

APPROVED
by Resolution of the
General Meeting of
of PJSC “SIBUR Holding”
of April 27, 2017
(minutes number 55)

ARTICLES OF ASSOCIATION
Public Joint Stock Company
“SIBUR Holding”

(Revision No. 17)

Tobolsk
2017

Article 1. General provisions

1.1. Public Joint Stock Company "SIBUR Holding" (hereinafter referred to as "the Company") was formed in accordance with the applicable laws of the Russian Federation.

1.2. The Civil Code of the Russian Federation, the Federal Law on Joint-Stock Companies, other laws of the Russian Federation, and these Articles of Association will govern the operation of the Company and the rights and obligations of its shareholders.

1.3. The term of the Company is unlimited.

Article 2. The corporate name and registered office of the Company

2.1. The corporate name of the Company in Russian.

Full name: Публичное акционерное общество «СИБУР Холдинг»;

Abbreviated name: ПАО «СИБУР Холдинг».

2.2. The corporate name of the Company in English.

Full name: Public Joint Stock Company "SIBUR Holding";

Abbreviated name: PJSC "SIBUR Holding".

2.3. The address of the Company's registered office:

Building 30, No. 6, Quarter 1, Vostochniy Industrial District, Tobolsk, Tyumen Region.

Article 3. The legal status of the Company

3.1. The Company is a legal entity from the date of incorporation. It owns independent assets and may acquire civil law rights and assume civil law obligations, sue and be sued in its own name.

3.2. The Company is a public joint stock company.

3.3. The Company has civil law rights and assumes the responsibilities necessary for the implementation of any activities that are not prohibited by applicable law.

3.4. The shareholders are not liable for the obligations of the Company and are limited by the value of the shares they hold.

3.5. Any shareholder who has not paid up its shares in full shall be jointly and severally liable for the Company's obligations to the extent of the unpaid portion of the value of the shares they hold.

3.6. Individuals and legal entities may be shareholders of the Company.

3.7. The Company can open bank accounts, in the Russian Federation and abroad, in rubles and foreign currency in accordance with the applicable law.

3.8. The Company shall be the owner of any property transferred to it by shareholders as payment for shares.

3.9. The Company may, in accordance with the applicable procedure, participate in the formation of other organizations in the Russian Federation and abroad, acquire an ownership interest (shares) in such organizations, as well as buildings, structures, land, rights to use natural resources, securities, and any other property which may be owned by a legal entity under the applicable law of the Russian Federation.

3.10. The Company shall keep books of accounts, maintain statistical and tax reports in accordance with the applicable law of the Russian Federation.

3.11. The Company shall perform emergency preparedness and civil defense activities in collaboration with State bodies, as well as undertake other works that involve using information that constitutes a state secret. The sole executive body of the Company will be held responsible to appropriately manage any work that involves using information that constitutes a state secret. In the event of the reorganization or liquidation of the Company, or the cessation of any work

that involves using information that constitutes a state secret, the Company shall be responsible to ensure the safety of such information and the media on which it is stored.

3.12. The Company has a round seal with its full corporate name in Russian and its registered address; the seal may also have the corporate name of the Company in any foreign language or any language of the peoples of the Russian Federation. The Company may have letterheads and stamps made in its name in Russian or any foreign language and bearing a trademark, own logo, or other visual identifiers.

Article 4. Liability of the Company

4.1. The Company shall be liable for its obligations with all its assets.

4.2. The shareholders of the Company shall not be liable for the obligations of the Company and the Company shall not be liable for the obligations of its shareholders, except as provided for by the applicable laws.

4.3. The State and its bodies shall not be liable for the obligations of the Company and the Company shall not be liable for the obligations of the State and its bodies.

Article 5. Branches, representative offices and subsidiaries

5.1. The Company may, subject to approval of the Board of Directors, establish branches and representative offices in the Russian Federation and abroad.

The branches and representative offices of the Company shall not be legal entities.

5.2. The branches and representative offices of the Company shall carry out activities on behalf of the Company and shall operate on the basis of the Provisions approved by the Board of Directors of the Company. Branches and representative offices shall be provided with property by the Company and this property shall be recorded on their separate balance sheets and on the balance sheet of the Company. The Company shall be liable for the activities of its branches and representative offices. Heads of branches and representative offices will be appointed and dismissed by resolution of the Management Board of the Company and will act under and by virtue of a power of attorney granted to them by the Company.

5.3. The Company may have subsidiaries with the status of legal entities in the Russian Federation and abroad.

5.4. The Company shall establish subsidiaries and start branches and representative offices outside the Russian Federation in accordance with these Articles of Association and the laws of the foreign state where these subsidiaries, branches and representative offices will be domiciled, unless otherwise provided by an international treaty of the Russian Federation.

Article 6. The objects and activities of the Company

6.1. The principal object for which the Company is established is to earn profits by managing a manufacturing process and selling goods, trading, providing marketing and other services, as well as by engaging in any activities that are not prohibited by the applicable laws of the Russian Federation.

6.2. The principal activities of the Company are:

- wholesale trade in petrochemical products, textiles for various applications, synthetic and hydrolysis ethanol, and other basic organic chemicals;
 - the production (including exploration and drilling), transportation and processing of oil, petroleum products, condensate, gas and other mineral resources, the production of natural gas liquids, petroleum products, petrochemical and other products, the sale of gas, condensate, oil, petroleum products, and other derivatives of hydrocarbons and other raw materials;
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- the implementation and/or participation in the implementation of investment and research programs and projects for the development of oil and gas condensate deposits, raw hydrocarbons processing, development of catalysts, adsorbents and new products to maximize the recovery and processing of condensate, gas, oil, and other minerals by improving, retrofitting and upgrading production capacities and achieving a higher conversion of raw materials and managing chemical and petrochemical production;
 - investment activities, including securities transactions, carried out in accordance with the applicable laws of the Russian Federation, as well as by establishing banking and investment organizations, insurance companies and pension funds;
 - rail, sea and road freight forwarding;
 - wholesale and retail trade in consumer goods;
 - advertising and publishing activities, exhibitions, trade fairs, auctions, etc.;
 - all kinds of transportation and forwarding services, including freight declaration, customs clearance and insurance;
 - the construction, reconstruction, maintenance, and operation of manufacturing, residential, welfare and recreation, commercial and other facilities;
 - agency, consulting, marketing, and foreign economic activities, including export and import operations;
 - the purchase of precious metals, including scrap and waste metals, and of spent catalysts, and having the above recycled by Russian reprocessors for the subsequent sale of finished products in a manner provided for by applicable law .

6.3. The Company may also engage in any activities that are not prohibited by the applicable law of the Russian Federation. With regard to certain activities, which are listed in federal laws, the Company may engage in them only after obtaining a special permit (license) or after joining a self-regulatory organization or after the issuance by a self-regulatory organization of a certificate of clearance for certain types of works.

Article 7. The authorized capital of the Company. Outstanding and authorized shares

7.1. The authorized capital of the Company shall be 21,784,791,000 (twenty one billion seven hundred eighty-four million and seven hundred ninety-one thousand) rubles, which is divided into 2,178,479,100 (two billion one hundred seventy-eight million four hundred seventy-nine thousand and one hundred) registered common shares with a par value of ten (10) rubles each (outstanding shares).

7.2. In addition to the outstanding shares, the Company may issue 9,653,045,500 (nine billion six hundred fifty-three million forty-five thousand and five hundred) registered common shares and 2,500,000,000 (two billion five hundred million) registered preferred shares with a par value of ten (10) rubles each (authorized shares), which rank *pari passu* with the outstanding shares of the same category (class).

