ol style="list-style-type: none"> <li>According to the Company's internal documents, members of the Board of Directors are free to gain access to documents and to make requests pertaining to the Company and its affiliates, and the Company's executive bodies are obliged to provide the relevant information and documents.</li> <li>The Company has a formalised programme of introductory events for newly elected members of the Board of Directors.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>2.7 Meetings of the Board of Directors, preparation for them and participation of Board members therein should ensure efficient work of the Board.</b>				
2.7.1	It is recommended that meetings of the Board of Directors be held as needed, with due account of the Company's scope of activities and its current goals.	<ol style="list-style-type: none"> <li>The Board of Directors held at least six meetings in the reporting year.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
2.7.2	It is recommended that a procedure for preparing for and holding meetings of the Board of Directors be developed and set out in the Company's internal documents. The above procedure should enable the shareholders to prepare properly for such meetings.	<ol style="list-style-type: none"> <li>The Company approved an internal document that governs the procedure for preparing for and holding meetings of the Board of Directors, which stipulates, in particular, that the notice of the meeting should normally be published at least five days prior to the meeting.</li> <li>During the reporting period, members of the Board of Directors who were absent from the venue of the meeting were given the opportunity to participate in the discussion of agenda items and voting remotely – via conference call and video conferencing</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	

<sup>1</sup> Please specify which of the two alternative approaches admitted by the principle is implemented in the Company and explain the reasons for the selection made.

