

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

**REGULATIONS REGARDING
THE AUDIT COMMITTEE OF
THE BOARD OF DIRECTORS
OF PJSC SIBUR HOLDING**
(Revision No. 7)

Tobolsk
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1. GENERAL PROVISIONS

- 1.1. These Regulations regarding the Audit Committee of the Board of Directors of Public Joint Stock Company SIBUR Holding (hereinafter referred to as the **Regulations**) are prepared in accordance with the applicable laws of the Russian Federation, the Bylaws of PJSC SIBUR Holding (hereinafter referred to as the **Company**), the Regulations regarding the Board of Directors of the Company, and other internal documents of the Company.
- 1.2. The Audit Committee of the Board of Directors of the Company (hereinafter referred to as the **Committee**) is formed to review the effectiveness of the internal control and risk management systems within the Company, to provide internal and external audit of the Company and issue recommendations to the Board of Directors when resolutions on these matters are being adopted.
- 1.3. The Committee shall help implement an effective system of control over the Company's financial and business activities and shall ensure effective participation of the Board of Directors in control over the Company's financial and business activities.
- 1.4. The Committee shall report to the Board of Directors of the Company on a regular basis.
- 1.5. The Committee shall act under the powers granted thereto by the Board of Directors and in accordance with these Regulations.
- 1.6. The work of the Committee shall be governed by the applicable laws of the Russian Federation, the Bylaws of the Company, the Regulations regarding the Board of Directors, resolutions of the Board of Directors, these Regulations, and other internal documents, which are approved by the General Meeting and the Board of Directors, as well as by own resolutions.

2. PURPOSES AND OBJECTIVES OF THE COMMITTEE

- 2.1. The main purpose of the Committee is to analyze and provide recommendations to the Board of Directors of the Company on matters relating to:
 - 2.1.1. conducting an independent annual external audit of the Company's financial (accounting) or other statements, including consolidated financial statements prepared in accordance with International Accounting Standards (IFRS);
 - 2.1.2. assessing the qualifications of the Company's Auditor, quality of the services provided by the Company's Auditor and compliance by the Auditor with independence requirements;
 - 2.1.3. improving the Company's internal control and risk management systems;
 - 2.1.4. evaluating the effectiveness of the system of internal control over the Company's financial and business activities and preparing proposals for improvements.
- 2.2. Pursuant to the purposes specified in paragraph 2.1, the Committee shall perform the following tasks:
 - 2.2.1. assess nominations for the Company's Auditor who will audit the financial (accounting) or other statements prepared in accordance with the laws of the Russian Federation and the consolidated financial statements prepared in accordance with IFRS;
 - 2.2.2. assess of the opinion of the Company's Auditor, including the opinion on consolidated financial statements prepared in accordance with the IFRS;
 - 2.2.3. analyze performance of the risk management system within the Company and develop recommendations to improve the system.
- 2.3. The Committee has the power and duty to prepare recommendations for the Board of Directors on selection of the Company's Auditor for further approval by the General Meeting of the shareholders of the Company.
- 2.4. The Committee will work closely, within the field of its competence, with the Company's Auditor, the Review Committee, the Sole Executive Body, the Accounting Department of the Company, and the Company's designated function responsible for control over the Company's financial and business activities.
- 2.5. If such designated function is within the competence of the Management Organization of the Company, the Committee will collaborate, on the matter of the matter of its competence, with the appropriate designated function of the Management Organization.