7.3. The shares of the Company can be paid for in cash, property, shares (ownership interests) in the authorized (joint stock) capitals of other business partnerships and companies, government and municipal bonds, as well as in exclusive or other intellectual property rights subject to monetary evaluation and rights under licensing agreements, unless otherwise prescribed by law.

7.4. If further shares are paid for in non-monetary contributions, the Board of Directors shall evaluate the property that is contributed as payment for shares in accordance with Article 77 of the Federal Law on Joint- Stock Companies.

7.5. The authorized capital of the Company may be:

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- increased by increasing the par value of its shares against the assets of the Company or by authorizing new shares;
 - decreased by reducing the par value of its shares or by reducing their total number, including by purchasing and redeeming part of its shares.

7.6. The decision to increase the authorized capital of the Company by increasing the par value of its shares shall be taken by the General Meeting. The resolution for such increase shall be passed by a majority vote of the shareholders participating in the General Meeting.

7.7. Any decision to increase the authorized capital by private placement of new shares or by public placement of common shares that represent more than 25 percent of the common shares issued previously or through private offering of equity securities convertible into common shares that represent more than 25 percent of the common shares issued previously shall be taken by the General Meeting. The resolution shall be passed by a three-fourths majority vote of the holders of voting shares present at the General Meeting.

The number of additional shares the Company may issue shall be limited by the number of authorized shares specified in the Articles of Association of the Company.

7.8. The decision to decrease the authorized capital and to introduce the appropriate amendments to the Company's Articles of Association shall be taken by the General Meeting in accordance with the applicable laws of the Russian Federation.

7.9. By resolution of the Board of Directors, the Company may buy back shares to create value. The shares purchased by the Company in accordance with this clause will not confer voting rights, will not be counted as a vote and will not accrue any dividend. Such shares shall be sold at a price that is not less than their market value and not later than within one year of the date of their acquisition. Otherwise, the General Meeting shall pass a resolution to decrease the authorized capital of the Company by canceling these shares.

Article 8. Bonds and other issue-grade securities of the Company

8.1. The Company may issue bonds and other issue-grade securities as provided for by Russian federal laws on securities.

8.2. Bonds and other issue-grade securities of the Company shall be issued by resolution of the Board of Directors, except where bonds must be issued by resolution of the General Meeting in accordance with the Federal Law on Joint-Stock Companies.

8.3. A bond evidences the right of the holder thereof to claim the value of the bond (repayment of its face value or face value plus accrued interest) within a specified period. The decision to issue bonds shall indicate the manner in which bonds are to be redeemed, their maturity and other repayment conditions.

8.4. Bond should have a face value.

8.5. The Company may issue and place term bonds and serial bonds.

Bonds may be registered or unregistered (payable to bearer). When issuing registered bonds, the Company shall keep a register of bond holders. The Company may provide a call provision to repay bonds before the maturity date.

Article 9. Rights and obligations of the Company's shareholders

9.1. Shareholders — holders of the Company's common shares — shall be entitled and may:

- may participate in a General Meeting and vote on all matters included in its authority;
 - receive dividends;
 - upon liquidation of the Company, receive a portion of its assets left after payments of all liabilities and distributions;
 - participate in the administration of the Company in the manner prescribed by the
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applicable law of the Russian Federation;

- challenge decisions of the Company's governing bodies and the Company's transactions on grounds provided by applicable law, claim the application of the consequences of their invalidity, as well as claim the application of the consequences of invalidity of the Company's void transactions, and claim compensation for damages caused to the Company in the manner and within the time provided by applicable law;
- obtain information about the activities of the Company in cases and in the manner provided by the applicable law of the Russian Federation, these Articles of Association and the Corporate Code of Conduct approved by the Board of Directors.

9.2. When disputing the resolution adopted by the General Meeting or claiming compensation for damages caused to the Company, claiming declaration of a Company's transaction as void or application of the consequences of invalidity of a transaction, shareholders, members of the Board of Directors or the Company shall take reasonable efforts to give advance notice to the Company's other shareholders or the Company, as appropriate, of their intention to take such claims to court, as well as to provide them with any other relevant information.

A Company shareholder or member of the Board of Directors who intend to file a claim in court pursuant to this paragraph of the Articles shall give written notice of such intention to the office of the Company's Chief Executive by mail or courier, not later than five (5) days before filing the claim in court.

Having received such written notice, the Company, not later than three (3) days from the date of receipt of the confirmation that the court allowed a claim specified in the first subparagraph of this paragraph to proceed, shall post this notice, including all documents attached thereto, on the Company's website.

In cases where the Company intends to file a claim in court pursuant to the first subparagraph of this paragraph, it shall send notice of such intention, as well as all relevant information, to all shareholders of the Company, in the manner which is prescribed for the notice of General Meetings, and shall also publish this notice and all documents attached thereto on the Company's website not later than ten (10) working days before filing the claim in court.

A notice to shareholders or the Company hereunder shall contain the name of the defendant(s), the name of the person who intends to file a claim (plaintiff), claim description, a brief description of the circumstances on which the claim is based, and the name of the commercial court where the plaintiff intends to seek redress.

The Company's shareholders who do not join in a claim for disputing the resolution adopted by the General Meeting, or for damages caused to the Company or a claim to declare a Company's transaction as invalid or to apply the consequences of invalidity of a transaction, in the manner prescribed by procedural law, henceforth may not bring before court an identical claim, unless the court recognizes their reasons for appeal to be valid.

9.3. A shareholders representing at least ten (10) percent of the Company's voting shares shall be entitled to demand that the Company's activities be audited by independent auditors.

9.4. Shareholders of the Company shall:

- observe these Articles of Association;
 - pay for the Company's shares in the manner prescribed by the applicable laws of the Russian Federation and these Articles;
 - exercise their rights prudently and in good faith; never take any deliberate action to harm the Company, including, without limitation, never divulge any confidential information about the Company's activities;
 - participate in corporate decision-making required by law for the Company to continue operating, wherever their participation is required to make such decisions;
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- never commit an act (omission) that will substantially impede or make it impossible to achieve the objects for which the Company was established;
 - in cases provided for by the applicable laws of the Russian Federation, inform the Company of their interest in a particular transaction;
 - perform other responsibilities prescribed by the applicable laws of the Russian Federation and these Articles.

Article 10. Funds and net assets of the Company

10.1. The Company shall have a reserve fund in the amount of five (5) percent of the authorized capital. The reserve fund will be made through mandatory annual deductions from the Company's net profit at the rate of at least five (5) percent until the fund has reached the amount specified hereunder.

10.2. The Company's reserve fund shall be used to cover the Company's losses and to redeem its bonds and repurchase shares where other financial resources are not available. The reserve fund shall not be used for any other purposes.

10.3. Other funds can also be established in the Company based on resolution of the General Meeting.

10.4. The Company's net asset value shall be evaluated according to the accounting records in the manner prescribed by appropriate executive authorities authorized by the Government of the Russian Federation.

Article 11. Company's profits and distribution of profits

11.1. The Company's profit after tax (net profit) shall be used by the Company at its discretion.

11.2. The Company's net profits shall be used to pay out dividends, pay to the reserve fund and other funds of the Company and for any other purposes related to the Company's activities.

Article 12. Dividends of the Company

12.1. After reviewing fiscal information for the first quarter, six months and nine months of the fiscal year ending and (or) the fiscal year ending, the Company has the right to pass resolution on (declare) the payment of dividends on its outstanding shares, unless otherwise provided by the Federal Law on Joint-Stock Companies, and to pay out dividends taking into account any limitations provided by the applicable laws of the Russian Federation.