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2.7.3	The form of a meeting of the Board of Directors should be determined with due account of the importance of the issues on the agenda of the meeting. The most important issues should be decided at meetings held in person.	1. The Company's Articles of Association or internal document envisage that the most significant issues (according to the list in Recommendation 168 of the Code) should be considered at personal meetings of the Board.	<b>complied</b> partially complied did not comply	
2.7.4	Decisions on the most important issues relating to the Company's business should be made at a meeting of the Board of Directors by a qualified majority vote or by a majority vote of all elected Board members.	1. The Company's Articles of Association envisage that resolutions on the most critical issues set forth in Recommendation 170 of the Code shall be adopted at a meeting of the Board of Directors by a qualified, at least threefourths, majority of votes or by a majority of votes of all elected members of the Board of Directors.	<b>complied</b> partially complied did not comply	
<b>2.8 The Board of Directors should form committees for preliminary consideration of the most important issues of the company's business.</b>				
2.8.1	For the purpose of preliminary consideration of any matters of supervision of the company's financial and business activities, it is recommended that an audit committee comprising independent directors be formed.	1. The Board of Directors established an Audit Committee comprising independent directors only. 2. The Company's internal documents determine the objectives for the Audit Committee, including, in particular, any objectives contained in Recommendation 172 K of the Code. 3. At least one member of the Audit Committee, who is an independent director, has experience and expertise in drafting, reviewing, assessment and audit of financial statements (accounts). 4. Meetings of the Audit Committee were held at least quarterly during the reporting period.	<b>complied</b> partially complied did not comply	
2.8.2	For the purpose of preliminary consideration of any matters of development of efficient and transparent remuneration practices, it is recommended that a remuneration committee comprising independent directors be formed and that it be chaired by an independent director who should not concurrently be the Board chairman.	1. The Board of Directors set up a Remuneration Committee consisting of independent directors only. 2. The Chairman of the Remunerations Committee is an independent director who is not also the Chairman of the Board of Directors. 3. The Company's internal documents determine the objectives of the Remunerations Committee, including those contained in Recommendation 180 of the Code, as well as the conditions (events), upon the occurrence of which the Remunerations Committee considers an issue on revising the Company's remuneration policy for the members of the Board of Directors, executive bodies and other key executives	complied <b>partially complied</b> did not comply	Criterion 1 is not met insofar as the Remuneration and Human Resources Committee includes a member of the Board of Directors who does not have independent status. The committee was formed from the renewed composition of the board of directors by selecting those directors who had the work experience, professional training, skills and knowledge most essential for the effective implementation of the goals and objectives of the committee.  After the election of a new Board of Directors at the annual general meeting of shareholders of the Company in 2024, the Board of Directors will seek to form a remuneration and human resources committee only from independent directors.  