

**Approved by
the Board of Directors
of PJSC SIBUR Holding
Minutes No. 176 of December 16, 2014**

**REGULATIONS
REGARDING THE DIVIDEND POLICY OF PJSC SIBUR HOLDING
(Revision No. 6)**

**Tobolsk
2014**

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1. GENERAL PROVISIONS

- 1.1. These Regulations regarding the Dividend Policy of PJSC SIBUR Holding (hereinafter referred to as the *Regulations*) have been developed in accordance with the applicable laws of the Russian Federation, the Articles of Association of PJSC SIBUR Holding (hereinafter referred to as the *Company*), and the internal regulations thereof. The purpose of these Regulations is to establish a procedure by which the Board of Directors develops recommendations for the General Meeting with regard to the amount of dividends paid on the shares of the Company.
- 1.2. The Company's Dividend Policy is designed to: provide a balance between the interests of the Company and those of its shareholders in determining the amount of dividend payable, make the Company more attractive for investment and create value by increasing its capitalization, and ensure the respect and strict observance of the shareholders' rights provided for by the applicable laws of the Russian Federation, the Articles of Association of the Company, and its internal documents.

2. DIVIDEND POLICY DEFINITION. DIVIDENDS OF THE COMPANY

- 2.1. A dividend is a portion of the Company's net profits that is distributed to the shareholders in proportion to the number of their shares of the relevant category (type).
- 2.2. The Dividend Policy is a set of the Company's principles that govern the optimal distribution of the Company's profits after taxation (hereafter referred to as *net profits*) in order to increase the wealth of the Company's shareholders both by distributing a portion of the net profits in the form of dividends and by increasing the Company's share value as a result of equity capitalization.
- 2.3. The main objective of the Company's Dividend Policy is to ensure a stable growth in the value of the Company while maintaining the commitment to pay out dividends to the shareholders of the Company annually, in the amount determined in accordance with these Regulations. Being aware that increasing the Company's assets is a major contributor to an increase in capitalization, the Board of Directors recognizes the need to reinvest a significant portion of the Company's profits in order to expand the Company's production and investment activities.
- 2.4. After reviewing fiscal information for the first quarter, six months and nine months of the fiscal year and (or) the fiscal year ending, the Company has the right to pass resolution on (declare) the payment of dividends on its outstanding registered common shares, unless otherwise provided by the Federal Law on Joint-Stock Companies. Outstanding registered common shares are registered shares of common stock purchased and fully paid for by shareholders, except for the common shares repurchased by the Company from shareholders in accordance with the provisions of the Federal Law on Joint-Stock Companies.
- 2.5. The resolution to pay out dividends is a right, not an obligation of the Company.
- 2.6. The payment of declared dividends is an obligation of the Company. The Company shall be liable to its shareholders for failure to perform this obligation under the laws of the Russian Federation.

3. PRINCIPAL TERMS AND CONDITIONS OF DIVIDEND PAYMENT TO SHAREHOLDERS

- 3.1. The terms and conditions of dividend payment are as follows:
 - 3.1.1. the Company must show net profits for the fiscal period after which dividends are to be paid, as determined pursuant to paragraph 4.1. hereof;
 - 3.1.2. the restrictions on dividend payments provided by Article 43 of the Federal Law on Joint Stock Companies are not applicable;
 - 3.1.3. the Board of Directors has provided a recommendation on the amount of dividend;

- 3.1.4. the General Meeting of the Company's shareholders has passed resolution to pay (declare) dividends.

4. DIVIDEND DETERMINATION

- 4.1. In accordance with the applicable law of the Russian Federation, dividends are paid out to the shareholders of Company from the Company's net profits, which are calculated with reference to the financial statements, which are prepared in compliance with the applicable law and specified in the income statement of the Company.
- 4.2. According to the aforementioned objectives of the Dividend Policy, when making a decision about recommendations for the Company's General Meeting of Shareholders regarding the amount of the dividends, based on the results of a particular fiscal period, the Board of Directors of the Company shall keep in mind that the Company's goal is to pay in the form of dividends 25% of the Company's profits belonging to the shareholders of the Company's parent company, as determined based on the results of the relevant fiscal period, on the basis of the Company's consolidated financial statement, which was drafted in accordance with International Financial Reporting Standards (IFRS) and adjusted for exceptional non-cash income and expenses, including:
- 1) the total amount for employee compensation on the basis of shares that were granted by the company that is not consolidated into the Company under IFRS,
 - 2) nonrecurring (irregular) income and expenses.
- 4.3. The amount of accrued dividends payable to each shareholder shall be determined by multiplying the dividend per share by the number of shares held by the shareholder.