3. COMPETENCE OF THE COMMITTEE

- 3.1. In order to provide objective and independent information to the members of the Board of Directors, the Committee, in accordance with the tasks assigned thereto as specified in Article 2 hereof, is empowered to:
- 3.1.1. prepare recommendations for the Board of Directors on the candidacy of the Company's Auditor who will audit the financial (accounting) or other statements prepared in accordance with the Russian law, as well as the consolidated financial statements prepared in accordance with IFRS for subsequent approval of the candidate by the General Meeting;
 - 3.1.2. analyze, and discuss with the Company's Auditor, any material issues arising from an independent external audit of the Company;
 - 3.1.3. prepare recommendations for the Board of Directors on the maximum remuneration for the Company's Auditor, and the types and scope of the services thereof;
 - 3.1.4. discuss, with the Company's Auditor, planned financial audits, the scope of work and organizational matters;
 - 3.1.5. prepare recommendations for the Sole Executive Body of the Company on engaging the Company's Auditor in the provision of non-audit services;
 - 3.1.6. review the opinion of the Company's Auditor prior to submitting it to shareholders at a General Meeting;
 - 3.1.7. review a list of the most important adjustments suggested by the Auditor to the Company's accounting after an audit;
 - 3.1.8. assess candidates for the position of the head of the Company's authorized function responsible for control over the Company's financial and business activities;
 - 3.1.9. review the work plans for the term of the Company's authorized function responsible for control over the Company's financial and business activities, as well as reports on the implementation of the work;
 - 3.1.10. provide a preliminary examination of the Company's draft internal documents, which govern the procedures for the determination of the amount of dividend paid on the shares and the manner of payment, the procedures for the internal control of the Company and the work of the authorized function responsible for control over the Company's financial and business activities;
 - 3.1.11. examine the Company's internal control system and review the authorized function's communications on any material violations identified by said function during an audit of the Company's financial and business activities;
 - 3.1.12. evaluate the effectiveness of the Company's internal control system, prepare suggestions to improve the existing internal control procedures;
 - 3.1.13. provide a preliminary examination of the annual and quarterly financial statements of the Company;
 - 3.1.14. review the Company's annual report before it is submitted for preliminary approval by the Board of Directors of the Company and final approval by the General Meeting; provide recommendations to the Board of Directors of the Company after examining the report;
 - 3.1.15. provide recommendations to the Board of Directors of the Company on the amount of dividend paid on the shares and the manner of payment;
 - 3.1.16. discuss, with the Sole Executive Body, the Chief Accountant, and the head of the authorized function, any matters relating to accounting or any issues that may adversely affect the Company's financial statements;
 - 3.1.17. present oral or written opinions (recommendations) when requested to do so by the Board of Directors or at own initiative to address individual matters of the Committee's competence; submit, for consideration by the Board of Directors, a report on the Committee's work for the year ending;
 - 3.1.18. plan the scope of audit procedures and assess the objectivity and independence of the Company's Auditor. Contemporaneously herewith, the Committee's work should not restrict the freedom and independence of the engagement of the Company's Auditor and

- should help provide a complete and objective information, to the Board of Directors of the Company, on any problems that have been found;
- 3.1.19. review written reports, memos and communications of the Review Committee on any violations that have been found during a respective period of the Company's existence and recommend to the Board of Directors on how to prevent similar violations in the future;
 - 3.1.20. provide a preliminary examination of the Company's draft internal documents that govern risk management within the Company;
 - 3.1.21. provide a preliminary examination of documents on the agenda of meetings of the Board of Directors of the Company, if such documents are related to internal control, risk management, internal and external audit of the Company;
 - 3.1.22. evaluate the effectiveness of the Company's risk management system and suggest improvements;
 - 3.1.23. examine and analyze the regular reports of the respective authorized function on the status of risk management, the specific risks the Company faces and Company's risk map.
- 3.2. The members of the Committee may:
- 3.2.1. carry out control over, and audit, the implementation of the resolutions and instructions of the Board of Directors that are within the competence of the Committee;
 - 3.2.2. request the head of the respective operating unit of the Company and the Chief Accountant of the Company about the progress in implementing the resolutions of the Board of Directors, insofar as such resolutions pertain to the competence of the Committee;
 - 3.2.3. follow the applicable procedure of the Company to request and obtain relevant information from the Sole Executive Body, members of the Review Committee, the head of the respective designated function of the Company, the head of the respective designated function of the Management Organization, the Chief Accountant and the Auditor of the Company;
 - 3.2.4. make recommendations to the Sole Executive Body on the appointment and dismissal of the head of the respective authorized function of the Management Organization;
 - 3.2.5. review the six-month work plan of the respective designated function of the Management Organization, make remarks and suggestions, as well as review the reports of said function for the past six months;
 - 3.2.6. make suggestions on amendments and modifications hereto;
 - 3.2.7. where appropriate, draft, and submit for approval by the Board of Directors of the Company, draft documents that govern the work of the Committee;
 - 3.2.8. and shall exercise any other rights, which are prescribed by the Bylaws and the internal documents of the Company and which are necessary for the performance by the Committee of the functions assigned thereto.
- 3.3. The members of the Committee shall:
- 3.3.1. act in good faith and perform their duties prudently in the best interest of the Company;
 - 3.3.2. be free to perform their duties as a member of the Committee effectively;
 - 3.3.3. inform the Chairman of the Committee of being a related party to any matter proposed for consideration by the Committee and refrain from voting on such matter;
 - 3.3.4. treat any information which becomes known or available as a result of working on the Committee as strictly confidential.