Criterion 2 is not met insofar as the Chairman of the Remuneration and Human Resources Committee is a member of the Board of Directors who does not have independent status, however, he is a high-level expert in the field of personnel management, and his position on the agenda items of the Company's Board of Directors has always been based solely on his professional experience and knowledge, unbiased and independent of the views of other members of the Board of Directors and the Company's management.  Chairman of the Remuneration and Human Resources Committee is not the Chairman of the Board of Directors of the Company.  When forming a new composition of the Remuneration and Human Resources Committee in 2024, the Board of Directors will seek to elect an independent director as the Chairman of the Remuneration and Human Resources Committee.  Criterion 3 is not met insofar as the fact that the Company's internal documents do not define the conditions (events) upon the occurrence of which the Remuneration and Human Resources Committee of the Board of Directors considers revising the Company's policy on remuneration of members of the Board of Directors, executive bodies and other key executives. The Company proceeded from the fact that the task of periodically reviewing such a policy, specified in the Regulations on the Committee for Remuneration and Human Resources of the Board of Directors, implies keeping it up to date, meeting the current needs of the Company. Upon considering by the Board of Directors of amendments to the Regulations on the Remuneration and Human resources Committee or upon approval of a new version of the regulations (presumably in 2024-2025), the conditions (events) for the revision of the policy will be introduced to drafts of such documents.
2.8.3	For the purpose of preliminary consideration of any matters relating to human resources planning (making plans regarding successor directors), professional composition and efficiency of the Board of Directors, it is recommended that a nominating committee (a committee on nominations, appointments and human resources) be formed with the majority of its members being independent directors.	1. The Board of Directors established a Nominations Committee (or its objectives specified in Recommendation 186 of the Code are implemented as part of another committee), the majority of whom are independent directors. 2. The Company's internal documents determine the objectives of the Nominations Committee (or the relevant committee with a combined functionality), including those contained in Recommendation 186 of the Code. 3. In order to establish the Board of Directors that meets the Company's goals and objectives to the fullest extent possible, during the reporting period the Nominations Committee, either independently or together with other committees of the Board of Directors, or the Company's authorized shareholder relations division, has organized interaction with shareholders not necessarily being major shareholders for the purpose of selecting candidates for the Company's Board of Directors.	<b>complied</b> partially complied did not comply	The relevant tasks are carried out by the Remunerations and Human Resources Committee of the Board of Directors, the majority of whom are independent directors. The tasks of the Remunerations and Human Resources Committee are determined by the Regulation on this Committee approved by the Board of Directors.
2.8.4	Taking account of its scope of activities and levels of related risks, the Company should form other committees of its Board of Directors, particularly a strategy committee, a corporate governance committee, an ethics committee, a risk management committee, a budget committee or a committee on health, security and the environment, etc.	1. In the reporting period, the Company's Board of Directors reviewed the conformity of the membership in its committees to the objectives assigned to the Board of Directors and to the Company's operating goals. Additional committees were either established or were not recognized as necessary.	<b>complied</b> partially complied did not comply	

<sup>1</sup> If the objectives of the Nomination Committee are only implemented as part of another committee, indicate its name.



