

**APPROVED**  
**by Resolution**  
**of the General Shareholders' Meeting**  
**of PJSC "SIBUR Holding"**  
**of April 08, 2019**  
**(minutes No. 61)**

**CHARTER**  
**of the Public Joint Stock Company**  
**"SIBUR Holding"**

(version No. 20)

**Tobolsk**  
**2019**

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### **Article 1. General**

1.1. The Public Joint Stock Company "SUBUR Holding" (hereinafter referred to as "the Company") is established in accordance with the Russian Federation laws being in force.

1.2. The legal status of the Company, the rights and obligations of its shareholders shall be defined by the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies", other legal acts of the Russian Federation and this Charter.

1.3. The Company shall be established for an unlimited period.

### **Article 2. Corporate name and registered address of the Company**

2.1. The corporate name of the Company in the Russian language;

full name – Публичное акционерное компания «СИБУР Холдинг»;

short name – ПАО «СИБУР Холдинг».

2.2. The corporate name of the Company in the English language:

full name – Public Joint Stock Company "SIBUR Holding";

short name - PJSC "SIBUR Holding".

2.3. The registered address of the Company: 6 Block 1, building 30, the Eastern Industrial District, Tobolsk, 626150, Tyumen Region.

### **Article 3. Legal status of the Company**

3.1. The Company shall be a legal entity from the time of its registration, own its separate property, may on its name acquire and exercise the civil rights and bear the civil obligations, sue and be sued.

3.2. The Company shall be a public joint stock company.

3.3. The Company shall have the civil rights and bear the obligations required for carrying out any types of activities not prohibited by the laws being in force.

3.4. The Shareholders shall not be liable for the obligations of the Company and bear the risk of losses connected with its activities within the value of the shares owned by them.

3.5. The Shareholders, who have not paid up their shares in full, shall be jointly and severally liable for the obligations of the Company within the unpaid part of the value of the shares owned by them.

3.6. The Company Shareholders may be natural persons and legal entities.

3.7. In accordance with the laws being in force the Company shall open bank accounts in the Russian Federation and beyond it in rubles and foreign currency.

3.8. The Company shall own the property transferred to it by the shareholders for paying up their shares.

3.9. In accordance with the established procedure the Company shall have the right to participate in the formation of other organizations within and outside the Russian Federation, acquire participation interests (shares) in the authorized capitals thereof, buildings, structures, land, rights to use natural resources, securities and also any other property, which may be owned by a legal entity according to the Russian Federation laws being in force.

3.10. The Company shall maintain the financial, statistic and tax accounting in accordance with the Russian Federation laws being in force.

3.11. In cooperation with the governmental bodies the Company shall make arrangements for mobilization training and organization of civil defense and also perform other work involving the information constituting a state secret. The Individual Executive Body shall be liable for due organization of the work involving the information constituting a state secret. Upon the reorganization or liquidation of the Company or the termination of the work connected with using the information considered as a state secret the Company shall be bound to ensure the integrity of such information and storage devices thereof.

3.12. The Company shall have a round seal bearing its full corporate name in the Russian language and its registered address; the seal may also specify the corporate name of the Company in any foreign language or languages of the peoples of the Russian Federation. The Company may have letterheads, stamps bearing its name in the Russian or any foreign language and image of its trademark, own emblem, trademark and other visual identification facilities.

### **Article 4. Responsibility of the Company**

4.1. The Company shall be liable for its obligations by all the property owned by the Company.

4.2. The Company Shareholders shall not be liable for the obligations of the Company and the Company shall not be liable for the obligations of its shareholders except for the cases provided for by the laws being in force.

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

#### **Article 5. Branches and representative offices, subsidiary companies**

5.1. By a resolution of the Board of Directors the Company may establish branches and open representative offices both within and outside the Russian Federation.

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 the basis of the Regulations approved by the Board of Directors of the Company. The Company shall vest its branches and representative offices with properties which shall be booked both on their segregated balance sheets and on the Company's balance sheet. The Company shall be liable for the activities of its branches and representative offices. The heads of the branches and representative offices shall be appointed to and removed from office on the basis of a resolution of the Management Board of the Company and act on the basis of the power of attorney issued by the Company.

5.3. The Company may have subsidiary companies with the rights of legal entity both within and outside the Russian Federation.

5.4. The Company shall establish subsidiary business companies, open branches and representative offices outside the Russian Federation in accordance with this Charter and laws of the foreign state at the location of subsidiary business companies, branches and representative offices, unless otherwise is provided for by the international treaty of the Russian Federation.

#### **Article 6. Objective and core activities of the Company**

6.1. The objective, for which the Company is established, shall be earning profit by organizing production and selling of products, performing trade transactions, providing market and other services and carrying out other activities not prohibited by the Russian Federation laws being in force.

6.2. The core activities of the Company shall be:

- wholesale trading in petrochemical products, various textile goods, synthetic and hydrolyzed ethyl alcohol, other organic chemicals;
- organization of extraction (including exploration and drilling), transportation and processing of oil, petroleum products, condensate, gas and other minerals, production of wide fraction of light hydrocarbons, petroleum, petrochemical and other products, sale of gas, condensate, oil, petroleum products, other products of processing of hydrocarbon and other raw materials;
- implementation and/or participation in the implementation of investment and research programs and projects for the development of oil-gas-condensate deposits, processing of crude hydrocarbons, development of catalyst agents, absorbents, new types of products for the purpose of providing the most effective extraction and processing of condensate, gas, oil and other raw material resources through the development and technical retooling and upgrading of production facilities, through deeper processing of raw materials, organization of production of chemical and petrochemical products;
- investment activities, including securities transactions carried out in accordance with the Russian Federation laws being in force and also by establishing banking and investment organizations, insurance companies and pension funds;
- organization of cargo carriage by rail, sea and motor transport;
- organization of wholesale and retail trading in consumer goods;
- organization of advertising and publishing activities, holding of exhibitions, exhibitions-sales, auctions etc.;
- organization of all types of transportation and forwarding services, including declaration, customs clearance and insurance of cargo;
- construction, reconstruction, repair and maintenance of industrial, residential, cultural and social, trading and other buildings and facilities;

- agency, consulting, marketing, foreign economic activities, including export-import transactions;
- acquisition of precious metals, including scrap, waste and dead catalysts, delivery thereof to processing enterprises of the Russian Federation for processing and subsequent sale of end products in accordance with the procedure established by the applicable laws.

6.3. The Company shall also have the right to carry out any types of activities not prohibited by the Russian Federation laws being in force. Some types of activities, the list of which is determined by the federal laws, may be carried out by the Company subject only to available special permit (license) or from the time of the admission to the self-regulated organization or issue of the authorization certificate by the self-regulated organization for performing a certain type of work.

#### **Article 7. Authorized capital of the Company. Outstanding and authorized shares**

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

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

7.3. The shares in the Company may be paid up by cash, things, shares (participation interests) in the authorized (joint-stock) capitals of other business partnerships and companies, by governmental and municipal bonds or money-evaluable exclusive, other intellectual rights and rights under license contracts, unless otherwise established by the legislation.

7.4. In case of payment of additional shares by non-cash means the money value of the property to be contributed for payment of such shares shall be appraised by the Board of Directors of the Company pursuant to article 77 of the Federal Law "On Joint-Stock Companies".

7.5. The authorized capital of the Company may be:

- increased by augmenting the nominal value of the shares at the expense of the Company's property or by placing additional shares;
- decreased by reducing the nominal value of the shares or cutting the total quantity thereof, including by acquisition and retirement of a part of the shares.

7.6. A resolution to increase the authorized capital of the Company by augmenting the nominal value of its shares shall be passed by a majority vote of the shareholders participating at the General Shareholders' Meeting.

7.7. A resolution to increase the authorized capital by placing additional shares by closed subscription, public subscription to ordinary shares representing more than 25 (twenty-five) percent of the outstanding ordinary shares, by public subscription to convertible-to-ordinary shares securities which can be converted into ordinary shares representing more than 25 (twenty-five) percent of the outstanding ordinary shares, shall be passed at the General Shareholders' Meeting, by a three-fourths majority vote of the shareholders holding voting shares and participating in the General Shareholders' Meeting.

Any additional shares may be placed by the Company only within the quantity of the authorized shares established by the Charter of the Company.

7.8. A resolution to decrease the authorized capital and introduce relevant amendments to the Charter of the Company shall be passed by the General Shareholders' Meeting as required by the Russian Federation laws being in force.