4. COMPOSITION AND ELECTION OF THE COMMITTEE

- 4.1. The Committee is elected at the first meeting of a new Board of Directors from among the members of the Board of Directors and is composed of at least three members appointed for the term until re-election of Board members.

If a new Board of Directors has not been able to form the Committee or has formed the Committee partially at the first Board meeting, the formation of the Committee will be added to the agenda of a regular meeting of the Board of Directors.

The members of the Committee will be elected by a simple majority of votes of the members of the Board of Directors present at the meeting. The member of the Board of Directors of the Company who is the Sole Executive Body of the Company (the sole executive body of the management organization) and/or a member of the Management Board of the Company may not be elected to the Committee.

At least one independent director shall be elected to the Audit Committee. The criteria of independence for the members of the Board of Directors shall be as specified in the Code of Corporate Conduct approved by the Board of Directors of the Company.

- 4.2. The member of the Board of Directors who is elected to the Committee as an independent member and who, as a result of any circumstances, ceases to meet the independence criteria specified in the Code of Corporate Conduct shall inform the Company's Board of Directors of the loss of such status within three (3) working days from the date of loss of the status of an independent member of the Committee.
- 4.3. The members of the Committee can be elected an unlimited number of times.
- 4.4. The powers of all or some of the members of the Committee may be terminated before the appointment time in one of the following cases:
 - 4.4.1. Committee member's resignation. A member of the Committee may resign having notified the Chairman of the Board of Directors and Chairman of the Committee by giving respective written notice twenty (20) working days prior to the date of resignation;
 - 4.4.2. the expiration of the term or termination of the powers of the Committee member as a member of the Board of Directors;
 - 4.4.3. termination of the powers of the Committee member by resolution of the Board of Directors of the Company.
- 4.5. In the case where the powers of a member of the Committee are terminated pursuant to paragraph 4.4.1. hereof, the Board of Directors shall elect a new member to the Committee at the nearest Board meeting, but not later than twenty (20) working days from the date of receipt by the Chairman of the Board of Directors of a written resignation statement. Until a new member is elected, the Committee member who has submitted a resignation statement shall continue to perform his or her duties in full.
- 4.6. In the case where the powers of a member of the Committee are terminated pursuant to paragraph 4.4.2. hereof, the Board of Directors shall follow the procedure prescribed by paragraph 4.1. hereof to elect a new member to the Committee.
- 4.7. In the case where the powers of a member of the Committee are terminated pursuant to paragraph 4.4.3 hereof, the Board of Directors shall elect a new member to the Committee within twenty (20) working days from the date of termination.
- 4.8. After the election of a new member (new members) of the Committee pursuant to paragraphs 4.5. and 4.7. hereof, the Chairman of the Committee, within seven (7) working days, shall hold a meeting with the member(s) of the Committee and shall explain the competence and proceedings of the Committee.
- 4.9. In course of election of members of the Committee, preference should be given to those candidates who have a degree in finance, law, economics, and management, as well as previous experience in finance jobs and managerial positions.
- 4.10. Articles 5 and 6, respectively, of these Regulations describe the legal status of the Chairman and the Secretary of the Committee.

5. CHAIRMAN OF THE COMMITTEE

- 5.1. The Chairman of the Committee shall be elected from among the members of the Board of Directors of the Company. If there are independent directors among members of the Board of Directors of the Company, the Chairman of the Committee shall be elected from among such independent directors. The Chairman of the Committee is elected at the first meeting of a new Board of Directors. The Chairman of the Committee is elected by a simple majority of votes of the members of the Board of Directors present at the meeting. The Board of Directors has the right to re-elect the Chairman of the Committee by majority of votes of the members of the Board of Directors.
- 5.2. The Chairman of the Committee organizes the work of the Committee, including, without limitation:

- 5.2.1. calls and chairs meetings of the Committee;
- 5.2.2. following discussions with the Committee members, approves the agenda of the Committee meetings, as well as a list of questions for the report of the respective operating unit of the Company and the Chief Accountant of the Company in accordance with paragraph 3.2.2. hereof;
- 5.2.3. organizes the discussion of the items on the agenda of the Committee meetings;
- 5.2.4. keeps in touch with the Sole Executive Body, Board of Directors, Auditor, Review Committee, the function concerned, and the Chief Accountant of the Company in order to obtain as full and accurate information as possible to facilitate the resolutions of the Committee and to provide an effective collaboration with the Board of Directors of the Company;
- 5.2.5. works closely with the Secretary of the Committee on matters relating to the work of the Committee;
- 5.2.6. assigns responsibilities to the members of the Committee;
- 5.2.7. prepares a regular meeting plan for the current year based on the meeting plan of the Board of Directors of the Company;
- 5.2.8. at least once (1 time) a year, and whenever requested by the Board of Directors of the Company, reports to the Board of Directors of the Company on the outcomes of the Committee;
- 5.2.9. and performs other functions as prescribed by applicable law, the Bylaws of the Company, these Regulations and other internal documents of the Company.

6. SECRETARY OF THE COMMITTEE

- 6.1. The Secretary of the Board of Directors shall perform the functions of the Secretary of the Committee.
- 6.2. The Secretary of the Committee:
 - 6.2.1. is responsible for preparation and facilitation of the meetings of the Committee, collection and filing materials for the meetings, sending notices of the Committee meetings, meeting agendas and materials for the agenda items to the Committee members and the invited persons, preparation the minutes and draft resolutions of the Committee;
 - 6.2.2. by instruction of the Chairman of the Committee, the Secretary makes reports on the Committee's current activities and reports on the Committee's activities over the year;
 - 6.2.3. provides all relevant information to the Committee, monitors progress on the execution of the orders recorded in the minutes and resolutions of the Committee, keeps all latest materials reviewed by the Committee and subsequently transfers those materials to permanent storage, maintains a database on matters that are within the competence of the Committee;
 - 6.2.4. where appropriate, provides explanations to the Board of Directors and other officers of the Company on the activities of the Committee, its competence, composition and procedures for collaboration with the Board of Directors of the Company, as well as provides assistance in preparing documents to be submitted to the Committee;
 - 6.2.5. provides information on the activities of the Committee when requested by the Company management;
 - 6.2.6. follows the instructions of the Chairman of the Committee to arrange the Committee's activities and collaboration with the Board of Directors, the Sole Executive Body of the Company, the Management Board of the Company and other functions of the Company.
- 6.3. The Secretary of the Committee is responsible to make sure the information on the Committee's activities published on the Company's local page on the internal network (intranet) is updated regularly and always on time, and reflects the requirements of the Company's internal documents, approved by the General Meeting and the Board of Directors of the Company, and the applicable laws.

7. TIMING AND PROCEDURE FOR CONVENING MEETINGS OF THE COMMITTEE

- 7.1. Each first meeting of a new Committee shall be held within thirty (30) working days of the first meeting of a new Board of Directors of the Company whereat the members and the Chairman of the Committee were elected.
- 7.2. The Committee's meetings shall be held according to the plan, which the Committee will approve, but no less than four (4) times a year, as well as when requested by the persons mentioned in paragraph 8.1. hereof.
- 7.3. The Chairman of the Committee, in accordance with the Committee's regular meeting plan, decides on convening a regular meeting of the Committee, on the date, time and place of such meeting, the agenda for the meeting, and the list of persons to be invited to the meeting.

The Chairman of the Committee, based on proposals of the persons mentioned in paragraph 8.1 hereof, will decide on convening an extraordinary meeting of the Committee, the date, time and place of such meetings, the agenda for the meeting, and the list of persons to be invited to the meeting.
- 7.4. The Secretary of the Committee prepares a notice of a Committee meeting and sends it to all members of the Board of Directors, including those who are not on the Committee, as well as to persons who will attend the meeting, in accordance with the provisions on such meetings specified in the Regulations regarding the Board of Directors, Article "Procedure for Convening and Conducting Meetings of the Board of Directors", not later than five (5) working days before the date of such meeting. The notice should contain the following:
 - 7.4.1. the date, time and place of the meeting (in the case of voting by postal ballot, the date when postal ballots, completed by the Committee members, must be received);
 - 7.4.2. meeting format (joint presence or postal vote);
 - 7.4.3. meeting agenda;
- 7.5. The Secretary of the Committee distributes the materials on agenda items and a postal ballot with draft decisions for each agenda item (for Committee meetings that are conducted by way of postal ballot) to the members of the Committee by email not later than three (3) working days before the date of the meeting.
- 7.6. The Secretary of the Committee prepares Committee meetings under the direction of the Chairman of the Committee.
- 7.7. The conditions for calling an extraordinary meeting of the Committee are detailed in Article 8 of these Regulations.