12.2. A General Shareholders Meeting's resolution is required for decision to pay out (declare) dividends, including decisions on dividend rate and the form of payment of dividends on the shares of each category (class), and for decision on the date for dividend payment eligibility. The dividend rate may not be higher than that recommended by the Board of Directors. With regard to the date for dividend payment eligibility, the decision shall be made based on the date proposed by the Board of Directors only. A resolution to pay out dividends shall include the amount of dividends per share and the amount of the funds set aside for the payment of dividends.

12.3. The date for dividend payment (declaration) eligibility, according to the resolution on dividend payment, cannot be earlier than ten (10) days from the date of the resolution to pay out (declare) dividends or later than twenty (20) days from the date of the passing of this resolution.

12.4. The period of dividend payout to the nominee shareholder and to the Asset Manager, who is a professional player in the securities market, both of whom are registered in the shareholder register, shall not exceed ten (10) working days. The period of dividend payout to other persons registered in the shareholder register shall not exceed twenty five (25) working days from the date for dividend payment eligibility.

12.5. Dividends shall be paid in money only.

12.6. Dividends will be paid out by the Company via bank transfer or, on the Company's behalf, by the registrar who keeps the Company's shareholder register or by a banking company in the manner prescribed by the Federal Law on Joint-Stock Companies. Persons, who are entitled to dividends and whose share rights are registered with the nominee shareholder, will receive their dividends in money via the depository institution in which they are depositors.

Article 13. The Company's shareholders register

13.1. The shareholders' register of the Company shall contain information about each registered person, the quantity and categories of shares registered in the name of each registered person, and other information prescribed by the legal acts of the Russian Federation.

13.2. A registrar who is a professional player in the securities market will maintain the Company's shareholder register. The registrar will be a licensed share registry management company who will be contracted by the Company for the sole purpose of maintaining its records of registered securities. The approval of the registrar and the contract terms, as well as the termination of this contract shall be the competence of the Board of Directors.

13.4. The Company's shareholder registrar, on request of a shareholder or the nominee shareholder, shall confirm their share rights by providing an extract from the Company's shareholder register. The extract shall not constitute a security.

Article 14. General Meeting

14.1. The General Meeting is the supreme governing body of the Company.

14.2. Every year, not earlier than two (2) months and no later than six (6) months after the end of the fiscal year, the Company shall hold an Annual General Meeting to elect the Board of Directors, the Audit Committee, approve the Company's auditor, approve the Company's annual reports and annual financial statements, and approve the distribution of profits, including the payment (declaration) of the Company's dividends and losses after reviewing fiscal information for the past year. The Annual General Meeting may also convene to address any other matters reserved to the competence of the Annual General Meeting in accordance with the applicable laws of the Russian Federation.

14.3. An Extraordinary General Meeting is any meeting other than an Annual General Meeting.

The venue of General Meetings shall be the city of Tobolsk or Moscow.

14.4. The General Meeting will be competent to pass resolutions (will have a quorum) if attended by shareholders (or their proxies) representing more than half of the votes of all outstanding shares entitled to vote.

14.5. In the absence of a quorum, a General Meeting shall be adjourned but the adjourned General Meeting shall be held with the same agenda.

14.6. An adjourned General Meeting shall be held in compliance with the procedures established by the applicable laws of the Russian Federation and these Articles.

14.7. An adjourned General Meeting will be competent to pass resolutions (will have a quorum) if attended by shareholders (or their proxies) representing at least thirty percent (30%) of the votes of all outstanding shares entitled to vote.

14.8. If an adjourned General Meeting is to be held less than forty (40) days after the General Meeting which failed, the persons entitled to attend the adjourned General Meeting shall be determined (recorded) as of the date when the persons entitled to attend the adjourned General Meeting which failed were determined (recorded).

14.9. An Extraordinary General Meeting can be convened by resolution of the Board of Directors on its own initiative, at request of the Audit Committee, the Company's auditor, or shareholder(s) who, individually or together, hold at least ten (10) percent of the Company's voting shares on the day when the meeting is requested.

14.10. An Extraordinary General Meeting shall be called and held in the manner and within the time prescribed by the applicable laws of the Russian Federation, these Articles and the Provisions on the General Meeting.

Article 15. The competence of the General Meeting

15.1. The General Meeting shall be competent to:

- 1) making the amendments and modification of the Articles of Association of the Company or approval a revision of the Articles of Association
 - 2) reorganization the Company;
 - 3) liquidation of the Company, appoint the Liquidation Committee and approve the interim and final liquidation balance sheets.
 - 4) determination of the size of the Board of Directors and election and dismissal of its members;
 - 1) determination of the number, nominal value, class or category of authorized shares and rights carried by such shares;;
 - 2) increase the authorized capital of the Company by increasing the par value of its shares, by private placement of new shares or by public placement of common shares that represent more than twenty five percent (25%) of the common shares issued previously or through private offering of equity securities convertible into common shares that represent more than twenty five percent (25%) of the common shares placed previously;
 - 3) increase the authorized capital by public placement of preferred shares or new common shares within the limits of the number and categories (classes) of the authorized common shares representing twenty five percent (25%) or less of the common shares placed previously or by distributing shares among the Company's shareholders against the assets of the Company;
 - 4) pass a resolution on public placement of issue-grade securities convertible into preferred shares or into common shares representing twenty five percent (25%) or less of the common shares placed previously;
 - 5) disicion on the Company's placement of bonds and other issue-grade securities that are convertible into shares, except where such placement is made by resolution of the Company's Board of Directors pursuant to the Federal Law on Joint-Stock Companies;
 - 6) decrease in the authorized capital of the Company by reducing the par value of its shares, by repurchasing a portion of its shares in order to reduce the total number of shares, and by cancellation of repurchased shares;
 - 7) election and dismissal of the members of the Audit Committee. determination, upon the recommendation of the Board of Directors, the amount of remuneration and compensation to be paid to the members of the Audit Committee;
 - 8) approval of the Company's auditor;
 - 9) pay out (declare) dividends after reviewing fiscal information for the first quarter, six months and nine months of the fiscal year ending;
 - 10) approval of annual reports and annual financial statements;
 - 11) approval of the distribution of the Company's profits (including the payment (declaration) of dividends, except for the profits distributed as dividends at the end of the first
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quarter, six months and nine months of the fiscal year) and losses after reviewing performance over the fiscal year.

- 12) approval of the procedure for holding General Meetings;
- 13) splitting and consolidation shares;
- 14) decision on the consent or subsequent approval of non-arm's length transactions in cases provided by the applicable laws of the Russian Federation and these Articles;
- 15) decision on the consent or subsequent approval of major transactions in cases provided by the applicable laws of the Russian Federation and these Articles;
- 16) acquisition by the Company of its own issued and outstanding shares in those cases stipulated by the applicable laws of the Russian Federation and these Articles;
- 17) decisions on participation in holding companies, financial and industrial groups, associations and other groupings of commercial organizations;
 - 1) approval the internal rules and regulations, which govern the Company and the governing bodies of the Company;
 - 2) following the recommendation of the Board of Directors, pass a resolution to transferring the powers of the Sole Executive Body to a commercial organization (management organization) or to sole proprietor (manager) under a contract;
 - 3) pass a resolution to terminate the powers of the management organization or the manager before the term of contract;
 - 4) pass a resolution to file for delisting of the Company's shares and (or) other issued securities that are convertible into Company shares;
 - 5) decision on other matters provided for by the applicable laws of the Russian Federation and these Articles.