7.9. On the basis of a resolution of the Board of Directors the Company may acquire its outstanding shares with the option for their subsequent public trading. The shares acquired by the Company in accordance with this clause shall not grant the right to vote; shall be disregarded for the purpose of summing up votes; and no dividends shall accrue on them; such shares shall be sold at a price no lower than the market price thereof no later than one year of the date of the acquisition thereof. Failing this, the General Shareholders' Meeting shall pass a resolution on decreasing the authorized capital of the Company through cancellation of the

above mentioned shares.

### **Article 8. Corporate 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 the legal acts of the Russian Federation related to securities.

8.2. Bonds and other issue-grade securities of the Company shall be issued by a resolution of the Board of Directors except for the cases where bonds are issued by a resolution of the General Shareholders' Meeting pursuant to the Federal Law "on Joint -Stock Companies".

8.3. A bond shall certify the right of its holder to demand its redemption (payment of its nominal value or nominal value plus interest) at the predetermined time. A bond issue resolution shall specify the form, maturity and other terms of the bond redemption.

8.4. A bond shall have a nominal value.

8.5. The Company may issue bonds with non-recurrent maturity or bonds with maturity by series at the fixed time.

Bonds may be registered or pay-to-bearer. In case of issue of registered bonds the Company shall keep the register of bond holders. The Company may provide the option for early redemption at the will of the owners thereof.

### **Article 9. Rights and obligations of the Company shareholders**

9.1. The Shareholders owning ordinary shares shall have the right to:

- participate in the General Shareholders' Meeting and vote on all the matters within its competence;
- receive dividends;
- in case of Company liquidation, receive a part of its property remained after the settlements with the creditors;
- participate in the management of the Company's affairs as provided for by the Russian Federation laws being in force;
- challenge resolutions of the governing bodies of the Company and also transactions made by the Company on the grounds stipulated by the applicable laws, claim for application of the consequences of the invalidity thereof and application of the consequences of the invalidity of null and void transactions of the Company, claim for compensation of the losses caused to the Company in accordance with the procedure and time-limit stipulated by the applicable laws;
- receive information on the activities of the Company in the events and in accordance with the procedure provided for by the Russian Federation laws being in force, this Charter and Corporate Code of Conduct approved by the Board of Directors.

9.2. The shareholders, challenging any resolution of the General Shareholders' Meeting, and the shareholders, members of the Board of Directors or Company, claiming for compensation of the losses caused to the Company or invalidation of a Company's transaction or application of the consequences of the invalidity of a transaction, shall take reasonable measures for notifying promptly the other Company shareholders and in the relevant events the Company of the intent to take legal actions and also provide to them any other information related to the case.

A Company shareholder or member of the Board of Directors intending to take legal actions in accordance with this clause of the Charter shall send a written notice of this to the address of the Individual Executive Body of the Company by post or courier service no later than five (5) days prior to the time of the legal recourse.

Upon receiving such written notice the Company shall be bound, no later than three (3) days of the receipt of the confirmation of the court's acceptance for hearing of the lawsuit, specified in the first paragraph of this clause, to publish such notice with all the documents attached to it on the Company's page in the Internet.

In the events where the Company intends to refer to the court the claim, specified in the first paragraph of this clause, the Company shall be bound to send the notice of this and all the information related to the case to all the Company shareholders in accordance with the procedure provided for notification of holding of the Company General Shareholders' Meeting and also publish this notice with all the documents attached to it on the Internet page of the Company no later than ten (10) business days prior to the time of referring to the court.

The notice of a shareholder or the Company provided for in this clause shall contain the corporate name (name) of the defendant (s), corporate name (name) of the person intending to

file a lawsuit, claim of the person intending to file a lawsuit, short description of the circumstances, on which the claims of the person intending to file a lawsuit are based, name of the arbitration court, with which the person intends to file the lawsuit.

The Company shareholders failing to join, as provided for by the procedural legislation, a lawsuit for challenging a resolution of the General Shareholders' Meeting, to receive a compensation for the losses caused to the Company or the lawsuit for invalidating a transaction made by the Company or for applying the consequences of the invalidity of a transaction, may not refer similar claims to the court later, unless the court considers as justifiable the reasons for such referring.

9.3. A shareholder (shareholders) owning in the aggregate at least ten (10) percent of the Company voting shares shall be entitled to demand separate audits of the Company's activities to be held by independent auditors.

9.4. The Company shareholders shall:

- abide by this Charter;
- pay up shares in the Company as stipulated by the Russian Federation laws being in force and this Charter;
- exercise their rights reasonably and in good faith; take no actions aimed intentionally at causing damage to the Company, in particular, disclose no confidential information on the Company's activities;
- participate in taking corporate decisions, without which the Company cannot continue its activities in accordance with the laws, if their participation is required for taking such decisions;
- perform no actions (inaction), which make it more difficult or impossible to achieve the objectives, for which the Company is established;
- in the events stipulated by the Russian Federation laws being in force, inform the Company on their interest in making a particular transaction;
- perform other obligations stipulated by the Russian Federation laws being in force and this Charter.

#### **Article 10. Funds and net assets of the Company**

10.1. The Company shall form a reserve fund in the amount of five (5) percent of the authorized capital, which shall be formed by way of mandatory annual deductions from the net profit of the Company at a rate of no less than five (5) percent of Company's net profit until the fund reaches the established amount.

10.2. The Reserve Funds shall be used to cover losses of the Company and redeem its bonds and shares in case of non-availability of other financial resources. The Reserve Fund shall not be used for any other purposes.

10.3. By a resolution of the General Shareholders' Meeting the Company may establish other funds.

10.4. The value of the Company's net assets shall be appraised on the basis of the accounting data in accordance with the procedure established by the federal executive body authorized by the Russian Federation Government.

#### **Article 11. Profit of the Company and its distribution**

11.1. The after-tax profit (net profit) of the Company shall be put at the disposal of the Company.

11.2. The net profit of the Company shall be used to pay dividends, replenish the reserve fund and other funds of the Company and for other purposes connected with the activities of the Company.

#### **Article 12. Dividends of the Company**

12.1. Based on the results of the first quarter, six months, nine months of the reporting year and/or results of the reporting year, the Company may resolve to pay (declare) dividends on the outstanding shares, unless otherwise stipulated by the Federal Law "On Joint-Stock Companies", and shall pay dividends subject to the restrictions established by the Russian Federation laws being in force.

12.2. Resolutions on payment (declaration) of dividends, including resolutions on the dividend amount, form of payment thereof on the shares of each category (type), date, for which

the persons entitled to dividends are determined, shall be passed by the General Shareholders' Meeting. The dividend amount shall not be higher than that recommended by the Board of Directors. With that, the resolution with regard to setting the date, for which the persons entitled to the dividends, shall be passed only on the proposal of the Board of Directors of the Company. The resolution on payment of dividends shall determine the dividend amount per share and the money amount allocated for the dividend payment.

12.3. The date, for which the persons entitled to dividends are determined in accordance with the resolution on payment (declaration) of dividends, shall not be set earlier than ten (10) days prior to the date of passing the resolution on payment (declaration) of the dividends and shall not be set later than twenty (20) days from the date of passing such resolution.

12.4. The period for payment of dividends to a nominee holder and a trustee being securities market professional, who have been registered in the register of shareholders, shall not exceed ten (10) business days, and to other persons registered in the register of shareholders – 25 (twenty five) business days from the date, for which the persons entitled to dividends are determined.

12.5. Dividends shall be paid exclusively in money.

12.6. Dividends shall be paid in non-cash form by the Company or on its behalf by the registrar keeping the register of the Company shareholders or lending institution as stipulated by the Federal Law "On Joint-Stock Companies". The persons entitled to dividends and whose rights to shares are registered through the nominee holder of shares, shall receive dividends in cash through depositary, the depositors of which they are.

### **Article 13. Register of the Company shareholders**

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

13.2. The holder of the register of the Company shareholders shall be the registrar – securities market professional who carries out activities related to keeping the register of owners of registered securities as exclusive one on the basis of the contract with the Company and has the license to carry out such type of activities. The approval of the registrar and terms of the contract with him and the decision on the termination of the contract with him shall be within the competence the Board of Directors.

13.3. On the request of a shareholder or nominal holder of shares the holder of the register of the Company shareholders shall be bound to confirm his rights to shares by issue of a statement from the register of the Company shareholders, which shall not be considered as a security.

