Regarding issue no. 5 on the agenda
of the Annual General Meeting of Shareholders of
PJSC MMK
May 30, 2025

EXPLANATORY NOTE

Approval of the amount of remunerations and compensations to be paid to the members of PJSC MMK's Board of Directors.

Pursuant to the Federal Law of the Russian Federation "On Joint Stock Companies", members of the Board of Directors may receive remuneration and/or reimbursement of expenses related to the performance of duties of members of the Board of Directors during their term of office according to a resolution of the Annual General Shareholders' Meeting. The size of such remuneration and compensation is determined by the General Shareholders' Meeting.

The procedure for payment of remuneration to members of MMK's Board of Directors is set out in Regulations "On the Procedure for Payment of Remuneration and Reimbursement of Expenses to Members of MMK's Board of Directors".

The remuneration is fixed. It is paid to independent and non-executive directors for performing their duties as members of the Board of Directors of the Company.

The size of remuneration is determined under the contracts concluded with independent and non-executive members of the Company's Board of Directors in accordance with the procedure prescribed by the Regulations on the Board of Directors of PJSC MMK.

Compensation of expenses incurred by members of the Board of Directors of the Company for the performance of their duties shall be made on the basis of actually incurred expenses supported by documents submitted to confirm such expenses. The expenses are reimbursed by the Company within 10 calendar days after submission of the documents confirming the incurred expenses.

Reimbursable expenses include:
- travel to and from the venue of the Board of Directors to the place of residence;
- taxi fares;
- fees for communication services and postage;
- hotel expenses;
- other expenses stipulated by the terms of the contract with a member of the Board of Directors.

Based on the recommendation of the Human Resources and Remuneration Committee of the Board of Directors of MMK PJSC, the Board of Directors of PJSC MMK recommended that the Annual General Meeting of Shareholders set the amount of remuneration and compensation to be paid to the members of the Board of Directors of PJSC MMK for their service in 2025-2026 at RUB 150 million (Minutes No. 15 dated 25.04.2025).

Draft resolution:

To approve the amount of remunerations and compensations to be paid to the members of MMK's Board of Directors in the amount of RUB 150 million for their service in 2025-2026.