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2.8.5	The composition of the committees should be determined in such a way that it would allow a comprehensive discussion of issues being considered on a preliminary basis with due account of differing opinions.	<ol style="list-style-type: none"> <li>The Audit Committee, the Remuneration Committee, the Nomination Committee (or the relevant Committee with overlapping functions) were headed by independent directors in the reporting period.</li> <li>The Company's internal documents (policies) contain provisions whereby individuals not included on the Audit Committee, the Nominations Committee and the Remunerations Committee may attend meetings of these committees only upon the invitation of the Chairman of the respective committee.</li> </ol>	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	<p>Criterion 1 is not met in the part that the Chairman of the Remuneration and Human Resources Committee is a member of the Board of Directors who does not have independent status, however, his competence, work experience, and special knowledge allow him to most effectively manage the activities of the committee. When forming a new composition of the Remuneration and Human Resources Committee in 2024, the Board of Directors will seek to elect an independent director as the Chairman of the Remuneration and Human Resources Committee.</p> <p>Criterion 2 is fully met</p>
2.8.6	The Chairmen of the committees should inform the Board of Directors and its Chairman of the work of their committees on a regular basis.	<ol style="list-style-type: none"> <li>During the reporting period, the Chairmen of the committees reported on the committees' operations to the Board of Directors on a regular basis.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>2.9</b>	<b>The Board of Directors should ensure that the quality of its work and that of its committees and Board members is evaluated.</b>			
2.9.1	The evaluation of the quality of the work of the Board of Directors should be aimed at determining how efficiently the Board of Directors, its committees and Board members work and whether their work meets the Company's needs, as well as at making their work more intensive and identifying areas for improvement.	<ol style="list-style-type: none"> <li>The Company's internal documents determine the procedures for assessing (self-assessing) the Board of Directors' performance.</li> <li>The self-assessment or external assessment of the Board of Directors' performance conducted in the reporting period included an assessment of operations of the committees, individual members of the Board of Directors and the entire Board of Directors.</li> <li>The findings of the selfassessment or external assessment of the Board of Directors in the reporting period were reviewed at the personal meeting of the Board of Directors.</li> </ol>	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	<p>Criteria 1 and 3 are fully met. Criterion 2 is not met insofar as no individual assessment of each member of the Board of Directors in 2023 (for 2022) and 2022 (for 2021) was carried out. Such an assessment was considered inappropriate by the Remuneration and Human Resources Committee, since the composition of the Board of Directors has been updated by 70% since July 2022. In the current environment, the Board of Directors did not see any risks in not conducting an individual assessment. Starting with the assessment of the quality of work of the Board of Directors for 2024, the Company plans to return to the practice of assessing, including each member of the Board of Directors individually</p>
2.9.2	The quality of the work of the Board of Directors, its committees and Board members should be evaluated on a regular basis, at least once a year. To carry out an independent evaluation of the quality of the work of the Board of Directors, it is recommended that a third-party entity (consultant) be retained on a regular basis, at least once every three years.	<ol style="list-style-type: none"> <li>For an independent quality assessment of the Board of Directors' performance, an external company (advisor) was engaged by the Company at least once in three recent reporting periods.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>3.1</b>	<b>The Company's Corporate Secretary shall be responsible for efficient interaction with its shareholders, coordination of the Company's actions designed to protect the rights and interests of its shareholders and support for the efficient work of its Board of Directors.</b>			
3.1.1	The Corporate Secretary should have sufficient knowledge, experience and qualifications for the performance of his/her duties, as well as an impeccable reputation and should enjoy the trust of the shareholders.	<ol style="list-style-type: none"> <li>The Company's website and annual report provide background information on the Corporate Secretary (including information about age, education, qualifications, experience), as well as information on positions in management bodies of other legal entities held by the Corporate Secretary for at least the last five years.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
3.1.2	The Corporate Secretary should be sufficiently independent of the Company's executive bodies and be vested with powers and resources required to perform his/her tasks.	<ol style="list-style-type: none"> <li>The Company has adopted and disclosed an internal document – the Regulation on the Corporate Secretary.</li> <li>The Board of Directors approved the appointment, dismissal and additional remuneration of the Corporate Secretary.</li> <li>The Company's internal documents stipulate for the right of the Corporate Secretary to request and receive the Company's documents and information from the Company's management bodies, subdivisions and officers.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>4.1</b>	<b>The level of remuneration paid by the Company should be sufficient to enable it to attract, motivate and retain individuals with the required skills and qualifications. Remuneration due to Board members, executive bodies and other key Company managers should be paid in accordance with a remuneration policy approved by the Company.</b>			
4.1.1	It is recommended that the level of remuneration paid by the Company to its Board members, executive bodies and other key managers should be sufficient to motivate them to work efficiently and enable the Company to attract and retain knowledgeable, skilled and duly qualified individuals. The Company should avoid setting the level of remuneration any higher than necessary, and should also avoid excessively large gaps between the level of remuneration of any of the above individuals and that of the Company's employees.	<ol style="list-style-type: none"> <li>The remuneration paid to the members of the Board of Directors, executive bodies and other key executives of the Company is determined based on the results of a comparative analysis of the level of remuneration in comparable companies.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	