### **Article 14. General Shareholders' Meeting**

14.1. The highest governing body of the Company shall be the General Shareholders' Meeting.

14.2. The Company shall annually, no earlier than two (2) months and no later than 6 (six) months after the end of the reporting year, hold the annual General Shareholders' Meeting, at which the shareholders shall elect the Board of Directors, Internal Audit Commission, approve the Company auditor, approve the annual reports and annual accounting (financial) statements, and also distribute profit, including payment (declaration) of dividends, and losses of the Company on the basis of the performance results of the reporting year. The annual General Shareholders' Meeting may resolve other matters referred to the competence of the General Shareholders' Meeting by the Russian Federation laws being in force and this Charter.

14.3. Any General Shareholders' Meetings held in addition to the annual meeting shall be deemed extraordinary.

The General Shareholders' Meeting shall be held in the city of Tobolsk or city of Moscow.

14.4. The General Shareholders' Meeting shall be legally competent to transact business (have the quorum), if attended by the shareholders (their proxies) holding in the aggregate more than a half of votes of the outstanding voting shares in the Company.

14.5. In the absence of the quorum for holding the annual General Shareholders' Meeting the repeated General Shareholders' Meeting with the same agenda shall be held.

14.6. The repeated General Shareholders' Meeting shall be held in compliance with

the procedures established by the Russian Federation laws being in force and this Charter.

14.7. The repeated General Shareholders' Meeting shall be legally competent to transact business (have the quorum), if attended by the shareholders (their proxies) holding in the aggregate no less than thirty (30) percent of votes of the outstanding voting shares in the Company.

14.8. When the repeated General Shareholders' Meeting is held less than forty (40) days after the failed General Shareholders' Meeting the persons entitled to participate in the General Shareholders' Meeting shall be determined (fixed) on the date, on which the persons entitled to participate in the failed General Shareholders' Meeting were determined (fixed).

14.9. An extraordinary General Shareholders' Meeting shall be held by a resolution of the Board of Directors on its own initiative, request of the Internal Audit Commission, request of the Company auditor, request of the shareholders (shareholder) owning no less than ten (10) percent of Company voting shares as on the date of the request submission.

14.10. An extraordinary General Shareholders' Meeting shall be convened and held in accordance with the procedure and time-limit established by the Russian Federation laws being in force, this Charter and Regulations of the General Shareholders' Meeting.

### **Article 15. Competence of the General Shareholders' Meeting**

15.1. The General Shareholders' Meeting shall be competent to:

- 1) make changes in and additions to the Charter of the Company or approve a new version of the Charter of the Company;
- 2) reorganize the Company;
- 3) liquidate the Company, appoint the liquidation commission and approve the interim and final liquidation balance sheets;
- 4) determine the number of members of the Board of Directors, elect its members and remove them from office ahead of time;
- 5) determine the number, nominal value, category (type) of authorized shares and rights granted by these shares;
- 6) increase the authorized capital of the Company by augmenting the nominal value of shares, by placing additional shares through closed subscription, public subscription of ordinary shares representing more than twenty five (25) percent of the outstanding ordinary shares, through public subscription of convertible-into-ordinary shares securities which may be converted into ordinary shares, representing more than twenty five (25) of the outstanding ordinary shares;
- 7) increase the authorized capital by placing through public subscription of preference shares or additional shares within the number and categories (types) of the authorized ordinary shares, representing twenty five (25) percent or less of the outstanding ordinary shares or through distribution of shares among the Company shareholders at the cost of the Company's property;
- 8) pass a resolution on placing through public subscription of issue-grade securities which can be converted into preference shares or ordinary shares representing twenty five (25) percent or less of the outstanding shares;
- 9) pass a resolution on Company's placing of bonds and other issue-grade securities convertible into shares except for the cases of placement thereof by a resolution of the Board of Directors pursuant to the Federal Law "On Joint Stock Companies";
- 10) decrease the authorized capital of the Company by reducing the nominal value of shares through Company's acquiring a part of shares for the purposes of reduction of the total quantity thereof or through cancelling the shares acquired or redeemed by the Company;
- 11) elect members of the Internal Audit Commission and remove them for office ahead of time. On the basis of the recommendation of the Board of Directors, determine the amount of remunerations and compensations to be paid to the members of the Internal Audit Commission;
- 12) approve the auditor of the Company;
- 13) pay (declare) dividends on the basis of the performance results of the first quarter, six months, nine months of the reporting year;
- 14) approve the annual reports, annual accounting (financial) statements of the Company;
- 15) distribute profit (including payment (declaration) of dividends except for the

profit distributed as dividends on the basis of the performance results of the first quarter, six months, nine months of the reporting year) and losses of the Company on the basis of the performance results of the reporting year;

- 16) approve the procedures of the General Shareholders' Meeting;
- 17) split and consolidate shares;
- 18) pass resolutions on consent to making or subsequent approval of related party transactions in the events stipulated by the Russian Federation laws being in force and this Charter;
- 19) pass resolutions on consent to making or subsequent approval of major transactions in the events stipulated by the Russian Federation laws being in force and this Charter;
- 20) pass a resolution on Company's acquisition of the outstanding shares in the events stipulated by the Russian Federation laws being in force and this Charter;
- 21) pass a resolution on participating in financial and industrial groups, associations and other unions of commercial organizations;
- 22) approve the internal documents regulating the corporate relations of the Company, including the activities of the governing bodies of the Company;
- 23) pass resolutions on delegation of the powers of the Individual Executive Body under a contract to a commercial organization (management organization) or individual entrepreneur (manager) on the proposal of the Board of Directors;
- 24) pass resolutions on early termination of the powers of the management organization or manager;
- 25) pass a resolution on applying for delisting of the Company shares and (or) issue-grade securities of the Company convertible into its shares;
- 26) resolve other matters stipulated by the Russian Federation laws being in force and this Charter.

15.2. The matters referred to the competence of the General Shareholders' Meeting may not be referred to the Board of Directors except for the matters stipulated by the Russian Federation laws being in force.

#### **Article 16. Resolutions of the General Shareholders' Meeting**

16.1. Resolutions on the matters provided for in subclauses 1-3, 5, 20, 25 of Clause 15.1 of this Charter shall be passed at the General Shareholders' Meeting by a three-fourths' majority vote of the holders of voting shares in the Company present at the General Shareholders' Meeting.

Resolutions on the issue of shares and other issue-grade securities in the events stipulated by the Federal Law "On Joint-Stock Companies" shall be passed at the General Shareholders' Meeting by a three-fourths' majority vote of the holders of voting shares in the Company present at the General Shareholders' Meeting.

Resolutions on reduction of the authorized capital of the Company by decreasing the nominal value of shares and also in connection with the fact that the value of the Company's net assets has become less than the amount of the authorized capital, shall be passed by a three-fourths' majority vote of the holders of voting shares in the Company present at the General Shareholders' Meeting.

16.2. Resolutions on the matters provided for in subclauses 2, 6, 17 – 23 of clause 15.1. of this Charter shall be passed by the General Shareholders' Meeting only on the proposal of the Board of Directors.

16.3. A resolution of the General Shareholders' Meeting on any other matters put to the vote shall be passed by a majority vote of the holders of voting shares in the Company present at the meeting, unless otherwise stipulated by the Federal Law "On Joint-Stock Companies for passing resolutions.

16.4. The General Shareholders' Meeting may not pass resolutions on any matters which are not put on the agenda of the meeting and also change the agenda.

#### **Article 17. Proposal of agenda items, information on holding of the General Shareholders' Meeting**

17.1. The agenda of the General Shareholders' Meeting shall be determined by the Board of Directors in the course of preparing the General Shareholders' Meeting.

17.2. The Shareholders (shareholder) holding in the aggregate at least two (2) percent of voting shares in the Company may propose items for the agenda of the annual General Shareholders' Meeting and nominate candidates for the Board of Directors, the Internal Audit Commission of the Company, with the number of such candidates not exceeding the number of members of the relevant body.

The mentioned proposals shall be forwarded to the registered office of the Company or the Company's management organization no later than fifty (50) days after the end of the reporting year. The proposals on putting items on the agenda of the General Shareholders' Meeting and proposal on nominating candidates shall be submitted with specifying the name (corporate name) of the submitting shareholders (shareholder), quantity and category (type) of shares owned by them, and shall be signed by the shareholders (shareholder) or their representatives. The shareholders (shareholder) of the Company not registered in the register of Company shareholders shall have the right to propose items for the agenda of the General Shareholders' Meeting and nominate candidates also by giving the relevant instructions to the person who asserts their rights to shares. Such instructions shall be given pursuant to the Russian Federation laws.

