

# CORPORATE GOVERNANCE

## LEADERSHIP THROUGH RELATIONSHIPS

The manufacturing facilities of Obuv Rossii are one of the most advanced in terms of technology and equipment used in our country. The Obuv Rossii enterprise is characterized by a high degree of automation and the use of state-of-the-art high-tech equipment: computerised shoe design systems, automated shoe cutting and tailoring systems, and high performance injection moulding machines.



AUTOMATED PRODUCTION



MACHINES ORISOL, DESMA AND OTHERS



> **5,000** SQ. METERS  
PRODUCTION AREA





Good corporate governance is the basis for OR PJSC in improving the quality of management decisions, enhancement of financial performance and is one of the competitive advantages of the Company on the market. The system of corporate governance improves the transparency of OR PJSC making it more predictable for investors and ultimately contributes to increased value of the Company and to investment attractiveness of the business.



For more information see

**DEVELOPMENT RESULTS. PRODUCTION**

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# General Information

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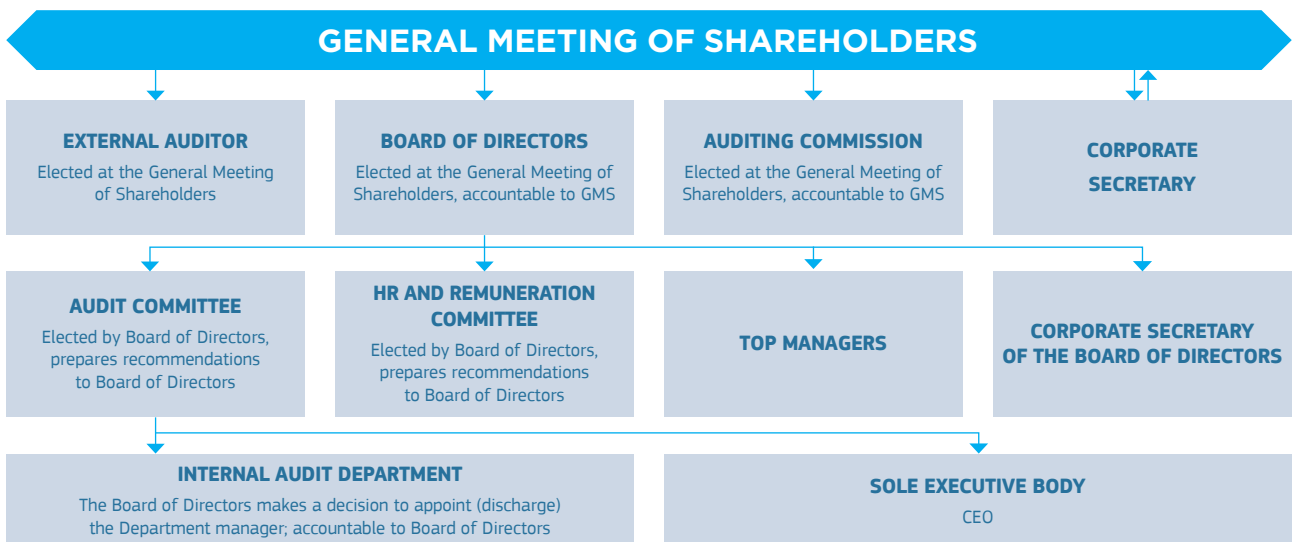
# Organizational Structure

For effective management, the Company formed by a structure that corresponds to the goals and objectives of the Company's activity and is maximally adapted to them. The entire management process is performed within this system, involving managers at all levels, categories and professional specialization. Each subdivision employs carefully selected managerial staff that coordinates the work of a specific management unit in accordance with the general strategy of the Company. Heads of structural divisions are characterized by broad experience in their sphere of activity, and therefore, deep knowledge of its specificity.

In addition to high requirements for professional experience and knowledge, mandatory requirements for candidates for leadership positions include operational and strategic planning skills, personnel management skills, and organizational skills. The organizational structure of the Company's management shows that the Company is a business with extensive marketing sales system, which includes a wholesale line and regional retail units. In accordance with the requirement of MOEX, the Company's corporate governance structure was adjusted in 2017 for the Company's shares to be included in the second level.