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4.1.2	The Company's remuneration policy should be developed by its Remuneration Committee and approved by the Board of Directors. With the help of its Remuneration Committee, the Board of Directors should monitor implementation of, and compliance with, the remuneration policy by the Company and, should this be necessary, review and amend the same.	1. In the reporting period, the Remuneration Committee reviewed the remuneration policy(-ies) and the practice of its/their implementation and, if necessary, submitted the relevant recommendations to the Board of Directors.	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	The criterion is partially met as the remuneration policy as a self-standing document was not subject to review by the Remunerations and Human Resources Committee, and therein lies the partial non-compliance with the criterion. However, the Committee reviewed periodically the reports on the implementation of internal documents regulating the remunerations for executive officers, including the reports on the achievement of key performance indicators, issued recommendations to change the composition and procedure for determining the target values of key performance indicators. The Company believes that the approach used ensures a sufficient level of involvement of the Board of Directors and its Remunerations and Human Resources Committee in the process of creating the incentive system, monitoring its implementation and execution. For this reason, non-fulfillment of the criterion is not time-limited, and development and introduction of a uniform policy (in the form of a separate document) on remuneration and reimbursement of expenses of members of the Board of Directors, executive bodies of the Company and other key executives of the Company are not reviewed in the current period.
4.1.3	The Company's remuneration policy should provide for transparent mechanisms to be used to determine the amount of remuneration due to members of the Board of Directors, the executive bodies and other key Company managers, as well as to regulate any and all types of payments, benefits, and privileges provided to any of the above individuals.	1. The Company's remuneration policy(-ies) contain(s) transparent arrangements on determining the amount of remuneration paid to members of the Board of Directors, executive bodies and other key Company managers and govern(s) all types of fees, benefits and advantages provided to these individuals.	<p>complied</p> <p><b>partially complied</b></p> <p>did not comply</p>	The criterion is partially met, as the mechanism of determining the remuneration paid to members of governance bodies and other executive officers is transparent, but it is not indicated in a single document. It is stipulated by a set of internal documents of the Company and resolutions of its governance bodies (and therein lies the partial non-compliance with the criterion). The approach used ensures availability and transparency of information about the remuneration system in the Company for all interested parties. In this regard, failure to meet the criterion is not time-limited, and the development and introduction of a unified policy on remuneration and reimbursement of expenses of members of the Board of Directors, executive bodies of the Company and other key managers of the Company are not considered for the current period.
4.1.4	It is recommended that the Company develop a policy on the reimbursement of expenses that would contain a list of reimbursable expenses and specify service levels provided for members of the Board of Directors, the executive bodies and other key Company managers. Such a policy could form part of the Company's policy on compensation.	1. The remuneration policy(-ies) or other internal documents of the Company establish(-es) the rules on the reimbursement of costs to the members of the Board of Directors, executive bodies and other key Company employees.	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>4.2 The system of remuneration for Board members should ensure harmonisation of the financial interests of the directors with the long-term financial interests of shareholders.</b>				
4.2.1	A fixed annual fee will be the preferred form of monetary remuneration for Board members. It is not advisable to pay a fee for participation in individual meetings of the Board of Directors or its committees. It is not advisable to use any form of short-term incentives or additional financial incentives in respect of Board members.	<p>1. In the reporting period, the Company paid remuneration to the members of the Board of Directors in accordance with the remuneration policy adopted by the Company.</p> <p>2. In the reporting period, the Company did not apply any forms of short-term incentives or additional financial incentives to the members of the Board of Directors, the payment of which depends on the Company's operating results (performance). No remuneration was paid for participation in individual meetings of the Board or its committees.</p>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
4.2.2	Long-term ownership of shares in the Company contributes to aligning the financial interests of Board members with the long-term interests of the Company's shareholders. However, it is not recommended that the right to dispose of shares be made dependent on the Company's achievement of certain performance results; nor should Board members take part in the Company's option plans.	1. If the Company's internal remuneration policy(-ies) envisage(s) the granting of shares to members of the Board of Directors, clear rules for holding shares by members of the Board of Directors, intended to encourage long-term ownership of such shares, should be available and disclosed.	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
4.2.3	It is not recommended that any additional allowance or compensation be provided in the event of the early dismissal of Board members in connection with a change in control over the Company or other circumstances.	1. The Company does not envisage any additional benefits or compensation in case of the early termination of authority of the members of the Board of Directors in connection with a change in control over the Company or other circumstances.	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>4.3 The system of remuneration due to the executive bodies and other key Company managers should provide that their remuneration is dependent on the Company's performance results and their personal contributions to the achievement thereof.</b>				
4.3.1	Remuneration due to the executive bodies and other key Company managers should be set in such a way as to ensure a reasonable and justified ratio between its fixed portion and its variable portion that is dependent on the Company's performance results and employees' personal (individual) contributions to the achievement thereof.	<p>1. During the reporting period, the annual performance indicators approved by the Board of Directors were used to determine the amount of variable remuneration of members of executive bodies and other key Company managers.</p> <p>2. During the most recent assessment of the remuneration system for the members of executive bodies and other key Company managers, the Board of Directors (the Remunerations Committee) made sure the Company applied an efficient ratio of the fixed portion of remuneration to the variable portion.</p> <p>3. When determining the amount of remuneration to be paid to the members of executive bodies and other key executives of the Company, the risks borne by the Company should be taken into account, in order to avoid creating incentives to take high risk management decisions.</p>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	