17.3. Apart from the items proposed for the agenda of the General Shareholders' Meeting, the Board of Directors may put items on the agenda of the General Shareholders' Meeting or put candidates on the list of candidates at its own discretion.

17.4. The shareholders shall be notified of the General Shareholders' Meeting no later than twenty-one (21) days prior to the date of the meeting holding or, if the agenda of the General Shareholders' Meeting contains an item concerning the reorganization of the Company – no later than thirty (30) days prior to the date of the meeting holding.

Where provided for by the Federal Law "On Joint-Stock Companies", the General Shareholders' Meeting notification shall be made at least 50 (fifty) days prior to the meeting date.

The General Shareholders' Meeting notification shall be sent by the Company by any of the following means:

in written form (by registered mail, express delivery service, or handed out against receipt);

by posting on the Company's website at <https://www.sibur.ru>.

17.5. Within twenty (20) days prior to the date of the meeting holding or, if the agenda of the General Shareholders' Meeting contains an item concerning the reorganization of the Company- within thirty (30) days prior to the date of the meeting holding the information (materials) to be made available to the shareholders during the preparation for the General Shareholders' Meeting in accordance with the Russian Federation laws being in force and this Charter shall be made available to the persons entitled to participate in the General Shareholders' Meeting at the premises at the registered office of the Company or the Company's management organization, at any other place indicated in the notice of the holding of the General Shareholders' Meeting. Upon the request of shareholders the Company shall, within two (2) days, provide the shareholders with copies of the said documents. The ballot paper for voting at the General Shareholders' Meeting shall be sent or delivered against receipt to each person registered in the register of Company shareholders and entitled to participate in the General Shareholders' Meeting no later than twenty (20) days prior to the holding of the General Shareholders' Meeting.

17.6. In case that the person registered in the register of Company shareholders is a nominee holder of shares, the notice of the General Shareholders' Meeting and information (materials) to be made available to the persons entitled to participate in the General Shareholders' Meeting during preparation of the General Shareholders' Meeting and also ballot paper for voting shall be made available by handing over the same to the holder of the register to be sent to the nominee holder, for whom the personal account in the register of the Company shareholders was opened.

The Company's obligation for giving a message on the holding of the General Shareholders' Meeting, for making available the information, materials shall be deemed discharged from the date of the receipt thereof by the nominee holder, for whom the personal account in the register of the Company shareholders was opened.

17.7. To the extent that proposals on the nomination of candidates to the Company's management bodies are sent as part of an extraordinary General Shareholders' Meeting, such proposals shall be subject to the relevant provisions of this article 17 of the Charter.

**Article 18. Participation and voting at the General Shareholders' Meeting, minutes of the General Shareholders' Meeting**

18.1. Shareholders shall participate in the General Shareholders' Meeting in person or by proxy.

18.2. A proxy of a shareholder at the General Shareholders' Meeting shall act in accordance with the authority based on the power of attorney made in writing. A power of attorney for voting shall contain the information on the principal and the proxy (for a natural person – name, data of the identification document (series and (or) number of the document, data and place of issue, issuer); for a legal entity – corporate name, registered address). The power of attorney for voting shall be executed as required by the Civil Code of the Russian Federation or notarized.

18.3. The Chairman of the Board of Directors shall chair the General Shareholders' Meeting. In case of his absence, the meeting shall be chaired by a member of the Board of Directors subject to the decision of the Chairman of the Board of Directors. In the absence of such a decision of the Chairman of the Board of Directors and/or in the absence of the member of the Board of Directors appointed by him, the Company's Sole Executive Body or management organization shall preside at the General Shareholders' Meeting.

A decision (decisions) on the procedure of the General Meeting held with attendance by the shareholders, including decisions on timing for reports on the agenda items and discussion of issues on the General Meeting agenda, may also be made in a manner providing for voting by sending filled ballots, as well as by issuing directions (instructions) to the client nominee holder and sending by him a message on the shareholder's vote. In such a case these issues shall be put on the agenda of the General Shareholders' Meeting as part of the issue on determining the General Shareholders' Meeting procedure.

The functions of the counting commission at the General Shareholders' Meeting shall be performed by the registrar of the Company.

18.4 Voting at the General Shareholders' Meeting shall be concluded on the principle of "one voting share in the Company – one vote" except for the cases where any other voting procedure is stipulated by the Russian Federation laws being in force.

18.5 Depending on the method of voting, the General Shareholders' Meeting may be held either by voting in person and by absentee voting (by polling).

Voting in person shall imply holding of the General Shareholders' Meeting with providing the shareholders with a possibility to be present jointly for discussing items of the agenda and passing resolutions on the items put to the vote.

Absentee voting shall imply holding of absentee voting without joint presence for discussing items of the agenda and passing resolutions on the items of the agenda put to the vote. The General Shareholders' Meeting, the agenda of which includes such items as election of members of the Board of Directors and the Internal Audit Commission, approval of the auditor of the Company, approval of the annual reports and annual accounting (financial) statements, as well as distribution of its profit, including payment (declaration) of dividends, and losses of the Company on the basis of the performance results of the reporting year, may not be held by absentee voting.

18.6 Voting at the General Shareholders' Meeting shall be conducted by voting papers in accordance with the procedure established by this Charter and the Regulations of the General Shareholders' Meeting.

18.7 Considered as having participated in the General Shareholders' Meeting held in the form of joint presence shall be the Shareholders who registered themselves for participation therein or whose voting papers were received no later than two days prior to the date of the holding of the General Shareholders' Meeting. Considered as having participated in the General Shareholders' Meeting held in the form of absentee voting shall be the shareholders, whose voting papers were received prior to the expiry date of reception of voting papers, at the registered office of the Company's management organization or at the address indicated in the notice of the General Shareholders' Meeting.

Considered as having participated in the General Shareholders' Meeting shall be also the shareholders, who have given, in accordance with the rules of the securities legislation of the Russian Federation, to the persons, asserting their rights to shares, the instructions on voting, provided that their declaration of intent was received no later than two days prior to the date of

the holding of the General Shareholders' Meeting or prior to the expiry date of reception of voting papers in case of holding the General Shareholders' Meeting in the form of absentee voting.

18.8 The results of vote on the items considered by the General Shareholders' Meeting shall be recorded in the minutes of the General Shareholders' Meeting.

18.9 The Minutes of the General Shareholders' Meeting shall be made no later than three (3) business days after the closing of the General Shareholders' Meeting, or the expiry date for reception of voting papers in case of the General Shareholders' Meeting held by absentee voting, in two (2) copies and signed by the presiding person at the General Shareholders' Meeting and secretary of the General Shareholders' Meeting.

### **Article 19. Board of Directors**

19.1. The Board of Directors shall be a collective governing body of the Company which shall carry on general management of Company's activities and take decisions on all matters which are not within the competence of the General Shareholders' Meeting, the Management Board and the Individual Executive Body.

19.2. By a resolution of the General Shareholders' Meeting, when holding their office the members of the Board of Directors of the Company may receive remuneration and/or a compensation for the expenses incurred during the performance of their functions as members of the Board of Directors. The amount of such remunerations and compensations shall be fixed by a resolution of the General Shareholders' Meeting.

19.3. The members of the Board of Directors shall be elected at the General Shareholders' Meeting for a period up to the next annual General Shareholders' Meeting.

The members of the Board of Directors of the Company shall be elected by cumulative voting.

In case of cumulative voting the number of votes owned by each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors; a shareholder may cast his resulted votes entirely for one candidate or distribute votes among two and more candidates. The candidates, who have received the largest number of votes, shall be deemed elected to the Board of Directors.

If the annual General Shareholders' Meeting is not held within the time-limit prescribed by the Charter, the powers of the Board of Directors shall be terminated save for the power to prepare, call and hold the annual General Shareholders' Meeting.

19.4. The number of members of the Board of Directors shall be determined by a resolution of the General Shareholders' Meeting, but may not be less than seven (7). By a resolution of the General Shareholders' Meeting the members of the Board of Directors may be removed from office only en masse.

19.5. Only a natural person may be a member of the Board of Directors. A member of the Board of Directors shall not be obligatorily a Company shareholder.