5. THE BOARD OF DIRECTORS' DECISION ON THE AMOUNT OF DIVIDEND RECOMMENDED TO THE GENERAL MEETING

- 5.1. The Board of Directors makes the initial review of the Company's financial performance and examines the possibility to pay a dividend based on the accounts for the first six months, nine months of the financial year and (or) based on the profits made in the full year.
- 5.2. After reviewing the main allocations and distributions of profits, the Board of Directors will provide recommendations on the share of profits it finds expedient to pay out in dividends.
- 5.3. When deciding on the amount of dividend to recommend to the General Meeting of the Company's shareholders, the Board of Directors should remember that no dividend can be paid from any borrowed or external funds of the Company.
- 5.4. In making decision on the amount of dividend recommended to the General Meeting, the Board of Directors shall be guided by the Articles of Association and the Regulations regarding the Board of Directors of the Company.
- 5.5. The resolution to pay (declare) dividends shall be adopted by the General Meeting. The amount of dividends may not exceed the amount recommended by the Board of Directors of the Company.
- 5.6. The decisions to pay (declare) dividends and on the amount of dividends based on the accounts for the first quarter, six months and nine months of the financial year can be made by an extraordinary General Meeting of shareholders within three (3) months after end of respective period.
- 5.7. The decisions to pay (declare) dividends and on the amount of dividends based on the accounts for the full financial year are made by the Annual General Meeting.

6. PAYMENT OF DIVIDENDS

- 6.1. The Board of Directors will make a proposal to the General Meeting of Shareholders regarding the date for determining which individuals are entitled to receive dividends.

The date on which the determination is made, in accordance with the decision to pay (declare) dividends, about the individuals who are entitled to receive them, cannot be earlier than ten (10) days from the date of the decision to pay (declare) dividends, or later than 20 (twenty) days from the date of such decision.

- 6.2. The deadline for paying a dividend to a nominal holder who is a professional trader on the securities market for a trustee who is registered in the shareholder registry shall not exceed ten (10) business days, and in regard to other individuals registered in the shareholder registry – 25 (twenty-five) business days from the date on which the a determination was made about the individuals who are entitled to receive dividends.
- 6.3. Dividends are paid in monetary means only.
- 6.4. Dividends are paid by bank transfer, either by the Company or, on behalf thereof, by the registrar maintaining the Company's shareholder registry, or by a credit institution.
- 6.5. Dividends to natural persons whose rights to shares are recorded in the Company's shareholder registry are paid in monetary means via a postal money order or can be transferred to their bank accounts upon request. Dividends to other persons whose rights to shares are recorded in the shareholder registry are paid by transfer to their bank accounts. The Company's obligation to pay dividends to the above natural or other persons shall be deemed to have been fulfilled on the date of acceptance of said payment by the federal postal service or on the date of receipt of the payment by the credit institution where such person who is entitled to receive the dividend has a bank account.
- 6.6. Individuals who are entitled to receive dividends, and whose rights to those shares are registered as being held by the nominal holder of the shares, shall receive dividends in monetary form through the depository of which they are depositors, in the manner provided by the federal law, On the Securities Market. The Depository shall pay dividends on the Company's shares, by transferring funds to the bank accounts specified in the custodial agreement, to its depositors who are nominal holders and trustees, using professional traders on the securities market, no later than the next business day after their receipt, and will pay dividends on the Company's shares to other depositors no later than seven business days after the date of their receipt.
- 6.7. A person who has not received declared dividends either because the Company or the registrar were missing the exact and required address or bank account details or if delayed by the Company for any other reason, may claim the payment of said dividends (unclaimed dividends) within three years of the date of the declaration of dividends.
- 6.8. Upon the expiration of said period, any declared but unclaimed dividends will return to the retained earnings of the Company and the obligation of payment will become void.
- 6.9. Taxes on dividend income are determined in the manner prescribed by the applicable laws of the Russian Federation.

7. DISCLOSURE OF THE DIVIDEND POLICY TO SHAREHOLDERS

- 7.1. The Company shall publish the Company's Regulation on Dividend Policy on the Company's official website.

8. RESPONSIBILITY FOR INCOMPLETE OR LATE PAYMENT OF DIVIDENDS TO SHAREHOLDERS

- 8.1. The Company will be responsible for the timely and exact execution of the resolutions of the meetings of shareholders on dividend payment.
- 8.2. In the event of incomplete and/or late payment of dividends to shareholders, or incomplete and/or late transfer of dividends to the transactional account of a depository institution of which shareholders of the Company are depositors, the

company's officers who are directly responsible for the above shall be held liable in the manner prescribed by the Federal Law on the Securities Market, provided that such shareholders supplied the registrar with the details of their bank accounts or mailing addresses and any changes thereto in due time.

9. APPROVAL OF AND AMENDMENTS TO THE REGULATIONS

- 9.1. These Regulations and all amendments and supplements hereto shall be approved by the Company's Board of Directors in accordance with the Articles of Association and the Regulations regarding the Board of Directors and shall become effective on the date of approval by the Board of Directors.
- 9.2. All matters that are not covered herein shall be governed by the Articles of Association of the Company, other internal regulations of the Company, and applicable laws.
- 9.3. Should changes in the laws or regulations of the Russian Federation cause conflicts with individual terms hereof, such terms will become void.