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4.3.2	Companies whose shares are admitted to trading at organized markets are recommended to put in place a long-term incentive program for the Company's executive bodies and other key managers involving the Company's shares (or options or other derivative financial instruments the underlying assets for which are the Company's shares).	1. The long-term incentive programme for the members of executive bodies and other key Company managers implies that the right to sell the shares and other financial instruments used in this programme will not arise until three years from their provision provided that the right to sell the same is conditional upon the Company's achievement of certain performance indicators.	<b>complied</b> partially complied did not comply	
4.3.3	The amount of severance pay (a so-called golden parachute) payable by the Company in the event of the early dismissal of an executive body or other key manager at the initiative of the Company, provided that there have been no bad-faith actions on the part of the individual in question, should not exceed two times the fixed portion of his/her annual remuneration.	1. The amount of compensation (golden parachute) paid by the Company in case of the early termination of the authority of members of the executive bodies or key managers at the Company's initiative and in the absence of unfair actions on their part did not exceed the amount of twice the fixed portion of their annual remuneration in the reporting period.	<b>complied</b> partially complied did not comply	
<b>5.1 The Company should have in place an efficient risk management and internal control system designed to provide reasonable confidence that the Company's goals will be achieved.</b>				
5.1.1	The Board of Directors should determine the principles of, and approaches to, the creation of the risk management and internal control system at the Company.	1. The functions of various governance bodies and business units at the Company in the risk management and internal control system are clearly determined in the Company's relevant internal policy approved by the Board of Directors.	<b>complied</b> partially complied did not comply	
5.1.2	The Company's executive bodies should ensure the establishment and continuing operation of an efficient risk management and internal control system at the Company.	1. The Company's executive bodies ensured the allocation of the functions and powers related to risk management and internal control among their subordinate managers (heads) of business units and divisions.	<b>complied</b> partially complied did not comply	
5.1.3	The Company's risk management and internal control system should enable one to obtain an objective, fair and clear view of the Company's current condition and prospects, the integrity and transparency of its accounts and reports, and the reasonableness and acceptability of the risks being assumed by the Company.	1. The Company approved an anti-bribery policy. 2. The Company established an affordable method (hot line) to notify the Board of Directors or the Board of Directors Audit Committee on violations of laws, internal procedures or the Company's ethics code.	<b>complied</b> partially complied did not comply	
5.1.4	It is recommended that the Board of Directors take the required and sufficient measures to ensure that the Company's existing risk management and internal control system is consistent with the principles of, and approaches to, its creation as set forth by the Board of Directors and that it operates efficiently.	1. During the reporting period, the Board of Directors (Audit Committee and/or Risk Committee, (if any) organized an assessment of reliability and effectiveness of the risk management and internal control system. 2. During the reporting period, the Board of Directors reviewed the results of the reliability and efficiency assessment of the Company's risk management and internal control system, and the information on the review results was included in the Company's annual report.	<b>complied</b> partially complied did not comply	
<b>5.2 To independently evaluate, on a regular basis, the reliability and efficiency of the risk management and internal control system and corporate governance practices, the Company should arrange for internal audits.</b>				
5.2.1	It is recommended that internal audits be carried out by a separate structural division (internal audit department) to be created by the Company or by retaining an independent third-party entity. To ensure the independence of the internal audit department, it should have separate lines of functional and administrative reporting. Functionally, the internal audit department should report to the Board of Directors, while from the administrative standpoint, it should report directly to the company's oneperson executive body.	1. For the purposes of internal audit, the Company established a separate business unit for internal audit, which reports, functionally, to the Board of Directors or the Audit Committee, or it engaged an independent external company that followed the same reporting procedure.	<b>complied</b> partially complied did not comply	
5.2.2	When carrying out an internal audit, it is recommended that the efficiency of the internal control system and the risk management system be evaluated, that the corporate governance system also be evaluated and that generally accepted standards of internal auditing be applied.	1. In the reporting period, as part of an internal audit, the efficiency of the internal control and risk management system was assessed. 2. In the reporting period, as part of an internal audit the corporate governance practice (individual practices) was assessed, including the information interaction procedures (including those related to internal control and risk management) at all management levels of the Company, as well as interaction with stakeholders.	<b>complied</b> partially complied did not comply	

