



The Stand Taken by the Board of Directors of  
Public Joint Stock Company “Aeroflot — Russian Airlines”  
(Aeroflot, PJSC, or the Company) for the items on the Agenda  
of the Company’s Annual General Meeting to convene on June 28, 2021

### **1. Approval of the Annual Report of PJSC “Aeroflot” for 2020**

#### The Stand Taken by the Board of Directors:

The Board of Directors has reviewed the annual report of Public Joint Stock Company Aeroflot — Russian Airlines.

The annual report is drafted in accordance with the Federal Law on Joint Stock Companies and complies with Resolution No. 1214 of the Russian Government dated December 31, 2010, the Regulations on Disclosures by Issuers of Securities, and the Corporate Governance Code.

#### Recommendation:

The Board of Directors recommends that the Annual General Meeting adopt the annual report of Aeroflot PJSC for 2020.

### **2. Adoption of the Annual Accounting (Financial) of PJSC “Aeroflot” for 2020.**

#### The Stand Taken by the Board of Directors:

The Board of Directors has reviewed the Annual Accounting (Financial) Statements of Aeroflot, PJSC for 2020 made in accordance with the Russian Accounting Standards (RAS) and read the related audit report dated February 3, 2021, made by HLB Vneshaudit, JSC as the Company’s auditor (PSRN 1027739314448).

Besides, the Board of Directors took into consideration the positive opinion regarding the performance of Aeroflot PJSC, which was given by the Company’s Audit Commission for 2020.

#### Recommendation:

The Board of Directors recommends that the Annual General Meeting adopt the annual accounting (financial) statements of Aeroflot PJSC for the fiscal year of 2020.

### **3. Ratification of the distribution of Aeroflot, PJSC profit/loss in 2020.**

#### The Stand Taken by the Board of Directors:

Given a material adverse impact of the crisis caused by the coronavirus pandemic on Aeroflot, PJSC economic status and the loss of RUB 96,527,133 thousand sustained in the 2020 financial year, no profit distribution will be made.

#### Recommendation:

Recommend to the annual general meeting of shareholders of Aeroflot PJSC that, given a material adverse impact of the crisis caused by the coronavirus pandemic on Aeroflot, PJSC economic status and the loss of RUB 96,527,133 thousand sustained in the 2020 financial year, no profit distribution will be made.

### **4. On the amount, dates and form of the dividends to be paid on the basis of the performance in 2020 and the date to determine those Shareholders who qualify for receiving the dividends.**

#### The Stand Taken by the Board of Directors:

Given a material adverse impact of the crisis caused by the coronavirus pandemic on Aeroflot, PJSC economic status and the loss of RUB 96,527,133 thousand sustained in the 2020 financial year, no dividends will be announced or distributed.

Recommendation:

Recommend to the annual general meeting of shareholders of Aeroflot PJSC that no dividends will be announced or paid on Aeroflot, PJSC shares for the 2020 financial year.

## **5. Remuneration to be paid to members of the Board of Directors**

The Stand Taken by the Board of Directors:

Paragraph 2 of Article 64 of the Federal Law On Joint Stock Companies and Paragraph 16.8.20 of the Company's Articles of Association rule that approvals of the remuneration and compensation payable to the Board of Directors fall within the competence of the General Meeting of Shareholders.

Recommendation:

Recommend to the annual general meeting of shareholders of Aeroflot PJSC that, given a material adverse impact of the crisis caused by the coronavirus pandemic on Aeroflot, PJSC economic status in 2020 and 2021, approve the approach where remuneration to the members of the Board of Directors of Aeroflot, PJSC for the relevant periods from 2019 (including the Long-Term Incentive Program) will be determined and paid upon the resolution of the annual general meeting of shareholders at Aeroflot PJSC if the following conditions have been met:

- until Aeroflot, PJSC satisfies and discharges its obligations for the sovereign guarantees granted by the government of the Russian Federation in 2020;
- dividend payment by Aeroflot, PJSC.

Remuneration amounts will be determined under the Regulations on Remuneration and Compensation for the Board of Directors of Aeroflot JSC.”

## **6. Amendment to the Regulations on Remuneration and Compensation for the Audit Commission of Aeroflot, PJSC.**

The Stand Taken by the Board of Directors:

The Board of Directors has preliminary reviewed and approved Amendment No. 1 to the Regulations on Remuneration and Compensation for the Audit Commission of Aeroflot, PJSC.

Recommendation:

The Board of Directors recommends that the annual general meeting of shareholders approve Amendment No. 1 to the Regulations on Remuneration and Compensation for the Audit Commission of Aeroflot, PJSC.7.

## **7. Remuneration to be paid to members of the Audit Board.**

The Stand Taken by the Board of Directors:

In accordance with Paragraph 1 of Article 85 of the Federal Law on Joint Stock Companies and Paragraph 16.8.20 of the Company's Articles of Association, approvals of the remuneration and compensation payable to the Audit Commission fall within the competence of the General Meeting of Shareholders.