15.2. Matters reserved to the competence of the General Meeting cannot be delegated to the Board of Directors, except for cases provided by the applicable laws of the Russian Federation.

Article 16. Resolutions of the General Meeting

16.1. Matters specified in subparagraphs 1 – 3, 5, 20, and 25 of paragraph 15.1 hereof shall be resolved by the General Meeting by a three-fourths majority vote of the holders of voting shares present at the General Meeting.

Decisions related to the placement of shares and other issue-grade securities in cases provided by the Federal Law on Joint-Stock Companies shall be taken by the General Meeting. The resolution shall be adopted by a three-fourths majority vote of the holders of voting shares present at the General Meeting.

Decisions with regard to reducing the authorized capital of the Company by decreasing the par value of its shares, as well as regarding the net asset value becoming less than the amount of the authorized capital shall be resolved by a three-fourths majority vote of the holders of voting shares present at the General Meeting.

16.2. General Meetings shall pass resolutions on matters mentioned in subparagraphs 2, 6, 12, and 17 - 23 of paragraph 15.1 hereof on recommendation of the Board of Directors only.

16.3. At a General Meeting, matters put to the vote shall be decided by a majority vote of the holders of the Company's voting shares present at the General Meeting, unless otherwise specified by the Federal Law on Joint-Stock Companies.

16.4. A General Meeting may not adopt resolutions on matters which are not on its agenda or change the agenda.

Article 17. Proposing the agenda and notice of General Meeting

17.1. The agenda for a General Meeting shall be set by the Board of Directors in the course of preparations for a General Meeting.

17.2. A shareholder (shareholders) representing at least two (2) percent of the Company's voting shares shall be entitled to propose agenda items for an Annual General

Meeting and may nominate candidates to the Company's Board of Directors and Audit Committee, the number of such candidates not exceeding the number of members in each respective body.

These proposals shall be submitted to the Board of Directors no later than fifty (50) days after the end of the fiscal year. Proposed agenda items for a General Meeting and nominations should be submitted in writing, with an indication of the name (corporate name) of the proposing shareholder(s), the number and category (class) of the shares they hold, and signature of the shareholder(s). The shareholder(s) not registered with the register of shareholders of the Company are entitled to propose issues on the agenda of the General Meeting and propose nominations by means of providing the relevant instructions (orders) to the person keeping their share rights such instructions (orders) shall be formulated in accordance with the Law of the Russian Federation on Securities.

17.3. With regard to agenda proposals for a General Meeting, if no such proposals are made, if no candidates or an insufficient number of candidates have been proposed to create a body, the Board of Directors shall have the right to add items to the agenda of such General Meeting or to add candidates to the list of candidates at its own discretion.

17.4. A Notice of General Meeting shall be sent to the shareholders in writing (by certified mail or delivered against receipt) no later than twenty (20) days before the date of the meeting or no later than thirty (30) days before the date of the meeting if Company reorganization is on the agenda for the General Meeting.

17.5. All information (materials), which must be distributed to shareholders in accordance with the applicable law of the Russian Federation and these Articles of Association, shall be made available for familiarization to qualifying persons, during preparations for the General Meeting at a place indicated in the Notice of General Meeting, no later than twenty (20) days before the date of the meeting or no later than thirty (30) days before the date of the meeting if Company reorganization is on the General Meeting agenda. At the request of its stockholders, the Company shall provide copies of the above documents within no later than two (2) days. The voting ballot shall be sent or handed out against receipt to all persons entered in to the register of Shareholders and entitled to participate in the General Meeting within no later than twenty (20) working days before the General Meeting.

17.6. If there is a nominee shareholder on the Company's shareholder register, a Notice of General Meeting and all information (materials) that must be distributed to persons who are eligible to participate in the General Meeting and the voting ballot shall be provided to the registrar to be sent to the nominee shareholder having an account with the registrar.

The obligation of the Company to provide Notice of General Meeting and all information, materials shall be deemed fulfilled on the date of receipt by the nominee shareholder having an account with the registrar of the Company.

Article 18. Attending and voting at a General Meeting; minutes of a General Meeting

18.1. Shareholders shall participate in General Meetings in person or by proxy.

18.2. A shareholder's proxy at a General Meeting shall be authorized to act by written proxy. The proxy statement shall contain information about the shareholder and its proxy (for an individual: name and identity document details ((serial) number, date and place of issue, and issuing authority), for a legal entity: corporate name and registered address). A proxy must be issued in accordance with the requirements specified in the Civil Code of the Russian Federation or be notarized.

18.3. General Meetings shall be chaired by Chairman of the Board of Directors. In his or her absence, Deputy Chairman of the Board of Directors shall preside over the General Meeting. If both the Chairman of the Board of Directors and the Deputy Chairman of the Board of Directors are absent, a member of the Board of Directors will be appointed by the Board of Directors to chair the General Meeting. If none of the members of the Board of Directors are

present or if they refuse to take the chair, the Sole Executive Body will preside over the General Meeting.

The Company's registrar will be appointed to act as a Scrutineer at General Meetings.

18.4. The General Meeting will vote following the "one share-one vote" principle, except in cases where another voting procedure is prescribed by an applicable law of the Russian Federation.

18.5. Depending on the method of voting, shareholders can either participate in a joint General Meeting through personal attendance or vote by mail (polling).

Joint attendance at a General Meeting allows all shareholders to discuss the agenda and pass resolutions on the matters put to a vote.

When voting by mail or e-mail, shareholders can vote without convening to discuss the agenda and pass resolutions on the matters put to a vote. Voting by mail or e-mail shall not be allowed, if the agenda includes the election of members of the Board of Directors or Audit Committee, the approval of the Company's auditor, annual reports and annual financial statements, distribution of profits, including the payment (declaration) of dividends, and losses at the end of the fiscal year.

18.6. At General Meetings, shareholders vote with ballots and in the manner provided for in these Articles of Association and the Provisions on the General Meeting.

18.7 Having participated in the General Meeting by means of joint attendance are considered to be a shareholder who was registered for participation or whose ballots was received at least two days prior to holding such General Meeting. A shareholder shall be deemed to have participated in the General Meeting voting by mail ballot if his ballot was received prior to the deadline for submission of mail ballots.

18.8. The results of voting on matters considered at a General Meeting shall be recorded in the minutes of that General Meeting.

18.9. The Minutes of a General Meeting shall be completed no later than three (3) working days after the closing of the General Meeting or, if the voting was conducted by mail or e-mail, after the deadline for submission of mail ballots. The minutes shall be drawn up in duplicate and shall be signed by the person who presided over the General Meeting and by the Secretary of the General Meeting.

Article 19. The Board of Directors

19.1. The Board of Directors is the Company's collective governing body which has general charge and control of its affairs and decides on all matters, except those that fall within the competence of the General Meeting, the Management Board and the Sole Executive Body.

19.2. Shareholders may decide, at a General Meeting, to pay a remuneration to the members of the Board of Directors and (or) a compensation for the expenses incurred by them in the discharge of their duties as members of the Company's Board of Directors during the term of their appointment. The amount of such remuneration and compensation shall be resolved by the General Meeting.

19.3. Members of the Board of Directors shall be elected by the General Meeting for a term until the next Annual General Meeting.

Members of the Company's Board of Directors shall be elected by cumulative voting.