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<b>6.1</b>	<b>The Company and its activities should be transparent to its shareholders, investors and other stakeholders.</b>			
6.1.1	The Company should develop and implement an information policy enabling the Company to efficiently exchange information with its shareholders, investors and other stakeholders.	<ol style="list-style-type: none"> <li>The Company's Board of Directors approved the Company's information policy developed with the aim of implementing the Code's recommendations.</li> <li>During the reporting period, the Board of Directors (or one of its committees) reviewed the efficiency of information interaction between the Company, shareholders, investors, and other stakeholders and the advisability (need) to revise the Company's information policy.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
6.1.2	The Company should disclose information on its corporate governance system and practices, including detailed information on compliance with the principles and recommendations of this Code.	<ol style="list-style-type: none"> <li>Information about the corporate governance system used by the Company and the general corporate governance principles applied at the Company, in particular, is available on the Company's website.</li> <li>The Company discloses the composition of executive bodies and the Board of Directors, the independence of members of the Board and their membership in committees of the Board of Directors (as defined in the Code).</li> <li>If there is a person who controls the Company, the Company publishes a memorandum from the controlling person concerning that person's plans for corporate governance at the Company.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>6.2</b>	<b>The Company should disclose, on a timely basis, full, updated and reliable information about itself so as to enable its shareholders and investors to make informed decisions.</b>			
6.2.1	The Company should disclose information in accordance with the principles of regularity, consistency and timeliness, as well as accessibility, reliability, completeness and comparability of the disclosed information.	<ol style="list-style-type: none"> <li>The Company has established a procedure that ensures the coordination of work of all the Company's subdivisions and employees whose work is associated with the information disclosure or whose activities may result in the need to disclose information.</li> <li>If the Company's securities are traded in foreign markets, material information is disclosed in the Russian Federation and in such markets simultaneously and equivalently in the reporting year.</li> <li>If foreign shareholders hold a significant number of shares in the Company, then, in the reporting period, disclosures were carried out not only in Russian but also in one of the most common foreign languages.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
6.2.2	The Company is advised against using a formalistic approach to information disclosure; it should disclose material information on its activities even if the disclosure of such information is not required by law.	<ol style="list-style-type: none"> <li>The Company's information policy determines the approaches to disclosure of information on other events (actions) that have a significant impact on the value or quotation of its securities, the disclosure of which is not required by law.</li> <li>The Company discloses comprehensive information on the Company's capital structure, according to Recommendation 290 of the Code in the annual report and on the Company's website.</li> <li>The Company discloses information on the controlled entities that are material to it, as well as on the key areas of their activities, on the mechanisms to ensure accountability of the controlled entities, the powers of the Company's Board of Directors to determine the strategy and assess the performance of the controlled entities.</li> <li>The Company discloses data of nonfinancial reports, such as Sustainability Report, Environmental Report, Corporate Social Responsibility Report, or other report containing nonfinancial information, including the factors related to the environment (including environmental factors and factors related to climate change), society (social factors) and corporate governance, except for the Issuer's Report on the Equity Securities and the annual report of a joint stock company.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
6.2.3	The Company's annual report, as one of the most important tools for information exchange with its shareholders and other stakeholders, should contain information enabling one to evaluate the Company's performance results for the year.	<ol style="list-style-type: none"> <li>The Company's annual report contains the information on the Audit Committee's assessment results of the efficiency of the external and internal audit process.</li> <li>The Company's annual report contains information on environmental and social dimensions of the Company's business.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
<b>6.3</b>	<b>The Company should provide information and documents requested by its shareholders in accordance with the principle of equal and unhindered accessibility.</b>			
6.3.1	The exercise by the shareholders of their right to access the Company's documents and information should not be unreasonably burdensome.	<ol style="list-style-type: none"> <li>The Company's information policy specifies an easy procedure for providing access to shareholders to information, in particular, information on the legal entities dependent on the Company, upon the request of a shareholder.</li> <li>The information policy (internal documents determining the information policy) contains the provisions stipulating that if a shareholder requests information on the entities controlled by the Company, the Company shall make the necessary efforts to obtain such information from the relevant entities controlled by the Company.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	
6.3.2	When providing information to its shareholders, the Company should maintain a reasonable balance between the interests of individual shareholders and its own interests related to the fact that the Company is interested in maintaining the confidentiality of sensitive business information that might have a material impact on its competitiveness.	<ol style="list-style-type: none"> <li>In the reporting period, the Company did not deny any shareholders' requests for information, or such denials were reasonable.</li> <li>In cases specified in the Company's information policy, shareholders are warned of the confidential nature of information and undertake to keep it confidential.</li> </ol>	<p><b>complied</b></p> <p>partially complied</p> <p>did not comply</p>	