The members of the Management Board shall not make up more than one-fourth of the number of members of the Board of Directors. A member of the Management Board may not be Chairperson of the Board of Directors.

19.6. The persons elected to the Board of Directors may be re-elected for unlimited number of times.

19.7. The members of the Board of Directors shall be bound to disclose information on their ownership of the Company securities as well as sale (purchase) of such securities.

19.8. The members of the Board of Directors shall be entitled to receive information on the Company's activities and review its accounting books and other documents, claim for reimbursement of losses caused to the Company, dispute any Company's transactions on the grounds provided for by the applicable laws and request application of the consequences of their invalidity and also request application of the consequences of the invalidity of null and void transactions of the Company as provided for by the applicable law.

### **Article 20. Competence of the Board of Directors**

20.1. The Board of Directors shall have the power to:

- 1) determine the priority lines of the Company's activities;
- 2) approve the long-term plans and main programs of the Company's activities, the annual and long-term business plan of the Company and the annual investment program of

the Company;

3) consider reports on the implementation of the annual and long-term business plans of the Company and the reports on the implementation of the annual investment program of the Company;

4) convene the annual and extraordinary General Shareholders' Meetings, approve agenda of the General Shareholders' Meeting, set the date of registration (nomination) of the persons entitled to participate in the General Shareholders' Meeting and deal with other matters within the competence of the Board of Directors which are related to preparing and holding the General Shareholders' Meeting save for as otherwise provided for by the Federal Law "On Joint-Stock Companies";

5) place Company additional shares, into which the Company outstanding preference shares of a certain type, convertible into ordinary shares or preference shares of other types, are converted, if such placement is not connected with any increase of the Company's authorized capital, and place also Company bonds or other issue-grade securities except for shares;

6) determine the price (monetary value) of property, services or rights to the results of intellectual activities (including when the Board of Directors or General Shareholders' Meeting decides to give consent to making (subsequent approval) of a major transaction and related party transactions), price of placement or procedure for determination of such price and price of redemption of issue-grade securities in the events stipulated by the Russian Federation laws being in force and this Charter;

7) acquire outstanding shares, bonds and other securities of the Company in the events stipulated by the Russian Federation laws and this Charter;

8) form the executive bodies of the Company (including the collective executive body - Management Board of the Company), and determine (change) the number of members of the Management Board, elect and terminate ahead of time office of the members of the Management Board and Individual Executive Body; approve the terms of the contract with the Individual Executive Body and also with the management organization;

9) determine the amounts of remuneration for the members of the Management Board;

10) issue recommendations to the General Shareholders' Meeting with regard to delegation of the powers of the Individual Executive Body under a contract to the management organization or manager;

11) decide on suspension of the powers of the management organization or manager;

12) approve preliminarily the annual report of the Company, approve the report on related party transactions concluded by the Company during the reporting year;

13) recommend to the General Shareholders' Meeting the amounts of remuneration and compensations to be paid to the members of the Internal Audit Commission and determine the fee of the Company auditor;

14) recommend to the General Shareholders' Meeting with regard to the amount of dividends to be paid on the Company shares, procedure and time-limit for payment thereof, setting of the date, on which the persons entitled to dividends on the Company share are to be determined;

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

16) approve the Company's internal documents except for the internal documents, the approval of which is referred by the Federal Law "On Joint Stock Companies" to the competence of the General Shareholders' Meeting, and also other internal documents, the approval of which is referred by applicable laws and this Charter to the competence of the Management Board and Individual Executive Body;

17) establish and liquidate branches, open and close representative offices of the Company;

18) decide on giving of consent or subsequent approval of major transactions in the events stipulated by the Russian Federal laws being in force;

19) decide on giving of consent or subsequent approval of related party transactions in the events stipulated by the Russian Federation laws being in force;

20) approve the Company registrar and terms of the contract with the registrar and also decide on termination of the contract with the registrar;

21) approve the Regulations of the structural subdivision of the Company responsible for the organization and conduct of internal audits of the Company, as well as amendments to them;

22) approve the Regulations on the Corporate Secretary of the Company and

amendments to them;

23) decide on the appointment and dismissal of the head of the structural subdivision of the Company or a management organization of the Company that is its subsidiary responsible for the organization and conduct of internal audit of the Company (hereinafter – "Internal Audit"); determine the amount of his remuneration, as well as the bonus (additional remuneration) payment principles; selecting an external independent organization for internal audit of the Company and approval of the terms of the agreement with it, including the size of remuneration to such external independent organization;

24) approve the appointment and dismissal of the head of a structural division of the Company or the managing organization of the Company, which is its subsidiary, responsible for exercise of the Company Secretary function; determine the amount of his remuneration, as well as the bonus (additional remuneration) payment principles;

25) consider reports on the work of the Internal Audit or an external independent organization engaged to conduct an internal audit of the Company, as well as an assess their work;

26) consider reports on the work of the Corporate Secretary, as well as assess his work;

27) decide on consent to making transactions for the acquisition, alienation, encumbrance or creation of the possibility of alienation of funds in the form of shares, equities, participatory interest of legal entities and organizations (including the establishment of commercial entities, placement (distribution) of shares, equities, participatory interest for the benefit of third parties) by third parties, on the one hand, and the Company, legal entities, whose financial statements are consolidated with the Company's financial statements according to international standards (hereinafter – companies of the SIBUR group), companies in which the Company holds more than twenty (20) percent of shares, equities, by the subsidiaries of such companies, on the other part, except for the cases when such transactions require the approval of the Board of Directors or the General Shareholders' Meeting for other reasons stipulated by the applicable laws and this Charter (getting approval for making such transactions as the interested-party transactions or major transactions);

28) decide on the approval of a transaction or several related transactions for the attraction of financing (including a loan, credit, pledge, suretyship) or the acquisition, alienation or possible alienation by the Company, SIBUR Group companies, companies, in which the Company owns directly more than twenty (20) percent of shares, participation interests, as well as by subsidiary companies of such companies, directly or indirectly, of any property, if the amount of such financing or value of such property is equal to or exceeds five (5) percent of the book value of the Company's assets as determined on the basis of the data of its accounting (financial) statements as of the last reporting date except for: transactions made in the process of the normal business activities of the Company, SIBUR Group companies, companies, in which the Company owns directly more than twenty (20) percent of shares, participation interests, as well as by subsidiary companies of such companies, or transactions, which require consent of the Board of Directors or General Shareholders' Meeting for other reasons stipulated by the applicable laws and this Charter (including related party transactions, major transactions as well as other transactions which require consent in accordance with subclause 27) of this clause), transactions concluded with organizations of the SIBUR Group;

29) decide on approval of the documents related to the issue of additional shares or other issue-grade securities, the approval of which is referred to the competence of the Company's Board of Directors in accordance with the applicable laws;

30) bring up at the General Shareholders' Meeting a point of consent to making (subsequent approval) of any major transactions ranging in the value from twenty five (25) percent to fifty (50) percent of the book value of the Company's assets in the cases stipulated by Chapter X of the Federal Law "On Joint-Stock Companies";

31) approve opinions on major transactions as stipulated by the applicable laws;

32) establish committees of the Board of Directors; approve the numeric and personal composition of such committees and the Regulations of the Committees of the Board of Directors; consider the annual reports on the activities of these committees or other reports in accordance with the Regulations of the Committees of the Board of Directors;

33) approve the key figures of the performance contract of the managing organization and report on the fulfillment thereof;

34) approve early termination of office of the individual executive body of a subsidiary company; approve the candidate for election (appointment) to office of the individual executive body of a subsidiary company, in cases where such subsidiary company is the Company's managing organization;

35) apply for listing of shares and/or other issue-grade securities of the Company convertible into shares in the Company;

36) deal with other matters referred to the competence of the Board of Directors by the Russian Federation laws being in force and this Charter.

20.2. Any matters referred to the competence of the Board of Directors shall not be delegated to the executive bodies of the Company.

20.3. On the recommendation of the Chairperson of the Management Board, the Board of Directors may consider any other matters, which are not within its competence (except for the matters being within the competence of the General Shareholders' Meeting), the decision on which can affect considerably the Company's activities.

### **Article 21. Committees of the Board of Directors**

21.1. For dealing with particular tasks facing the Company, the Board of Directors may, and in cases provided for by the current legislation, applicable rules of the exchanges where the Company's securities are circulated, is obliged to form committees of the Board of Directors, including the human resources and remuneration committee, the audit committee, etc.