In cumulative voting, the votes held by each shareholder are multiplied by the number of persons to be elected into the Board of Directors; a shareholder may give all votes for one candidate or divide votes among the candidates as deemed appropriate. The candidates who receive the most votes will be elected to the Board of Directors.

If the Annual General Meeting does not convene at the time prescribed by these Articles, the powers of the Board of Directors shall be terminated save the powers related to the preparation, calling and holding of Annual General Meetings.

19.4. The number of members on the Board of Directors shall be determined by resolution of the General Meeting, but the Board cannot have fewer than seven (7) members. The General Meeting can terminate the appointment of the entire Board of Directors only before its term is due.

19.5. Only individuals (natural persons) can be members of the Board of Directors. A member of the Company's Board of Directors does not have to be a shareholder in the Company.

The Management Board cannot be more than one-fourth of the Board of Directors. A member of the Management Board cannot be the Chairman of the Board of Directors.

19.6. Persons elected to the Board of Directors may be re-elected any number of times.

19.7. The members of the Board of Directors are required to disclose the holders of the Company's securities and the sales and (or) purchases of the Company's securities.

19.8. The members of the Company's Board of Directors may access information on the Company's activities and familiarize themselves with its financial and other documents, demand compensation for damage caused to the Company, challenge the Company's transactions on grounds provided by applicable law, claim the application of the consequences of their invalidity, as well as claim the application of the consequences of invalidity of the Company's void transactions in the manner provided for by applicable law.

Article 20. The competence of the Board of Directors

20.1. The Board of Directors shall be competent to:

- 1) determination of the Company's business priorities ;
 - 2) approval of the Company's long-term plans and principal programs, annual and long-term business plans and annual investment program;
 - 3) review reports on the implementation of the Company's annual and long-term business plans and reports on the implementation of the Company's annual investment program;
 - 4) calling Annual and Extraordinary General Meeting, approve agenda for General Meetings, set the date to prepare a list of persons entitled to attend a General Meeting, and deal with other matters that fall within the competence of the Board of Directors and pertain to the preparation and conduct of General Meetings, except as otherwise provided by the Federal Law on Joint-Stock Companies;
 - 5) placement by the Company, new shares convertible from a certain class of preferred shares placed by the Company, convertible into other classes of common shares or preferred shares, unless such placement is made to increase the authorized capital of the Company, as well as place, on behalf of the Company, bonds or other issue-grade securities, other than shares;
 - 6) evaluation the price (money value) of assets, services or intellectual property rights (including when the Board of Directors and the General Meeting are to adopt decisions on authorization (future approval) of a major transaction or non-arm's length transactions), the offering price or the method to determine it, and the price for the repurchase of issued securities in cases provided for by applicable law of the Russian Federation and these Articles;
 - 7) acquisition by the Company of its own shares, bonds or other securities in those cases provided for by applicable law Russian Federation and these Articles;
 - 8) formation and dismissal of the Company's executive body executive bodies of the Company (including the collective executive body, i.e., the Management Board), and determine (change) the number of members to serve on the Management Board; elect and dismiss Management Board members and the Sole Executive Body; approve the terms and conditions of the contract with the Sole Executive Body and the management organization;
 - 9) determination of remuneration for the members of the Management Board;
 - 10) recommendations to the General Meeting on assigning the powers of the Sole Executive Body to a management organization or a manager under a contract;
 - 11) decision on suspending the powers of a management organization or a manager;
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12) pre-approval of the Company's annual report, approve report on non-arm's length transactions concluded by the Company this fiscal year;

13) recommendations to the General Meeting on the amount of remuneration and compensation to be paid to the members of the Audit Committee and the remuneration to be paid to the Company's auditor;

14) recommendations to the General Meeting on the amount of dividends to be paid out on the Company's shares, the manner and period of payment, and on the date for dividend payment eligibility;

15) use of the Company's reserve fund and other funds;;

16) approval of the Company's internal documents, except for any internal documents that are required by the Federal Law on Joint-Stock Companies to be approved by the General Meeting or any other internal documents that are required by applicable law and these Articles to be approved by the Management Board and the Sole Executive Body;

17) establishment and liquidation branches; start and close representative offices of the Company;

18) decision on the consent or subsequent approval of major transactions where required by the applicable law of the Russian Federation;

19) decision on the consent or subsequent approval of non-arm's length transactions where required by the applicable law of the Russian Federation;

20) approval of the Company's registrar and the terms and conditions of the contract with the registrar; decide on terminating the contract with the registrar;

21) approval of the Provisions on the Company's structural unit authorized to conduct internal audits of financial and business activities;

22) approval of a candidate for the head of the Company's structural unit authorized, among other, to conduct internal audits of the financial and business activities; approve the terms and conditions of the employment agreement (contract) with the head of this structural unit; and approve the dismissal of the head of the structural unit on initiative of the Company;

23) decision on the consent or subsequent approval transactions of the acquisition, disposition and encumbrance or transactions enabling disposition of assets in the form of shares, stakes and equities of legal entities and organizations (including establishing commercial organizations, allotment (distribution) of shares, stakes and equities in favor of the third parties), made between third parties, of the one part, and the Company, as well as any legal entity whose financial statements, in accordance with international standards, are consolidated with those of the Company (hereinafter referred to as the companies of the SIBUR Group), companies in which the Company has more than twenty percent (20%) shares or ownership interests, and subsidiaries of such companies, of the other part, except for any transactions that are subject to approval by the Board of Directors or the General Meeting for any other reason stipulated by the applicable law and these Articles of Association (seek authorization of transactions as non-arm's length transactions or major transactions);

24) decision on the consent or subsequent approval transaction or several related transactions that involve external financing (including a loan, credit, pledge, or surety) or acquire, dispose or consider possible, direct or indirect, disposition of assets by the Company, companies in which the Company has more than twenty percent (20%) shares or ownership interests, and subsidiaries of such companies, where the amount of such financing or the cost of such assets equals or exceeds five percent (5 %) of the book value of the Company's assets according to the Company's last reported accounting data, except for transactions that are part of the Company's normal business activities or transactions that otherwise require the approval or coordination of the Board of Directors or the General Meeting under applicable law and these Articles of Association (including the approval of non arm's-length or major transactions or other transactions requiring approval subject to subparagraph 23 of this paragraph), and except for transactions between legal entities inside the SIBUR Group;

25) decision on approving documents related to the issue of new shares or other issue-grade securities where approval is vested with the Board of Directors under applicable law;

26) proposal to the General Meeting the authorization (future approval) of major transactions worth twenty five percent (25%) to fifty percent (50%) of the Company's assets in the cases provided for in Chapter X of the Federal Law on Joint-Stock Companies;

27) approval of reports on major transactions as provided under applicable law;

28) creation of the committees of the Board of Directors; approve the staffing and composition of the committees and the Provisions on the Committees of the Board of Directors; review the annual reports of these committees or any other reports specified in the Provisions on the Committees of the Board of Directors;

29) approval of the key performance indicators for the performance contract with the Management Organization and approve the KPI implementation report;

30) approval of dismissal of the Sole Executive Body of subsidiary, approve candidates for appointment the Sole Executive Body of subsidiary when such subsidiary is the management organization of the Company

31) filing an application for listing of the Company's shares and (or) other issued securities that are convertible into Company shares;

32) decisions on any other matters, which fall within the competence of the Board of Directors in accordance with the applicable laws of the Russian Federation and these Articles of Association.

20.2. Matters reserved to the competence of the Board of Directors cannot be delegated to the executive bodies of the Company.

