

## Strategy Committee of the Board of Directors

Key functions of the Committee:

- Strategic and investment planning
- Identification of priority areas of focus
- Endorsement and verification of the business plan/budget
- Other matters within its competence

Verification of mergers and acquisitions, large investment projects, etc.

Committee members:

Committee member and role	Status
Paul Foley – Chairman	Independent Non-Executive Director
Alexey Makhnev	Non-Executive Director
James Simmons	Independent Non-Executive Director

Committee's work in 2018

In 2018, the Strategy Committee of the Board of Directors considered the main principles of the Company's investment policy, approved the business transformation strategy, and considered certain issues concerning the pharmaceutical development strategy.

## Capital Markets Committee of the Board of Directors

Key functions of the Committee:

- Development and strengthening of corporate governance systems
- Preparation, development, and introduction of investor relations strategies
- Evaluation of the dividend policy and recommendations for the Board
- Other matters within its competence

Committee members:

Committee member and role	Status
Paul Foley – Chairman	Independent Non-Executive Director
Alexey Makhnev	Non-Executive Director
Charles Ryan	Independent Non-Executive Director

Committee's work in 2018

The Capital Markets Committee of the Board of Directors was formed in August 2018. From the time it was formed until the end of the reporting year, the Committee tentatively considered a change in the Regulations on the Company's Board of Directors and other matters within its competence.

## Corporate secretary

The Corporate Secretary function and responsibilities are performed by the Corporate Governance Department.

The Corporate Governance Department is a structural unit that performs the functions of a corporate secretary, constituted in accordance with the recommendations of the Corporate Governance Code and the requirements of the Listing Rules of PJSC Moscow Exchange to assist the company to effectively interact with shareholders, coordinate the Company's actions to protect shareholder rights and interests, and to support the effective work of the Board of Directors in accordance. The Department is headed by the Corporate Governance Director, who is an officer of the Company.

The main functions of the Corporate Governance Department are:

- involvement in improving the Company's corporate governance system and practices;
- involvement in preparing for and holding the Company's General Meetings of Shareholders;
- supporting the work of the Board of Directors and the Committees of the Board of Directors;
- taking part in implementing the Company's disclosure policy and ensuring the storage of the Company's corporate documents;
- supporting the Company's interaction with its shareholders and involvement in the prevention of corporate conflicts;
- supporting the Company's interaction with regulatory bodies, trade organizers, the registrar, and other securities market professionals within the purview assigned to the Corporate Governance Department;
- immediately notifying the Company's Board of Directors about all violations of the law that are identified as well as the provisions of the Company's internal documents for which the Corporate Governance Department is responsible for compliance;
- ensuring the implementation of procedures prescribed by the law and the Company's internal documents to support the exercising of the rights and legitimate interests of shareholders and monitoring their execution.

On May 27, 2016, the PJSC "Magnit" Board of Directors approved a resolution on the Regulation on the PJSC "Magnit" Corporate Governance Department and appointed Ekaterina Kister to the position of Corporate Governance Director.

Biographical information:

Full name: Ekaterina Kister.

Year of birth: 1978.

Education: Higher – graduated from Kuban State University with a degree in law in 2000.

Information about primary work place:

- Corporate Governance Director of PJSC "Magnit".

## Executive bodies

### Management Board

The Management Board is the collegial executive body of PJSC "Magnit," which, along with the CEO (Chairman of the Company's Management Board), manages its day-to-day activities. The Management Board reports to the General Meeting of Shareholders and the Board of Directors.

The Management Board acts on the basis of the Russian legislation, the Charter, and the Regulation on the Management Board, which is approved by a resolution of the General Meeting of Shareholders.

The Board of Directors makes decisions on its size and membership as well as the election and early termination of the powers of its members each year at its first meeting after the Annual General Meeting of Shareholders.

The Company's CEO is a member of the Management Board by virtue of his/her position and serves as the Chairman of the Management Board. The powers of the Chairman of the Management Board are terminated once his/her powers as the Company's CEO cease.

The Management Board handles the day-to-day management of the Company's activities, except for matters that fall within the purview of the General Meeting of Shareholders and the Board of Directors. In those instances, the Management Board organizes the implementation of their resolutions. The Company's Charter and the Regulation on the PJSC "Magnit" Management Board contain more detailed information on the powers of the Management Board.

### CEO

In accordance with the Charter of PJSC "Magnit," the Company's CEO is granted all the necessary powers to carry out the operational management of the Company's day-to-day activities and resolve relevant issues that do not fall within the purview of the Company's General Meeting of Shareholders, Board of Directors, or Management Board.

The Company's CEO manages the Company's activities in accordance with the provisions of the Company's Charter, the requirements of the legislation of the Russian Federation, and the Company's internal documents.

Per the resolution of the Board of Directors dated June 21, 2018, Olga Naumova was elected CEO of PJSC "Magnit" on June 22, 2018 for a term of 3 years.

Olga Naumova's biography is given in the "Management Board Members" section.