21.2. A committee of the Board of Directors shall act on the basis of the Regulations of such committee approved by the Board of Directors.

21.3. The personal composition of a committee of the Board of Directors shall be formed by the Board of Directors.

21.4. A committee of the Board of Directors shall hold its meetings as necessary and in accordance with the relevant regulations of the committee approved by the Board of Directors.

21.5. The committees of the Board of Directors may hold joint meetings.

### **Article 22. Chairperson of the Board of Directors and Deputy Chairman of the Board of Directors**

22.1. The members of the Board of Directors shall elect one of their members as Chairperson of the Board of Directors by a majority vote of the total number of the members of the Board of Directors.

The Individual Executive Body and members of the Management Board may not be concurrently Chairperson of the Board of Directors.

22.2. The Chairperson of the Board of Directors of the Company shall organize the work of the Board of Directors, call and preside over its meetings, make arrangements for keeping the minutes of its meetings and preside over the General Shareholders' Meeting.

22.3. In the absence of the Chairperson of the Board of Director, his functions shall be performed by the Deputy Chairperson of the Board of Directors.

22.4. The members of the Board of Directors shall elect one of them as Deputy Chairperson of the Board of Directors by a majority vote of the total number of the members of the Board of Directors for the same term of office, as for which the Chairperson of the Board of Directors is elected.

### **Article 23. Meetings of the Board of Directors**

23.1. Decisions of the Board of Directors may be taken at its meetings both in the form of joint presence and in the form of absentee voting (by polling). The proceedings at meetings shall be defined by the Regulations of the Board of Directors.

23.2. Meetings of the Board of Directors shall be called by the Chairperson of the Board of Directors on his own initiative or upon request of any member of the Board of Directors, Internal Audit Commission, the head of the Company's structural unit or the management organization of the Company responsible for the organization and implementation of the internal audit of the Company, auditor of the Company, Individual Executive Body, Management Board.

In the absence of the Chairperson of the Board of Directors the meeting of the Board of

Directors may be called by the Deputy Chairperson of the Board of Directors with the prior written consent of the Chairperson of the Board of Directors or, if the Deputy Chairperson of the Board of Directors is also absent, by any member of the Board of Directors, also with the prior written consent of the Chairperson of the Board of Directors. In this case the members of the Board of Directors present at the meeting shall elect one of them as chairperson of the meeting of the Board of Directors who shall, as far as this meeting is concerned, perform all duties and exercise all the rights of the Chairperson of the Board of Directors.

The member of the Board of Directors performing the functions of the Chairman at the meeting shall not be entitled to the casting vote at meetings of the Board of Directors.

23.3. The quorum required for transaction of business at meetings of the Board of Directors shall be no less than a half of the total number of the elected members of the Board of Directors. When the quorum and voting results are determined at the meeting of the Board of Directors, the written opinion on the items of the agenda received from any member of the Board of Directors absent from the meeting shall be taken into account. A member of the Board of Directors shall be deemed as also present at the meeting, if such member participates in the meeting by telephone or video communication or if he can express promptly his opinion otherwise in the course of the meeting and take part in the voting on the matters discussed at the meeting.

23.4. The organizational arrangements for the activities of the Board of Directors and arrangements for keeping the minutes of its meetings shall be provided by the Secretary of the Board of Directors, who shall be appointed to and removed from office by the Board of Directors.

23.5. The procedure for calling and holding meetings of the Board of Directors shall be defined by the Regulations of the Board of Directors approved by the General Shareholders' Meeting.

23.6. The minutes of the meeting of the Board of Directors shall be signed by the person presiding over the meeting and the Secretary of the Board of Directors. The minutes of the meeting held by absentee voting (by polling) shall be signed by the Chairperson of the Board of Directors and the Secretary of the Board of Directors.

#### **Article 24. Resolution of the Board of Directors**

24.1. Each member of the Board of Directors shall have one vote to cast in relation to a resolution on items at the meeting of the Board of Directors. The members of the Board of Directors shall not transfer their votes to any other persons, including to another member of the Board of Directors.

The opinions submitted in writing by the members of the Board of Directors absent from the meeting shall be taken into account for counting the quorum and voting results.

24.2. Resolutions at the meeting of the Board of Directors shall be passed by a majority vote of the members of the Board of Directors present at the meeting, unless any other decision-making procedure is stipulated by the Russian Federation laws being in force and this Charter.

24.3. In case of equality of votes of the members of the Board of Directors the Chairperson shall have the casting vote for passing a resolution by the Board of Directors.

#### **Article 25. Executive bodies of the Company. Individual Executive Body**

25.1. The Company shall have the following executive bodies: the Individual Executive body (Chairman of the Management Board) and the Management Board (collective executive body).

25.2. The Individual Executive Body and the members of the Management Board shall be appointed by the Board of Directors for a three (3) year term, unless any other term of office is stipulated by the resolution of the Board of Directors. The term of office of the Individual Executive Body and members of the Management Board may be extended for unlimited number of times by a resolution of the Board of Directors. At any time the Board of Directors may remove from office the Individual Executive Body and any member of the Management Board.

25.3. The rights and obligations of the Individual Executive Body shall be defined by the Russian Federation laws being in force, this Charter and contract concluded with the Company. The contract shall be signed on behalf of the Company by the Chairperson of the Board of Directors or the person authorized to do so by a resolution of the Board of Directors.

The rights and obligations of the members of the Management Board shall be defined by the Russian Federation laws being in force, this Charter and the Regulations of the Management Board approved by the General Shareholders' Meeting. Contracts may be concluded with the members of the Management Board, which are to be signed on behalf of the Company by the Chairperson of the Board of Directors or the person authorized to do so by a resolution of the Board of Directors.

25.4. The Individual Executive Body may appoint his deputies who shall act in accordance with the competence determined by an order of the Individual Executive Body. The deputies of the Individual Executive Body shall act on behalf of the Company on the basis of powers of attorney issued by the Individual Executive Body.

25.5. The Individual Executive Body shall approve the organizational structure of the Company.

25.6. For a period of his vacation, business trips and other short-time absence the Individual Executive Body may appoint one of his deputies to act temporarily for the Individual Executive Body.

25.7. The Individual Executive Body shall be competent to deal with all matters related to the management of the day-to-day activities of the Company save for the matters being within the competence of the General Shareholders' Meeting, the Board of Directors and the Management Board.

25.8. The Individual Executive Body shall:

- act on behalf of the Company without a power of attorney;
- on behalf of the Company take actions which result in rise, change and termination of the rights and obligations of the Company in its relations with natural persons, legal entities and state authorities, in particular, take all actions and sign all documents on behalf of the Company, represent the interests of the Company before any bodies on the matters which are referred to the competence of the Individual Executive Body of the Company by this Charter and the Federal Law "On Joint-Stock Companies";
- decide on transactions to be concluded by the Company save for transactions, the approval of which is referred by this Charter to the competence of the General Shareholders' Meeting, the Board of Directors and the Management Board;
- exercise the rights of the Company as a shareholder (member) of other legal entities, save for the matters which are referred to the competence of the Management Board by this Charter;
- decide on the participation and termination of the participation of the Company in other organizations except for the cases provided for in subclauses 18, 19, 21, of clause 15.1, subclauses 18, 19, 26), 27) of clause 20.1 of this Charter;
- issue powers of attorney for the right to representation on behalf of the Company, including powers of attorney with the right of substitution;
- approve the organizational structure and staffing plan of the Company, its branches and representative offices; determine the forms, systems and amount of labor remuneration;
- organize the development of long-term plans and main work programs of the Company, annual and long-term business plans of the Company and annual investment program of the Company;
- employ and dismiss employees of the Company and conclude labor contracts with them on behalf of the Company;
- issue orders, directives and instructions binding on all employees of the Company;
- approve the internal documents of the Company regulating the day-to-day activities of the Company, which approval is referred to the competence of the Individual Executive Body by the applicable laws and this Charter;
- open accounts with banks;
- organize control over the use of material, financial and labor resources;
- approve the list of information which contains a trade secret or is confidential;
- ensure compliance with the requirements of the applicable laws of the Russian Federation in the business activities of the Company;
- decide on filing claims and lawsuits against natural persons and legal entities on behalf of the Company; exercise the rights of a shareholder (member) of the business companies, in which the Company participates;

- report to the Board of Directors in accordance with the procedure, time-limit and forms established by the Board of Directors;
- approve transactions for the acquisitions, alienation, encumbrance or creating the possibility for alienation of assets in the form of shares, stakes, participatory interests of other organizations made between organizations of the SIBUR Group or the Company and organizations of the SIBUR Group, except for cases when such transactions require the consent of the Board of Directors or the General Shareholders' Meeting of PJSC SIBUR Holding, as major transactions, as related-party transactions, or on other grounds provided for by the current legislation or this Charter;
- decide on individual consideration of issues specified by sub-clause 6 of clause 26.2 of this Charter;
- deal with other matters related to the day-to-day activities of the Company.