The corporate body structure includes: The general meeting of shareholders, Board of Directors and the sole executive body (CEO). The following Board committees were created: the audit committee, a HR and remuneration committee. The internal audit function is assigned to a separate unit — the Internal Audit Department. Corporate Secretary position was introduced to ensure compliance with the legislation of the Russian Federation, the Articles and internal documents of the Company, guaranteeing the enjoyment of rights and legitimate interests by the shareholders of the Company.

## MANAGEMENT STRUCTURE



# The General Meeting of Shareholders of OR PJSC

In accordance with Federal law No. 208-FZ On Joint Stock Companies and paragraph 27.1. of the Articles of Association of OR PJSC, a general meeting is the supreme body of Company management. It carries out its activities in accordance with the provisions of the Articles of Association and the requirements of the legislation of the Russian Federation.

The Company is obliged to conduct annual general meeting of its shareholders. Paragraph 27.3. of the Articles of Association of OR PJSC establishes the questions relating to the competence of the general

meeting of shareholders. The following questions are discussed at the annual general meeting: election of members of the Board of Directors and the Auditing Commission, approval of the Auditor, approval of the annual report, annual financial statements, distribution of profit, including payment (declaring) dividends and losses based on the results of the reporting year, and other issues falling within the competence of the general meeting of shareholders.

## Members of the Board of Directors of OR PJSC

The Board of Directors has general oversight of the Company's activity, except for deciding some issues referred by the Federal Law "On Joint Stock Companies" to the competence of the general meeting of company shareholders.

Information about persons who are members of the Board of Directors of the Company as of 31.12.2017.

### SHABAIKIN VYACHESLAV VLADIMIROVICH

Chairman of the Board of Directors

Year of birth  
1970

Education  
higher

Primary employment  
Advisor of the Joint Stock Commercial Bank International Financial Club (Joint Stock Company)

Share in the authorized capital of OR PJSC  
0.0002%

Share of ordinary shares of OR PJSC owned by the person  
0.0002%

### TITOV ANTON MIKHAILOVICH

General Director

Year of birth  
1980

Education  
higher

Primary employment  
Director of the Obuv Rossii Limited Liability Company

Share in the authorized capital of OR PJSC  
43.9532%

Share of ordinary shares of OR PJSC owned by the person  
43.9532%

### ZOTIKOVA TATYANA BORISOVNA

Vice-Chairman  
of the Board of Directors of OR PJSC

Year of birth  
1965

Education  
higher

Primary employment  
President of the Uniona Limited Liability Company

Share in the authorized capital of OR PJSC  
0%

Share of ordinary shares of OR PJSC owned by the person  
0%

**GAVRIKOVA EVGENIA  
ALEKSANDROVNA**Secretary  
of the Board of Directors

Year of birth

1978

Education

higher

Primary employment

Head of Legal Department  
of the Uniona Limited Liability Company

Share in the authorized capital of OR PJSC

0%

Share of ordinary shares of OR PJSC  
owned by the person

0%

**ZVEREV STANISLAV  
MATVEYEVICH**Independent member  
of the Board of Directors

Year of birth

1940

Education

higher

Primary employment

General Director of the SOYUZTEKSTIL-  
SPORT Union of Manufacturers and  
Experts in Consumer Goods Industry

Share in the authorized capital of OR PJSC

0%

Share of ordinary shares of OR PJSC  
owned by the person

0%

**SKVORKIN ALEKSEY  
VLADIMIROVICH**

Year of birth

1978

Education

higher

Primary employment

General Director  
of the Uniona Limited Liability Company

Share in the authorized capital of OR PJSC

0%

Share of ordinary shares of OR PJSC  
owned by the person

0%

**ZHEREBTSOVA NATALYA  
YURIEVNA**

Year of birth

1978

Education

higher

Primary employment

Deputy Director for Legal Affairs  
of the Obuv Rossii Limited Liability  
Company