8. EXTRAORDINARY MEETINGS OF THE COMMITTEE

- 8.1. An extraordinary meeting of the Committee may be held by decision of the Chairman of the Committee, on request of any member of the Committee, the Board of Directors, the Management Board, the Review Committee, the Sole Executive Body of the Company, or the Company's Auditor.
- 8.2. Any of the persons, who have the right to call for an extraordinary meeting of the Committee under paragraph 8.1. hereof, must submit a call for a meeting to the Secretary of the Committee not later than fifteen (15) working days before the proposed date of an extraordinary meeting. Such call must contain:
 - 8.2.1. name (full name) of the calling party;
 - 8.2.2. the items proposed for consideration by the Committee and the reasons for the proposal;
 - 8.2.3. supporting materials and/or documents for the agenda items;
 - 8.2.4. the proposed date of the Committee meeting;
 - 8.2.5. a draft resolution of the Committee for the proposed agenda items, if the requested Committee meeting is to be conducted by way of postal ballot.

The Secretary of the Committee shall inform the Chairman of the Committee of such a call for a meeting not later than the next working day after receipt of the call.

- 8.3. Within five (5) working days from the date of the submission of a call for an extraordinary meeting, the Chairman of the Committee shall pass a resolution to conduct an extraordinary Committee meeting, set the date, time and place for the meeting, or the date of a postal vote, or to refuse to convene an

extraordinary meeting. A reasoned refusal to convene an extraordinary Committee meeting is to be returned to the person or body requesting the meeting within two (2) working days from the date of the Chairman's resolution not to convene the meeting.

- 8.4. The Chairman of the Committee may refuse to convene an extraordinary Committee meeting in one of the following cases:
- 8.4.1. the proposed agenda item for the Committee meeting is not within the competence of the Committee under these Regulations;
 - 8.4.2. the proposed agenda item for the Committee meeting has already been included in the agenda of the next regular meeting scheduled by the Chairman of the Committee before the receipt of said call for a meeting, provided that the forthcoming regular meeting will be held within twenty (20) working days from the date of the call for an extraordinary Committee meeting;
 - 8.4.3. the procedure, described in these Regulations, for submitting a call for an extraordinary meeting has not been observed.

9. PROCEDURE FOR CONDUCTING COMMITTEE MEETINGS

- 9.1. The Chairman of the Committee presides over the meetings the Committee. In the absence of the Chairman, the Committee members must chose an acting chair from among the present Committee members to preside over a committee meeting.
- 9.2. A meeting of the Committee will be competent to pass resolutions (will have a quorum) if at least half of all members of the Committee are present. The presence of a quorum is determined by the Presiding Officer of the Committee when opening the meeting. A written opinion of an absent member of the Committee shall be included in the quorum. In the absence of a quorum for a meeting of the Committee, the Committee shall meet again with the same agenda within five (5) working days.

A written opinion submitted by a member of the Committee must unambiguously represent the position of the Committee member and must indicate a "yes" or "no" vote or "abstained".

A written opinion containing amendments to and reservations on a proposed resolution shall not be considered in determining a quorum and voting results.

The latest when a written opinion of a member of the Committee can be received by the Secretary of the Committee is at the beginning of the Committee meeting which will be voting on the agenda with regard to which the written opinion is submitted.

A member of the Committee shall be deemed present at a meeting, if he or she participates at the meeting over the phone, through intercom or video conferencing or if he or she can express his or her opinion in the course of the meeting and vote on matters discussed at the meeting by any other means.