20.3. The Board of Directors, as advised by the Chairman of the Management Board, may also deal with other matters that are outside of its competence (except for matters, which are reserved to the competence of the General Meeting) but are highly important for the activities of the Company.

Article 21. Committees of the Board of Directors

21.1. To deal with individual tasks of the Company, the Board of Directors may create respective committees, including an audit committee, a human resources and remuneration committee, etc.

21.2. A committee of the Board of Directors shall exercise its function in accordance with the respective committee provision approved by the Board of Directors.

21.3. The Board of Directors shall be responsible to appoint members of a committee of the Board of Directors.

21.4. A committee of the Board of Directors shall meet as such need arises and as required by the relevant committee provisions approved by the Board of Directors.

21.5. Committees of the Board of Directors may hold joint meetings.

Article 22. Chairman of the Board of Directors and Deputy Chairman of the Board of Directors

22.1. Members of the Board of Directors shall elect one of their members as Chairman of the Board of Directors by a majority of the total votes of the members of the Board of Directors.

The Sole Executive Body or members of the Management Board shall not concurrently serve as Chairman of the Board of Directors.

22.2. The Chairman of the Company's Board of Directors shall organize the work of the Board of Directors, shall call, approve the agenda for and preside over the meetings of the Board of Directors, shall arrange the keeping of the minutes of the meetings, and shall preside over General Meetings.

22.3. In the absence of the Chairman of the Board of Directors, the Deputy Chairman of the Board of Directors shall perform as the Chairman.

22.4. The Deputy Chairman of the Board of Directors shall be elected by the Board of Directors from among its members by a majority of the total votes of the members of the Board of Directors, for the same term as the Chairman of the Board of Directors.

Article 23. Meetings of the Board of Directors

23.1. The Board of Directors can pass resolutions through joint meetings or through votes by mail ballot (polling). The procedure for holding meetings is set out in the Provisions on the Board of Directors.

23.2. The Chairman of the Board of Directors will call a meeting of the Board of Directors on his own initiative or upon request of a member of the Board of Directors, Audit Committee, the Company's auditor, Sole Executive Body, or the Management Board.

In the absence of the Chairman of the Board of Directors, the Deputy Chairman of the Board of Directors may call a meeting of the Board of Directors with the prior written consent of the Chairman of the Board of Directors, or, if the Deputy Chairman of the Board of Directors is also absent, by any member of the Board of Directors, also with the prior written consent of the Chairman of the Board of Directors. In this case, the members of the Board of Directors present at the meeting shall elect one of their numbers to chair the meeting of the Board of Directors. As far as this meeting is concerned, the elected member shall perform all duties and shall exercise all rights of the Chairman of the Board of Directors.

The member of the Board of Directors chairing a meeting of the Board of Directors in the absence of the Chairman of the Board of Directors shall not be entitled to a casting vote at the meeting of the Board of Directors.

23.3. The quorum for a meeting of the Board of Directors shall consist of at least half of all elected members of the Board of Directors. A written opinion of an absent member of the Board of Directors on the agenda items shall be taken into account when determining a quorum and the voting returns at a meeting of the Board of Directors. A member of the Board of Directors shall be deemed present at a meeting, if he or she participates at the meeting over the phone or through 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.

23.4. The Secretary of the Board of Directors will provide organizational support to the activities of the Board of Directors and will keep the minutes of its meetings. The appointment and dismissal of the Secretary is the competence of the Board of Directors.

23.5. The procedure for calling and holding meetings of the Board of Directors is detailed in the Board of Directors provisions approved by the General Meeting.

23.6. The member chairing a meeting of the Board of Directors and the Secretary of the Board of Directors shall sign the minutes of the meeting of the Board of Directors. The minutes of the poll of the Board membership (voting by mail) shall be signed by the Chairman of the Board of Directors and the Secretary of the Board of Directors.

Article 24. Resolution of the Board of Directors

24.1. At a meeting of the Board of Directors, when matters are put to the vote, each member of the Board of Directors shall have one vote. Members of the Board of Directors may not transfer their votes to other persons, including to other members of the Board of Directors.

Opinions, submitted in writing, of absent members of the Board of Directors shall be taken into account when determining a quorum and the voting returns.

24.2. At a meeting of the Board of Directors, resolutions shall be passed by a majority vote of the members of the Board of Directors present at the meeting, unless a different procedure is provided for by applicable law of the Russian Federation or these Articles.

24.3. If the votes split equally during the voting, the Chairman of the Board of Directors shall have the casting vote.

Article 25. The executive bodies of the Company. Chief Executive Body of the Company

25.1. The Company has the following executive bodies: the Sole Executive Body (General Director) and the Management Board (the collective executive body).

25.2. The Sole Executive Body and the members of the Management Board shall be appointed by the Board of Directors for a three (3) year term, unless a different term is specified by resolution of the Board of Directors. The term of appointment of the Sole Executive Body and members of the Management Board may be extended any number of times by resolution of the Board of Directors. The Board of Directors may, at any time, terminate the appointment of the Sole Executive Body and any member of the Management Board.

25.3. The Sole Executive Body has the rights and obligations prescribed by the applicable laws of the Russian Federation, these Articles and the contract between the Sole Executive Body and the Company. This contract will be signed, on behalf of the Company, by the Chairman of the Board of Directors or a person authorized to do so by resolution of the Board of Directors.

The members of the Management Board have the rights and obligations prescribed by the applicable laws of the Russian Federation, these Articles and the Management Board provisions approved by the General Meeting. Members of the Management Board can be parties to contracts signed on behalf of the Company by the Chairman of the Board of Directors or a person authorized to do so by resolution of the Board of Directors.

25.4. The Sole Executive Body may appoint deputies, who shall function within the competence defined by executive order of the Sole Executive Body. Deputies of the Sole Executive Body shall act on behalf of the Company under the powers of attorney issued by the Sole Executive Body.

25.5. The Sole Executive Body shall endorse the organizational structure of the Company.

25.6. The Sole Executive Body may appoint one of its deputies to act as the Sole Executive Body when not available due to vacation, business trip or a short-term absence for any other reason.

25.7. The Sole Executive Body shall be in charge of the day-to-day running of the Company with the exception of the matters reserved to the competence of the General Meeting, the Board of Directors and the Management Board.

25.8. The Sole Executive Body shall:

- act on behalf of the Company without a power of attorney;
 - act, on behalf of the Company, to originate, alter or terminate the rights and obligations of the Company in its relations with natural persons, legal entities and government institutions, including perform all acts and sign all documents on behalf of the Company, represent the Company at any external body to settle any matters which fall within the competence of the Company's Sole Executive Body in accordance with these Articles of Association and the Federal Law on Joint- Stock Companies;
 - make decision on the Company's transactions, except for any transactions the approval of which is reserved by these Articles to the competence of the General Meeting, the Board of Directors and the Management Board;
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- exercise the Company's rights of a shareholder (member) in other legal entities, except for any matters which, under these Articles, are reserved to the competence of the Company's Management Board;
 - decide on the Company's participation and termination of the Company's participation in other organizations, except as provided for in subparagraphs 18, 19 and 21 of paragraphs 15.1 and subparagraphs 18, 19, 23, and 24 of paragraph 20.1 hereof;
 - issue, on behalf of the Company, powers of attorney for representation, including delegable powers of attorney;
 - approve the organizational structure and staffing schedule of the Company, its branches and representative offices; determine the forms, systems and amounts of salaries and emoluments;
 - manage the preparation of the Company's prospective plans and principal programs, annual and long-term business plans, and the Company's annual investment program;
 - hire and dismiss Company employees and sign employment contracts on behalf of the Company;
 - issue orders, directives and instructions that will be binding on all employees of the Company;
 - approve the Company's internal rules and regulations concerning the day-to-day operations of the Company, if the approval of such rules and regulations is reserved, by applicable law and these Articles, to the competence of the Sole Executive Body;
 - open accounts in banks;
 - provide control over the use of material, financial and human resources;
 - approve the list of information which contains trade secrets or is confidential;
 - keep the Company's business activities compliant with the applicable laws of the Russian Federation;
 - adopt resolutions on filing claims and lawsuits against natural persons and legal entities on behalf of the Company; exercise the rights of a shareholder (member) in the business organizations in which the Company participates;
 - report to the Board of Directors in the manner, within the period of time and in the form as prescribed by the Board of Directors;
 - deal with other matters regarding the day-to-day activities of the Company.