N	Corporate governance principles	Corporate governance principle compliance criteria	Status of conformity with the corporate governance principle	Explanations of deviation from the assessment criteria of compliance with the corporate governance principle
<b>7.1</b>	<b>Any actions that will or may materially affect the company's share capital structure and its financial position and, accordingly, the position of its shareholders (material corporate actions) should be taken on fair terms and conditions, ensuring that the rights and interests of the shareholders as well as other stakeholders are observed.</b>	1. The Company's Articles of Association specify a list of actions and other efforts that constitute material corporate actions, and their determination criteria. Decision-making on material corporate actions falls within the competence of the Board of Directors. Where the taking of these corporate actions is directly referred by law to the competence of General Meeting of Shareholders, the Board of Directors makes the relevant recommendations to the shareholders.	<b>complied</b> partially complied did not comply	
7.1.1	Material corporate actions shall include the reorganisation of the Company, the acquisition of 30 per cent or more of its voting shares (takeover), the Company's entering into any material transactions, increasing or decreasing its share capital, listing and delisting of its shares, as well as other actions that might result in material changes in the rights of its shareholders or violation of their interests. It is recommended that a list of (criteria for identifying) transactions or other actions falling within the category of material corporate actions be included in the Company's Articles of Association and provide therein that decisions on any such actions should fall within the jurisdiction of the Company's Board of Directors.		<b>complied</b> partially complied did not comply	
7.1.2	The Board of Directors should play a key role in passing resolutions or making recommendations related to material corporate actions; for this purpose, it should rely on the opinions of the company's independent directors.	1. The Company envisages a procedure whereby independent directors announce their standpoint on material corporate actions before their approval.	<b>complied</b> partially complied did not comply	
7.1.3	When taking any material corporate actions that would affect the rights or legitimate interests of the Company's shareholders, equal terms and conditions should be ensured for all shareholders; if statutory mechanisms designed to protect shareholder rights prove to be insufficient for that purpose, additional measures should be taken with a view to protecting the rights and legitimate interests of the Company's shareholders. In such instances, the Company should not only aim to comply with the formal requirements of the law but should also be guided by the principles of corporate governance set out in this Code.	1. The Company's Articles of Association, taking into account the particular features of its operations, established lower minimum criteria for classifying the Company's transactions as major corporate actions than envisaged by law. 2. During the reporting period, all material corporate actions were approved before their implementation.	<b>complied</b> partially complied did not comply	
<b>7.2</b>	<b>The Company should have in place such a procedure for taking any material corporate actions that would enable its shareholders to receive complete information about such actions in due time and to influence them, and this would also guarantee that shareholder rights are observed and duly protected in the course of taking such actions.</b>	1. In the reporting period, the Company disclosed information on the Company's material corporate actions in a timely manner and in detail, including the reasons for, and timing of, the taking of such actions.	<b>complied</b> partially complied did not comply	
7.2.1	When disclosing information about material corporate actions, it is recommended that explanations concerning reasons for, conditions and consequences of, such actions be provided.		<b>complied</b> partially complied did not comply	
7.2.2	Rules and procedures in relation to material corporate actions taken by the Company should be set out in its internal documents.	1. The Company's internal documents envisage the procedure for engaging an independent appraiser in evaluating the assets disposed of or purchased under a major transaction or a related-party transaction. 2. The Company's internal documents envisage a procedure for engaging an independent appraiser in evaluating the purchase and redemption price for shares in the Company. 3. When there is no formal interest of a member of the board of directors, the sole executive body, a member of the collegial executive body of the company, or a person who is the controlling person of the company, or a person entitled to give instructions binding on the company, in the company's transactions, but there is a conflict of interest or other actual interest, the internal regulations of the company provide that such persons shall not participate in voting on approval of the relevant transaction.	<b>complied</b> partially complied did not comply	



# REPORT ON TRANSACTIONS MADE BY PJSC PHOSAGRO IN THE REPORTING YEAR 2023 DEEMED INTERESTED PARTY TRANSACTIONS

Approved by resolution of the Board of Directors  
of PJSC PhosAgro dd. \_\_ March 2024

Transactions which according to Federal Law on Joint-  
Stock Companies are recognized transactions made  
by PJSC PhosAgro deemed interested party transactions, were  
not effected the reporting year 2023.

# REPORT BY PJSC PHOSAGRO IN THE REPORTING YEAR 2023 DEEMED ON MAJOR TRANSACTIONS

Transactions which according to Federal Law on Joint-  
Stock Companies are recognized transactions  
made by PJSC PhosAgro deemed major transactions, were not  
effected the reporting year 2023.



**Mikhail Rybnikov**  
Chief Executive Officer of PhosAgro

Report on transactions made by PJSC PhosAgro  
in the reporting year 2023 contains reliable information.

Members of Revision Commission:



**Ekaterina Viktorova**



**Olga Lizunova**