- 9.3. The Committee may meet through the joint attendance of its members or vote by post ballot Voting by postal ballot shall be conducted as prescribed by the Regulations regarding the Board of Directors, Article "Procedure for Convening and Conducting Meetings of the Board of Directors".
- 9.4. The Committee can hold joint meetings with other committees of the Board of Directors of the Company.
- 9.5. For joint meetings of the Committee with other committees of the Board of Directors, a quorum shall be determined for each committee separately in accordance with Article 9.2 above.
- 9.6. Any member of the Board of Directors, including any Board member who is not on the Committee, may participate in a meeting of the Committee and express their opinions on matters in question.
- 9.7. Committee meetings can be attended by invited experts and specialists as agreed upon with the Chairman of the Committee.
- 9.8. The following matters shall be considered at a joint meeting only:
- 9.8.1. the candidacy of the Company's Auditor;
 - 9.8.2. recommendations to the Board of Directors of the Company on preliminary approval of the Company's annual report;

- 9.8.3. preparation of recommendations to the Board of Directors of the Company on the amount of dividend to be paid on the shares and the payment procedure;

10. PROCEDURE FOR ADOPTION OF RESOLUTIONS BY THE COMMITTEE

- 10.1. When passing resolutions, each member of the Committee shall have one vote.
- 10.2. The Committee members may not give their vote to any other persons, including to other members of the Committee.
- 10.3. The written opinions of the Committee members who are absent from a joint meeting shall be included when determining a quorum and voting results.
- 10.4. The Committee shall pass resolutions by a majority of votes of its members participating in the meeting.

11. PROCEDURE FOR ADOPTION OF RESOLUTIONS ON THE CANDIDACY OF THE COMPANY'S AUDITOR

- 11.1. At least seven (7) working days before the date of the Board meeting which will pass a resolution on the candidates to the position of the Company's Auditor and which will determine the remuneration for the Auditor, the Committee shall submit its recommendations concerning the candidacy of the Company's Auditor and the remuneration of the Company's Auditor for the consideration by the board of Directors.
- 11.2. The Committee shall submit the recommendations, mentioned in paragraph 11.1. hereof, to the Board of Directors in writing.
- 11.3. When selecting the Company's Auditor, the Committee should consider the following:
- 11.3.1. compliance with the requirements of the independence of audit organizations under Russian law and the law of the country in which the exchange is located, if the Company's shares are listed on a stock exchange outside of the Russian Federation;
 - 11.3.2. the amount of payment requested for the audit services offered to the Company;
 - 11.3.3. the auditor's professional competence and reputation;
 - 11.3.4. insofar as it concerns audit activities, provisions of the Russian law and the law of the country in which the exchange is located, if the Company's shares are listed on a stock exchange outside of the Russian Federation;
 - 11.3.5. any other requirements as the Committee deems necessary.
- 11.4. The Committee may participate in meetings and negotiations with audit organizations, including request them to provide additional materials.

12. COMMITTEE MEETING MINUTES

- 12.1. Not later than three (3) working days after each meeting of the Committee. The Secretary of the Committee shall prepare and the Chairman shall sign the minutes of each meeting. The presiding officer is responsible for the correctness of the minutes. The minutes and the materials for the meeting are kept in the files of the Committee.
- 12.2. The minutes of a Committee meeting shall include:
- 12.2.1. the date, time and place of the meeting (or the date of postal vote);
 - 12.2.2. meeting format (joint presence or postal vote);
 - 12.2.3. a list of the Committee members present at the meeting and a list of the Committee members who submitted their written opinions in due time;
 - 12.2.4. matters put to the vote;
 - 12.2.5. voting results for each matter;
 - 12.2.6. resolutions passed on each matter.

The minutes of a joint meeting of the Committee shall be accompanied by the agenda items and a list of the persons invited to attend the meeting.

- 12.3. After the minutes have been signed by the presiding officer and the Secretary of the Committee, the Secretary of the Committee distributes the minutes, by email, to all members of the Committee and the members of the Board of Directors who are not on the Committee but who were present at the meeting. Members of the Board of Directors who are not on the Committee and were not present at the meeting may also request the Secretary to send them a copy of the Minutes of the meeting. The Secretary also sends abstracts of the minutes to the persons and entities named in the respective resolutions and recommendations. The agenda for the meeting is attached to the Minutes and forms an integral part thereof.