25.9. The Sole Executive Body and members of the Management Board are required to disclose the holders of the Company's securities, as well as the sales and (or) purchases of the Company's securities.

Article 26. The Collective Executive Body of the Company

26.1. The Management Board of the Company shall act under the authority granted in the Articles of Association of the Company and the Management Board Provisions approved by the General Meeting. The number of members on the Management Board shall be determined by the Board of Directors of the Company and shall be optimal for a constructive discussion and for adoption of prompt and effective decisions. The Management Board shall not have more than fifteen (15) members.

26.2. The Management Board shall be competent to:

- 1) organization of effective the day-to-day management of the Company;
 - 2) approval of the general development strategy of subsidiaries of PJSC "SIBUR Holding", including adoption of unified production and technical, financial, price, marketing, social and personnel policy;
 - 3) pre-approval of the annual and long-term business plan of the Company, including
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financial, economic and production indicators for all principal areas of activity, annual investment programme of the companies; consider progress report on annual and long-term business plan and investment programme of the Company;

4) appointing and dismissal of the heads of the Company's branches and representative offices;

5) approval and assessment of a list of key risks of the Company and endorse procedures and measures to manage such risks, consider implementation reports;

6) consideration of progress reports on high-budget investment projects and reports on post-investment monitoring (including key assets support projects and assets acquisition/disposition projects);

7) approval of formation and abolition of permanent collective consultative bodies of the Management Board; approve number of members, personnel, and (or) positions, approve documents guiding activities and approve proposed changes in the composition of such permanent collective consultative bodies; consider annual reports on activities of permanent collective consultative bodies;

26.3. A meeting of the Management Board will be competent to transact business (will have a quorum) if attended by at least half of all elected members of the Management Board. A written opinion of an absent member of the Management Board on the agenda items shall be taken into account when determining a quorum and the voting returns at a meeting of the Management Board. A member of the Management Board shall be deemed present at a meeting, if he or she participates at the meeting over the phone or through 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.

Should the number of members on the Management Board become less than the number of members required to constitute a quorum, the Company's Board of Directors shall create a Board that will be competent to pass decisions.

26.4. At the meetings of the Management Board, resolutions shall be passed by a majority vote of the members of the Management Board present, including by written opinions expressed by absent members on the agenda.

26.5. The Secretary of the Management Board, who is appointed by the Chairman of the Management Board, will provide organizational support to the activities of the Management Board and will keep the minutes of its meetings. The person who chaired a meeting shall also sign the minutes of that meeting. The minutes of voting by mail ballot (polling) shall be signed by the Chairman of the Management Board.

26.6. The procedure for calling and holding meetings of the Management Board is detailed in the Management Board provisions approved by the General Meeting.

26.7. The Board of Directors may decide to pay a remuneration to the members of the Management Board and (or) compensation for the expenses incurred by them in the discharge of their duties as members of the Management Board. The amount of such remuneration and compensation is subject to resolution of the Board of Directors.

26.8 If the powers of the Sole Executive Body are transferred to a management organization the Chairman of the Management Board shall appoint person that will serve as a Sole Executive Body of such management organization in line with the articles of association of the management organization.

Article 27. Management organization

27.1. The powers vested in the Sole Executive Body can be transferred to a contracted management organization by resolution of the General Meeting. The General Meeting shall require a recommendation of the Board of Directors to adopt a resolution on assigning the powers of the Sole Executive Body to a management organization.

27.2. The Federal Law on Joint-Stock Companies, these Articles of Association and a contract between the organization and the Company shall govern the rights and obligations of a management organization in charge of the day-to-day management of the Company. The Board of Directors shall formulate the terms and conditions of the contract.

27.3. The contract with a managing organization will be signed, on behalf of the Company, by the Chairman of the Board of Directors or another person authorized to do so by the Board of Directors.

27.4. The Board of Directors may resolve to suspend the powers of a managing organization if formation of additional bodies is vested with the General Meeting. Concurrently with the adoption of such resolution, the Board of Directors shall adopt a resolution to appoint a temporary Sole Executive Body and to call an Extraordinary General Meeting to resolve on the termination of the appointment of the management organization and a new Sole Executive Body or assignment of the powers of the Sole Executive Body to a management organization.

27.5. The competence of a management organization will include all matters related to the day-to-day running of the Company, except for matters that are reserved to the competence of the General Meeting, the Board of Directors and the Management Board. A management organization shall have the right to request a meeting of the Board of Directors.

27.6. The sole executive body of a managing organization cannot be the Chairman of the Board of Directors.

27.7. A management organization shall be responsible to appropriately manage the use of information that constitutes state secrets, for the management, condition and accuracy of the Company's accounts, for timely submission of the annual report and other financial statements to competent authorities and for disclosure of the Company's activities to shareholders, creditors and the mass media.

Article 28. Major transactions. Non-arm's length transactions

28.1. The governing bodies of the Company shall decide on the authorization or future approval of all major transactions and non-arm's-length transactions in accordance with the applicable laws of the Russian Federation and these Articles of Association.

28.2 The Notice to the Company of non-arm's-length transaction shall be sent to the members of the Board of Directors and the Management Board at least five (5) days prior to conclusion of such transactions, Such notice shall be sent as provided by Provisions on the Board of Directors of the Company for notifications of meetings of the Board of Directors.

Article 29. The Audit Committee

29.1. The Company's financial and business activities shall be reviewed by the Audit Committee, which will consist of three (3) members elected by the General Meeting for a term until the next Annual General Meeting.

29.2. Shareholders may decide, at a General Meeting, to pay a remuneration to the members of the Audit Committee and (or) to pay a compensation for the expenses incurred by them in the discharge of their duties as members of the Audit Committee during the term of their appointment. The amount of such remuneration and compensation shall be as advised by the Board of Directors and approved by resolution of the General Meeting.

29.3. In addition to the matters stipulated by the Federal Law on Joint-Stock Companies, the Audit Committee shall be competent to:

1) audit and analyze the Company's financial position, solvency, and system of internal control, system of financial and operational risk management, asset liquidity, and debt-to-equity ratio;

2) audit, for timeliness and accuracy, contractor accounts and budgetary payments, as well as salaries and emoluments, social insurance, the accrual and payment of dividends and

other payments;

3) audit compliance with the applicable standards and regulations, approved budgets and other rules and regulations of the Company with regard to the utilization of materials, human and financial resources in the manufacturing, financial and business activities, as well as audit compliance with the resolutions of the General Meeting;

4) audit the legality of the Company's business operations and transactions performed on behalf of the Company under contracts;

5) audit the effective use of assets, funds, property, and other resources of the Company; investigate the reasons for downtime and overheads;

6) review compliance with the orders to eliminate violations and shortcomings identified by the Audit Committee earlier;

7) audit the resolutions of the Board of Directors and Management Board on matters of the financial and business activity of the Company for compliance with the Articles of Association of the Company and the resolutions of the General Meeting.