25.9. The Individual Executive Body and members of the Management Board shall be bound to disclose the information on their ownership of Company securities and sale and (or) purchase of Company securities.

### **Article 26. Collective Executive Body of the Company.**

26.1. The Management Board shall act on the basis of the Charter of the Company and the Regulations of the Management Board approved by the General Shareholders' Meeting. The number of members of the Management Board shall be determined by the Board of Directors of the Company and shall be optimal for constructive discussion of matters and for adoption of prompt and effective decisions. The number of members of the Management Board shall not exceed fifteen (15) persons.

26.2. The Management Board shall have the power to:

- 1) organize the effective operational management of the day-to-day activities of the Company;
- 2) approve the general strategy of the development of subsidiary companies of PJSC "SIBUR Holding", in particular conduct of the uniform industrial and technical, financial, pricing, sale, social and human resources policy;
- 3) approve preliminarily the annual and long-term business-plan of the Company, including financial-economic and industrial indices for all main lines of activities, annual investment program of companies; review the reports on implementation of the annual and long-term business-plans and annual investment program of the Company;
- 4) appoint and dismiss heads of branches and representative offices of the Company;
- 5) approve the list and analyze the composition of key risks of the Company, and also approve the procedures and arrangements for management of such risks, consider the reports on the implementation thereof;
- 6) consider issues related to the implementation of projects for the acquisition/alienation of assets<sup>1</sup> (except for cases where the Individual Executive Body decided to consider them solely), including identifying persons responsible for negotiating with potential partners within the projects for the acquisition/alienation of assets, vesting them with the authority to conduct the negotiation process, appoint a curator, manager and project administrator for the acquisition/alienation of assets, approve the amount and procedure for the financing of asset acquisition projects (exception for cases of establishing commercial organizations jointly with third parties), determine the cost or the procedure for determining the value of projects for the alienation of assets;
- 7) review the reports on the progress of implementation of large budget investment projects and also reports on post-investment monitoring (including projects for supporting the main funds, for acquiring and alienating assets);
- 8) pass a resolution on creation and termination of permanent collective advisory bodies under the Management Board of the Company; approve their quantitative and personal and (or) staffing composition, and approve the documents regulating their activities, and proposed changes in the composition thereof; consider the annual reports on the activities of the

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<sup>1</sup> The project for the acquisition/alienation of assets is a set of sequential legal and practical actions carried out by the Company, organization of the SIBUR Group, aimed at:

- 1) acquisition from third parties/alienation to third parties of assets in the form of shares (interests),
- 2) acquisition from third parties/alienation to third parties of movable and immovable property used in the core business of the Company, organizations of the SIBUR Group, worth more than 100,000,000 (one hundred million) rubles.

mentioned bodies.

In such a case the Chairman of the Management Board of the Company shall be the chairman of such collective advisory bodies.

26.3. The meeting of the Management Board shall be competent to transact business (have the quorum), if attended by no less than a half of the total number of the elected members of the Management Board. When the quorum and voting results are determined at the meeting of the Management Board, the written opinion on the items of the agenda received from the member of the Management Board absent from the meeting shall be taken into account. A member of the Management Board shall be deemed as also present at the meeting, if such member participates in the meeting by telephone or video communication or otherwise express promptly his opinion in the course of the meeting and takes part in the voting on the matters discussed at the meeting.

If the number of members of the Management Board drops below the number securing the aforementioned quorum, the Board of Directors shall form a Management Board which shall have decision-making powers.

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 at the meeting, with taking into account the written opinion expressed on the items of the agenda by the absent members of the Management Board.

26.5. The organizational support of the activities of the Management Board and keeping the minutes of its meetings shall be provided by the secretary of the Management Board appointed by the Chairperson of the Management Board. The minutes of the meeting shall be signed by the person presiding over the meeting. The minutes of the meeting held by absentee voting (by polling) shall be signed by the Chairperson of the Management Board.

26.6. The procedure for calling and holding meetings of the Management Board shall be defined by the Regulations of the Management Board approved by the General Shareholders' Meeting.

26.7. By a resolution of the Board of Directors, when performing their duties, the members of the Management Board may receive a remuneration and/or compensation for the expenses connected with their performance of the functions of the members of the Management Board. The amount of such remunerations and compensations shall be fixed by a resolution of the Board of Directors.

26.8. If the functions of the Individual Executive Body of the Company are delegated to the management organization, the Chairperson of the Management Board shall appoint the person performing the functions of the individual executive body of such management organization in accordance with the charter of the management organization.

26.9. If the management organization, to which the functions of the Individual Executive Body of the Company are transferred, has two or more individual executive bodies, the Chairman of the Management Board of the Company, and the person who exercises the powers on behalf of the Company (represented by the management organization) specified in paragraph 25.8. of Article 25 of this Charter, shall appoint one of the individual executive bodies of the management organization in accordance with the charter of the management organization and the contract concluded between the Company and such management organization.

### **Article 27. Management organization**

27.1. By a resolution of the General Shareholders' Meeting the powers of the Individual Executive Body may be delegated, under a contract, to a management organization. The resolution to delegate the powers of the Individual Executive Body to a management organization shall be passed by the General Shareholders' Meeting only on the proposal of the Board of Directors.

27.2. The rights and obligations of the management organization in the management of the day-to-day activities of the Company shall be defined by the Federal Law "On Joint-Stock Companies", this Charter and a contract concluded with the Company. The terms of the contact with the management organization shall be determined by the Board of Directors.

27.3. The contract with the management organization shall be signed on behalf of the Company by the Chairman of the Board of Directors or by the person authorized to do so by the Board of Directors.

27.4. The Board of Directors may decide to suspend the powers of the management

organization, if the formation of the executive bodies is referred to the competence of the General Shareholders' Meeting. Simultaneously with taking such decision the Board of Directors shall be bound to take decision on the formation of a temporary Individual Executive Body and holding of an extraordinary General Shareholders' Meeting to decide on early termination of the powers of the management organization and formation of a new Individual Executive Body or delegation of the powers of the Individual Executive Body to the management organization.

27.5. The management organization shall be competent to deal with all matters related to the management of the day-to-day activities of the Company save for the matters being within the competence of the General Shareholders' Meetings, the Board of Directors and the Management Board. The management organization shall have the right to request holding of a meeting of the Board of Directors.

27.6. The Individual Executive Body of the management organization may not be concurrently Chairperson of the Board of Directors.

27.7. The management organization shall be liable for the proper organization of the work connected with the use of information constituting a state secret, for the organization, state and reliability of business accounting in the Company, for timely submission of the annual report and other financial documents to the relevant bodies and also the information on the activities of the Company to the shareholders, creditors and mass media.

27.8. By a resolution of the Board of Directors of the Company, in cases where it is allowed by the applicable laws and applicable rules of the exchanges in which the Company's securities are circulated, the management organization of the Company, which is a subsidiary of the Company, shall create a structural unit performing the internal audit functions for the Company, as well as a unit performing the functions of the Corporate Secretary of the Company, which are administratively subordinate (including the heads of these units) to the Individual Executive Body of the management organization, which exercises the powers of the Chairman of the Management Board of the Company, and functionally subordinate to the Board of Directors of the Company. All decisions of the Company's management organization, which is a subsidiary of the Company, relating to the Corporate Secretary and Internal Audit, are made in accordance with resolutions of the Board of Directors of the Company made within its competence.

## **Article 28. Major transactions. Related party transactions**

28.1. Decisions to give consent to making or subsequent approval of major transactions and related party transactions shall be taken by the governing bodies of the Company as required by the Russian Federation laws being in force and this Charter.

28.2. Company's notice of a related party transaction shall be sent to the members of the Board of Directors and members of the Management Board of the Company no later than five (5) business days prior to the date of the making of such transaction. Such notice shall be forwarded in accordance with the procedure stipulated in the Regulations of the Board of Directors for sending notices of meetings of the Board of Directors of the Company.