13. ACCOUNTABILITY OF THE COMMITTEE TO THE BOARD OF DIRECTORS

- 13.1. The Committee reports to the Board of Directors.
- 13.2. The Committee shall prepare an annual report which the Board of Directors can request to be submitted for its consideration.
- 13.3. The Committee's report should contain information on the Committee's activities during the year, including but not limited to:
 - 13.3.1. a list of recommendations submitted to the Board of Directors on matters that are within the competence of the Committee in accordance with Article 3 (paragraph 3.1) of these Regulations;
 - 13.3.2. information on the regular meetings held in accordance with the Committee-approved meeting plan and information on the extraordinary meetings held;
 - 13.3.3. recommendations on the candidacy of the Company's Auditor;The Committee's report may also contain other material information as deemed necessary by the Committee.
- 13.4. The Board of Directors of the Company may request the Committee to provide an opinion on certain matters. In this case, the Board of Directors should indicate a reasonable time frame for the Committee to process the request.
- 13.5. The Committee may submit its recommendations, to the Board of Directors, on any matter of its competence whenever it considers necessary to do so. In the cases prescribed herein, the Committee shall also prepare an opinion for the Board of Directors.
- 13.6. The Board of Directors of the Company may request the Committee to report on its current activities at any time during the year. The Board of Directors also sets the time frame for the preparation and submission of the report.

14. COLLABORATION WITH THE BODIES OF THE COMPANY AND OTHER PERSONS AND ENTITIES

- 14.1. The Committee members shall have access to the information and documents they need on all matters pertaining to the competence of the Committee. At the request of the Committee, within a reasonable period of time thereby indicated and in accordance with the applicable internal procedure of the Company, the Sole Executive Body, Chief Accounting Officer of the Company and the head of the respective designated function shall provide the Committee, via the Secretary of the Committee, with complete and accurate information and documents on matters relating to the work of the Committee. All information and documents request shall be made in writing and signed by the Chairman of the Committee.
- 14.2. If the powers of the Chief Executive Body are vested in a management organization, which performs such designated function, then the Management Organization shall be responsible to provide the information and documents pursuant to paragraph 14.1. of these Regulations.
- 14.3. If necessary and as agreed upon with the Board of Directors of the Company, the Committee may engage professional subject-matter experts and specialists to examine certain matters which the Committee is dealing with.

15. INSIDE INFORMATION

- 15.1. The members and the Secretary of the Committee may only use any inside and confidential information or information that constitutes a trade secret, all of which can have a material effect on the business of the Company and value of its securities, in the best interest of the Company and in accordance with the applicable laws, the Bylaws of the Company, the Regulations regarding Inside Information and other internal documents of the Company.
- 15.2. The Company shall take the necessary measures to ensure that the appropriate agreements for the protection of confidential and inside information are signed with any third parties who participate in the meetings of the Committee.

16. LIABILITY OF THE COMMITTEE MEMBERS

- 16.1. The members of the Committee shall be held liable under the applicable law.

17. EXPENSES OF THE COMMITTEE

- 17.1. All expenses associated with the preparation and conduct of the Committee meetings and the participation of the Committee members in the meetings are included in the overall cost plan of the Board of Directors, which is approved by the Board of Directors in accordance with the Regulations regarding the Board of Directors of the Company.

18. INFORMATION ON THE COMMITTEE'S ACTIVITIES

- 18.1. The information on the Committee's activities, these Regulations, the composition of the Committee, or matters (except for any information that is confidential or constitutes a trade secret) discussed at a Committee meeting can be posted on the Company's local page on the internal network (intranet) in keeping with the Company's internal documents, approved by the General Meeting and the Board of Directors, as well as applicable laws.

19. APPROVAL OF AND AMENDMENTS TO THE REGULATIONS

- 19.1. These Regulations and all amendments and supplements hereto shall be approved by the Board of Directors of the Company by a majority of votes of the total members of the Board of Directors of the Company.
- 19.2. All matters that are not covered herein shall be governed by the Bylaws of the Company, the Regulations regarding the Board of Directors, other internal regulations of the Company, and applicable laws.
- 19.3. Should changes in the laws or regulations of the Russian Federation cause conflicts with individual articles hereof, such articles will become void and the Committee members shall be governed by the provisions of the applicable law of the Russian Federation until these articles are amended appropriately.