In addition, while in office, members of the Audit Board are granted remuneration as decided upon by the Annual General Meeting and prescribed in Article 8 of the Audit Board Regulations, which were adopted by the General Meeting of Shareholders on June 25, 2015. and amounts of such remuneration are set forth by the resolution of the General Meeting of Shareholders.

Recommendation:

Recommend to the annual general meeting of shareholders of Aeroflot PJSC that, given a material adverse impact of the crisis caused by the coronavirus pandemic on Aeroflot, PJSC economic status in 2020 and 2021, approve the approach where remuneration to the members of the Audit Commission of Aeroflot, PJSC for the relevant periods from 2019 (including the Long-Term Incentive Program) will be determined and paid upon the resolution of the annual general meeting of shareholders at Aeroflot PJSC if the following conditions have been met:

- until Aeroflot, PJSC satisfies and discharges its obligations for the sovereign guarantees granted by the government of the Russian Federation in 2020;
- dividend payment by Aeroflot, PJSC.

Remuneration amounts will be determined under the Regulations on Remuneration and Compensation for the Audit Commission of Aeroflot JSC.”

## **8. Election to the Board of Directors of PJSC Aeroflot.**

### The Stand Taken by the Board of Directors:

In accordance with Paragraph 1 of Article 48 and Paragraph 1 of Article 66 of the Federal Law on Joint Stock Companies and Paragraph 16.8 of the Company’s Articles of Association, elections to the Board of Directors fall within the competence of the General Meeting of Shareholders.

Pursuant to Paragraph 19.3 of the Company’s Articles of Association, the General Meeting of Shareholders shall elect eleven (11) members of the Board of Directors until the next Annual General Meeting in the manner prescribed by the Federal law On Joint-Stock Companies and by the Company’s Articles of Association.

### Recommendation:

The Board of Directors recommends that the next Annual General Meeting elect members of the Board of Directors from among candidates nominated by Shareholders.

## **9. Election to the Audit Commission of PJSC Aeroflot.**

### The Stand Taken by the Board of Directors:

In accordance with Paragraph 1 of Article 48 and Paragraph 1 of Article 85 of the Federal Law on Joint Stock Companies and Paragraph 16.8.8 of the Company’s Articles of Association, elections to the Audit Commission fall within the competence of the General Meeting of Shareholders.

Pursuant to Paragraph 23.1 of the Company’s Articles of Association, the General Meeting of Shareholders shall elect five (5) members of the Audit Commission to exercise control over the Company’s business until the next Annual General Meeting.

### Recommendation:

The Board of Directors recommends that the next Annual General Meeting elect five (5) members of the Audit Commission from among the candidates nominated by Shareholders.

## **10. Approval of auditors of PJSC “Aeroflot” for 2021.**

### The Stand Taken by the Board of Directors:

In accordance with Paragraph 1 of Article 48 and Paragraph 2 of Article 86 of the Federal Law on Joint Stock Companies, and Paragraph 23.10 of the Company’s Articles of Association, the Company’s auditor approved by the General Meeting of Shareholders. The Board of Directors has reviewed the RAS and IFRS auditors selected through the competitive bidding.

### Recommendation:

1. The Board of Directors proposes that the next Annual General Meeting should approve HLB Vnesaudit JSC (PSRN 1027739314448) as the auditor for the RAS annual accounting (financial) statements of Aeroflot PJSC for 2021 prepared in accordance with the RAS.

2. The Board of Directors proposes that the next Annual General Meeting should approve PricewaterhouseCoopers Audit JSC (PSRN 1027700148431) as the auditor for the IFRS consolidated financial statements of Aeroflot PJSC (Aeroflot Group) for 2021 prepared in accordance with the IFRS.

### **11. Interested-party transactions by Aeroflot PJSC.**

#### The Stand Taken by the Board of Directors:

In accordance with the current legislation of the Russian Federation, related-party transactions shall be agreed upon in the manner prescribed by the Federal Law on Joint Stock Companies.” It is proposed that the annual general meeting of shareholders of Aeroflot PJSC approves the interested party transactions of Aeroflot PJSC.

Such transactions are related-party transactions for Aeroflot PJSC since members of its Management Board are also directors in each of the above companies.

Related-party transactions meet the criteria set forth in the Federal Law on Joint Stock Companies must be approved by the General Meeting of Shareholders in accordance with the Federal Law on Joint Stock Companies and the Company’s Articles of Association.

Furthermore, Paragraph 3 of Article 49 of the Federal Law On Joint Stock Companies and Paragraph 16.11 of the of the Articles of Association stipulate that a resolution to agree upon an interested-party transaction cannot be adopted by the Company’s General Meeting unless so proposed by the Board of Directors.

#### Recommendation:

The Board of Directors recommends that the next Annual General Meeting approve (endorse) all of the transactions of Aeroflot, PJSC that are brought before the next Annual General Meeting. The proposed wording for the resolutions to approve the above transactions is given on Ballot Paper No. 3.