## **Article 29. Internal Audit Commission**

29.1. For controlling the Company's financial and economic activities the General Shareholders' Meeting shall elect the Internal Audit Commission consisting of three (3) members for a period up to the next annual General Shareholders' Meeting.

29.2. By a resolution of the General Shareholders' Meeting, when holding their office, the members of the Internal Audit Commission may receive a remuneration and/or compensation for the expenses connected with their performance of their duties. The amounts of such remunerations and compensations shall be fixed by a resolution of the General Shareholders' Meeting on the basis of the recommendations of the Board of Directors.

29.3. Apart from the matters stipulated by the Federal Law "On Joint-Stock Companies" the Internal Audit Commission shall have the power to:

1) audit and analyze the financial state of the Company, its solvency, functioning of its internal control system and financial and operational risks management system, liquidity of its assets and debt equity ratio;

2) audit the timeliness and accuracy of settlements with counterparties and budget and also payment of labor remuneration, social insurance contributions, calculation and payment of dividends and other settlement operations;

3) audit the compliance of the use of material, labor and financial resources in production, financial and business activities with the applicable standards and regulations, approved budgets and other documents regulating the activities of the Company; and also implementation of the resolutions of the General Shareholders' Meetings;

4) audit the validity of the business operations of the Company carried out under contracts and transactions concluded on behalf of the Company;

5) audit the effectiveness of the use of the assets, funds, property and other resources of the Company; identify the causes of unproductive losses and expenses;

6) audit the implementation of the orders to eliminate violations and drawbacks revealed earlier by the Internal Audit Commission;

7) audit the compliance of decisions on the matters of financial and economic activities taken by the Board of Directors and Management Board with the Charter of the Company and resolutions of the General Shareholders' Meetings.

29.4. On the basis of the results of the audit of the financial and economic activities of the Company the Internal Audit Commission shall make a report which shall contain:

confirmation of the reliability of the data contained in the statements and other financial documents of the Company;

information on the facts of violations of the procedures for accounting records maintenance and submission of accounting (financial) statements established by legal acts of the Russian Federation and also violations of legal acts of the Russian Federation during performance of financial and economic activities.

29.5. The operating procedures of the Internal Audit Commission shall be defined by the Regulations of the Internal Audit Commission approved by the General Shareholders' Meeting.

### **Article 30. Auditor of the Company**

30.1. The Auditor (auditing organization) of the Company shall audit the financial and economic activities of the Company in accordance with the legal acts of the Russian Federation on the basis of the contract with the Auditor.

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

30.3. On the basis of the results of the audit of the financial and economic activities of the Company the Auditor of the Company shall make a report which shall contain:

- confirmation of the reliability of the data contained in reports and other financial documents of the Company;
- information on the facts of violation of the procedures for accounting records maintenance and submission of accounting (financial) statements established by the legal acts of the Russian Federation and also violation of the legal acts of the Russian Federation during performance of financial and economic activities.

30.4. The shareholders holding ten (10) percent of the shares or more may request an audit of the Company. The expenses on the performance of such audit shall be borne by the requesting shareholder.

### **Article 31. Accounting, reporting, documents of the Company**

31.1. The Company shall keep accounting books and records and present its accounting (financial) statements as provided for by the Russian Federation laws being in force.

31.2. The reliability of the data contained in the annual report of the Company, report on related party transactions made by the Company in the reporting year, shall be confirmed by the Internal Audit Commission.

31.3. The annual report of the Company shall be approved preliminarily by the Board of Directors no later than thirty (30) days prior to the date of the holding of the General Shareholders' Meeting.

31.4. The reporting year of the Company shall correspond to the calendar year and shall last from January 01 through December 31.

31.5. The responsibility for the organization, state and reliability of the business accounting in the Company, timely submission of the annual report and other financial statements to the relevant bodies, disclosure of information on the Company's activities to the shareholders, creditors and mass media shall be borne by the Individual Executive Body.

31.6. The Company keeps at the location place of its executive bodies

- documents stipulated by the federal laws, this Charter, internal documents of the Company, resolutions of the management bodies of the Company and other laws and regulations of the Russian Federation.

### **Article 32. Disclosure of information by the Company**

32.1. The Company shall provide its shareholders with access to the documents stipulated by the Russian Federation laws under the procedure and in the volume stipulated by the Federal Law "On Joint Stock Companies".

32.2. The documents requested by shareholders, if such shareholders are entitled to receive (familiarize with) such documents, shall be made available to the shareholders within seven (7) business days of the receipt of the request for review in the office of the Individual Executive Body. Copies of the documents requested by shareholders may be delivered to them within the above said period by one of the methods agreed upon with the shareholders, within the time limits specified above. The fee charged by the Company for the provision of these copies may not exceed the cost of their production and, if the request indicates the need to send them to the address specified by the shareholder, the corresponding shipping costs. The cost of making copies of the documents requested by the shareholder, as well as the costs of sending them, shall be paid by the shareholder before the requested copies of the documents are provided to him.

32.3. The procedure and deadlines for the provision of documents containing confidential information of the Company shall be determined by the legislation currently in force. The terms of a nondisclosure agreement (confidentiality agreement) concluded with a shareholder requesting documents containing confidential information shall be defined in a standard form that is uniform for all shareholders of the Company and are posted on the Company's Internet site.

32.4. The officials of the Company in charge of providing information to shareholders shall be liable for any failure to furnish such information to shareholders in accordance with the Russian Federation laws being in force and the internal documents of the Company.

32.5. The members of the Board of Directors, members of the Management Board, the Individual Executive Body (management organization), members of the Internal Audit Commission, employees of the Company shall be bound to observe the procedure for using the Company's insider information established by the Board of Directors, including arrangements for the protection thereof.

32.6. The obligation of non-disclosure of the insider information of the Company received by the persons specified in Clause 32.5 of the Charter in connection with the performance of their job duties, shall survive for at least five (5) years after the termination of their powers (termination of the employment or other contract with the Company).

### **Article 33. Reorganization of the Company**

33.1. The Company may be voluntarily reorganized in the form of merger, consolidation, split-up, spin-off or transformation as provided for by the Russian Federation laws being in force. The resolution on reorganization of the Company shall be passed by the General Shareholders' Meeting.

33.2 The reorganization of the Company shall result in transfer of its rights and obligations to its legal successor (successors) as provided for by the regulatory acts of the Russian Federation.

33.3. Except for reorganization in the form of consolidation the Company shall be deemed to have been reorganized after the state registration of the newly established legal entities. In case of reorganization of the Company by consolidation with another company the Company shall be deemed to have been reorganized from the time of entering the record of the Company liquidation into the Unified State Register of Legal Entities.

### **Article 34. Liquidation of the Company**

34.1. The Company may be liquidated voluntarily or by a court decision in accordance with the procedure established by the Russian Federation laws being in force and this Charter.

34.2. Unless the Company is liquidated by a court decision, the Board of Directors shall submit the matter of the Company liquidation and appointment of the Liquidation Commission to the General Shareholders' Meeting. Upon its appointment the Liquidation Commission shall take over all the powers to manage the affairs of the Company. The liquidation Commission shall act on behalf of the Company in court.

34.3. The procedure for liquidation of the Company and division of its property remaining after the settlements with the creditors shall be determined by the Russian Federation laws being in force.

34.4. The liquidation of the Company shall be deemed to have been completed and the Company shall be deemed to have been wound up from the time of entering the relevant record into the Unified State Register of Legal Entities.

### **Article 35. Validity of the Charter of the Company**

35.1. This Charter and all changes in and additions hereto shall inure for third parties from the date of the state registration hereof or, in the cases provided for by the applicable laws, from the date of notifying the body in charge of registration hereof.

35.2. Unless any third party rights are affected, the shareholders and bodies of the Company shall be governed by this Charter and all amendments and addenda hereto from the date of the approval hereof by the General Shareholders' Meeting or by the Board of Directors in the cases provided for by the applicable laws.

35.3. Should the provisions of this Charter come into conflict with the applicable laws, the Company and the shareholders shall be governed by the provisions of the applicable laws.

35.4. The invalidity of any provision of this Charter shall not result in invalidation of its other provisions. Should any new regulatory acts come into force, which invalidate separate provisions of this Charter and necessitate its modification, the shareholders shall pass a resolution to introduce the necessary amendments to this Charter.