29.4. After reviewing the financial and business activity of the Company, the Audit Committee will prepare a report which shall contain:

confirmation of the accuracy of the data contained in the Company's reports and other financial statements;

information on any violations of accounting and financial reporting procedures specified in the laws and regulations of the Russian Federation, as well as any violations of the laws and regulations of the Russian Federation found in the course of business.

29.5. The operating procedures of the Audit Committee are detailed in the Audit Committee provisions approved by the General Meeting.

Article 30. The Company's Auditor

30.1. The Company's auditor (auditing organization) shall be contracted to audit compliance of the Company's financial and business activity with respective laws and regulations of the Russian Federation.

30.2. The Board of Directors shall select candidates for the Company's auditor. The Company's auditor shall be approved by the General Meeting. The remuneration for its services shall be determined by the Board of Directors.

30.3. After auditing the Company's financial and business activity, the auditor shall prepare an auditor's report, which shall contain:

confirmation of the accuracy of the data contained in the Company's reports and other financial statements;

information on any violations of accounting and financial reporting procedures specified in the laws and regulations of the Russian Federation, as well as any violations of the laws and regulations of the Russian Federation found in the course of business.

30.4. Shareholders owning ten (10) percent or more of the shares will be entitled to demand an audit of the Company's books. The expenses of an audit shall be paid by the shareholder demanding the audit.

Article 31. Accounting, reporting and documents of the Company

31.1. The Company shall maintain the accounts and shall file financial statements in accordance with the procedures laid down by the applicable laws of the Russian Federation.

31.2. The Audit Committee shall confirm the accuracy of the data contained in the Company's annual report, report on non-arm's length transactions concluded by the Company this fiscal year, and annual financial statements.

31.3. The Board of Directors shall pre-approve the Company's annual report no later than thirty (30) days before the date of a General Meeting.

31.4. The Company's fiscal year corresponds to the calendar year and runs from January 1 to December 31.

31.5. The Sole Executive Body shall be responsible for the organization, condition and accuracy of the Company's accounting records, the timely submission of the annual report to the appropriate authorities, as well as for the disclosure of the Company's activities to its shareholders, creditors and the mass media.

31.6. The Company shall keep the following documents at the offices of its executive bodies in the manner and for the period of time prescribed by the applicable laws of the Russian Federation:

- the incorporation agreement;
- the Articles of Association of the Company, duly registered amendments and modifications to the Articles of Association; the resolution to form the Company; the Company's incorporation document;
- proof the Company's ownership of the assets on its balance sheet;
- internal documents of the Company;
- provisions on the Company's existing branches and representative offices;
- annual reports;
- accounting records;
- accounting statements;
- minutes of General Meetings, Board of Directors meetings, meetings of the committees of the Board of Directors, Management Board meetings and Audit Committee meetings;
- ballots and proxies for General Meetings;
- assessor reports;
- lists of the Company's affiliates;
- lists of persons entitled to attend General Meetings and to receive dividends; other Company lists relating to shareholder rights in accordance with the applicable laws of the Russian Federation;
- reports of the Audit Committee and the Company's auditor; findings of national and municipal fiscal authorities;
- contract for the transfer of the powers of the Sole Executive Body to a management organization, including all modifications and amendments thereto;
- other documents prescribed by the applicable laws of the Russian Federation, these Articles, the Company's internal documents, resolutions of the General Meeting, Board of Directors, Management Board and Sole Executive Body.

Article 32. Disclosure

32.1. The Company will provide shareholders access, which is mandated under applicable laws of the Russian Federation, to documents, as well as to the Company's internal documents pursuant to written requests of shareholders and resolutions of the Board of Directors.

32.2. Shareholders representing at least twenty five percent (25%) of the Company's voting shares shall be entitled to have access to the Company's documents, including accounting

documents and documents presented to members of the Board of Directors on matters to be considered by the Board of Directors.

32.3. Documents requested by shareholders, provided these shareholders are entitled to receive (examine) them, shall be made available for examination by shareholders at the office of the Sole Executive Body within seven (7) working days of receipt of such request. Within the aforementioned period, copies of documents requested by shareholders can be delivered to them by any method agreed upon with the shareholders. If the documents cannot be made available within the above period, a shareholder shall be informed of the time when the documents will be provided.

32.4. In the event of non-disclosure of such requested information, officers responsible for disclosure to the Company's shareholders shall be held responsible under the applicable laws of the Russian Federation and the internal documents of the Company.

32.5. All members of the Board of Directors, members of the Management Board, the Sole Executive Body (management organization), members of the Audit Committee, and the Company's employees shall adhere to the Company's insider information policy adopted by the Board of Directors, including any measures to protect such information.

32.6. The obligation of non-disclosure of any insider information of the Company obtained by the persons mentioned in paragraph 32.5 hereof in connection with their duties shall remain in force for at least five (5) years after termination of their appointment (expiration or termination of their employment or other contract with the Company).

Article 33. Reorganization of the Company

33.1. The Company can be reorganized voluntarily through a merger or consolidation, demerger, transfer, or transformation in the manner prescribed by applicable law of the Russian Federation. The decision on reorganization shall be taken by the General Meeting.

33.2 In the case of reorganization of the Company, its rights and obligations shall pass to its legal successor(s) in the manner prescribed in the laws and regulations of the Russian Federation.

33.3. Except for reorganization in the form of absorption, the Company shall be deemed to have been reorganized after state registration of the newly established legal entities. When reorganization of the Company is carried out through absorption of the Company by another company the Company shall be deemed to have been reorganized when an entry is made in the Uniform State Register of Legal Entities concerning the winding-up of the Company.

Article 34. Liquidation of the Company

34.1. The Company can be liquidated voluntarily or by a court order, in the manner prescribed by applicable law of the Russian Federation and these Articles.

34.2. In the case of liquidation of the Company, except in the case of liquidation by a court order, the Board of Directors shall put the resolution on the liquidation of the Company and the appointment of a Liquidation Committee to the vote at a General Meeting. Upon its appointment, the Liquidation Committee shall be fully authorized to manage the affairs of the Company. The Liquidation Committee shall represent the Company in court.

34.3. The applicable laws of the Russian Federation shall govern the liquidation of the Company and the distribution of the assets remaining after payments of all liabilities and distributions.

34.4. Liquidation of the Company shall be deemed to have been completed and the Company wound up after a respective entry has been made in the Uniform State Register of Legal Entities.

Article 35. The operation of the Articles of Association

35.1. These Articles of Association and any modifications and amendments thereto shall take effect, in respect of third persons, upon registration or, in cases provided by applicable law, upon notification of the registration authority.

35.2. The Company's shareholders and bodies, as this does not affect the rights of any third parties, shall be guided by these Articles of Association and any amendments and modifications thereto beginning from the date of their approval by the General Meeting or, in cases provided by applicable law, by the Board of Directors.

35.3. Should any of the terms set forth in these Articles of Association conflict with applicable law, the Company and its shareholders shall be guided by the applicable law.

35.4. The invalidity of any provision of these Articles of Association will not affect the validity of the remaining provisions hereof. If a new regulation is enacted that invalidates individual provisions of these Articles of Association and requires amending the Articles, shareholders shall pass the appropriate amendments to these Articles of Association.