Share in the authorized capital of OR PJSC

0%

Share of ordinary shares of OR PJSC  
owned by the person

0%

**INFORMATION ON CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS  
OF OR PJSC, WHICH OCCURRED DURING THE REPORTING YEAR:****An Extraordinary General Meeting  
of Shareholders of the OR Open  
Joint-Stock Company**

(Minutes No. 01/2017 of 27.02.2017)

elected the following candidates  
to the Board of Directors of the Company:

1. Tatiana Borisovna Zotikova;
2. Vyacheslav Vladimirovich Shabaikin
3. Aleksey Vladimirovich Skvorkin;
4. Evgenia Aleksandrovna Gavrikova;
5. Anton Mikhailovich Titov;
6. Natalya Yurievna Zherebtsova;
7. Marianna Sergeevna Kadaeva.

**Annual General Meeting  
of the Shareholders of  
the OR Open Joint-Stock Company**

(Minutes No. 04/2017 of 01.06.2017)

elected the following candidates  
to the Board of Directors of the Company:

1. Tatiana Borisovna Zotikova;
2. Vyacheslav Vladimirovich Shabaikin
3. Aleksey Vladimirovich Skvorkin;
4. Evgenia Aleksandrovna Gavrikova;
5. Anton Mikhailovich Titov;
6. Natalya Yurievna Zherebtsova;
7. Marianna Sergeevna Kadaeva.

**An Extraordinary General Meeting  
of Shareholders of the OR Open  
Joint-Stock Company**

(Minutes No. 06/2017 of 07.09.2017)

elected the following candidates  
to the Board of Directors of the Company:

1. Tatiana Borisovna Zotikova;
2. Vyacheslav Vladimirovich Shabaikin
3. Aleksey Vladimirovich Skvorkin;
4. Evgenia Aleksandrovna Gavrikova;
5. Anton Mikhailovich Titov;
6. Natalya Yurievna Zherebtsova;
7. Stanislav Matveyevich Zverev.

# Sole Executive Body (CEO) of OR PJSC

In accordance with the Articles of Association of the OR PJSC, the General Director is the sole executive body.

The executive body manages day-to-day activities of OR PJSC and reports to the Board of Directors and the General Meeting of Shareholders.

The competence of the executive body includes all matters of current operations, except the issues attributed to the competence of the general meeting of shareholders and of the Board of Directors. The executive body is formed by the Board of Directors. The executive body of the Company ensures the establishment and maintenance of efficient risk management and internal control systems in the Company, is responsible for the implementation of decisions of the Board of Directors of OR PJSC in the organization of a system for risk management and internal control. The executive body of OR PJSC is responsible for effective economic, financial, scientific, technical and social policies of the Company. Since the inception of the OR PJSC, Anton Mikhailovich Titov has been the Director. Anton Mikhailovich Titov was born in 1980. He graduated from the International Relations Department of the Novosibirsk State Technical University.

His career started career in the Westfalika footwear company: since 1997, he was engaged in foreign economic activity, and in 2001 he became the Director of a sheepskin and fur plant that was part of Westfalika Group. Since 2003, he has been the founder and director of the Obuv Rossii Group. Anton Mikhailovich Titov became the winner of the Entrepreneur of the Year 2008 competition, organized by the Ernst & Young, in the nomination "Young Entrepreneur". According to Finance, he entered the top 10 most successful young owners and managers (March 2009). DelovoyKvartal included Anton Mikhailovich Titov in the list of top 10 most powerful businessmen in the region (August 2010). In 2011, he became the winner of the competition "Best Young Entrepreneur". In 2013 — holder of the "Retailer of the Year" award, and in 2014 — the winner of the main prize "Person of the Year" (the prize was organized by DelovoyKvartal). In 2015, he became the laureate of the "Faces of Business" in the nomination "Region Promotion" (the organizer — Siberian office of the Kommersant newspaper).



**TITOV ANTON MIKHAILOVICH**  
General Director

Year of birth  
**1980**

Education  
**higher**

Primary employment  
**Director of the Obuv Rossii Limited Liability Company**

Share in the authorized capital of OR PJSC  
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