

**APPROVED**  
**by Resolution**  
**of the General Shareholders Meeting**  
**of PJSC “SIBUR Holding”**  
**dated 15 July 2021**  
**(Minutes No. 68)**

**CHARTER**  
**of Public Joint Stock Company**  
**“SIBUR Holding”**

(version No. 22)

**Tobolsk**  
**2021**

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## **Article 1. General**

1.1. Public Joint Stock Company “SUBUR Holding” (hereinafter referred to as the “Company”) is established in accordance with the effective legislation of the Russian Federation.

1.2. The legal status of the Company, the rights and obligations of its shareholders shall be provided for by the Civil Code of the Russian Federation, the Federal Law “On Joint-Stock Companies”, other legal regulations 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:

- Block 1 No.6, Building 30, the Eastern Industrial District, Tobolsk, 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 independent assets, may on its behalf acquire and exercise civil law rights and bear civil law obligations, as well as sue and be sued.

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

3.3. The Company shall enjoy civil law rights and bear obligations essential for engaging in any type of activities not prohibited by the current legislation.

3.4. Company shareholders shall not be liable for obligations of the Company and will bear any risk of losses associated with its activities within the limits of the value of their shares.

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

3.6. Both natural persons and legal entities may act as shareholders of the Company.

3.7. In accordance with the current legislation, the Company shall open bank accounts in rubles and foreign currency both in the Russian Federation and beyond.

3.8. The Company shall own assets transferred by its shareholders in payment for their shares.

3.9. As prescribed, the Company shall have the right to participate in establishing other organizations in the Russian Federation and elsewhere and acquire participation interests (shares) in their authorized capitals, as well as purchase buildings, structures, land, rights to use natural resources, securities and any other assets that may be owned by a legal entity according to the effective legislation of the Russian Federation.

3.10. The Company shall maintain financial, statistical and tax accounting in accordance with the effective legislation of the Russian Federation.

3.11. In cooperation with governmental authorities, the Company shall make arrangements for mobilization training and organization of civil defense. It shall also perform other activities associated with using information that constitutes a state secret. The Sole Executive Body shall be responsible for due organization of activities associated with using information that constitutes a state secret. Should the

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Company be reorganized, liquidated or terminate any activities associated with using information that constitutes a state secret, the Company shall ensure safety of such information and storage devices thereof.

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

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

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

4.2. The Company shareholders shall not be liable for Company obligations and the Company shall not be liable for obligations of its shareholders, unless as prescribed by the effective legislation.

4.3. Neither the State nor its authorities shall be liable for Company obligations and the Company shall not be equally liable for obligations of the State or its authorities.

#### **Article 5. Branches and representative offices, subsidiaries**

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

The Company's branches and representative offices shall not constitute legal entities.

5.2. Branches and representative offices of the Company shall carry out activities on behalf of the Company and operate on the basis of Regulations approved by the Company Board of Directors. The Company branches and representative offices shall be allocated property to be booked both on their individual balance sheets and the Company balance sheet. The Company shall be liable for activities of its branches and representative offices. Heads of branches and representative offices shall be appointed and dismissed by resolution of the Company Management Board and act on the basis of power of attorney issued by the Company.

5.3. The Company may have subsidiaries holding rights of a legal entity both within and outside the Russian Federation.

5.4. The Company shall establish subsidiaries or open branches and representative offices outside the Russian Federation in accordance with this Charter and legislation of a foreign state where its subsidiaries, branches or representative offices are located, unless an international treaty signed by the Russian Federation provides otherwise.

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

6.1. The Company is established for the purpose of generating profit from organizing production and selling of products, performing trade operations, providing marketing and other services, as well as conducting any other activities not prohibited by the effective legislation of the Russian Federation.

6.2. The core activities of the Company shall be:

- wholesale trading in petrochemical products, various textile goods, synthetic and hydrolyzed ethyl alcohol, other basic organic chemicals;
  - organization of extraction (including exploration and drilling), transportation and processing of oil, petroleum products, condensate, gas and other minerals, production of natural gas liquids, petroleum, petrochemical and other products, selling 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 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
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other raw material resources through the development, technical retooling and upgrading of production facilities, through deeper processing of raw materials, organization of production of chemical and petrochemical products;

- perform investment activities, including securities transactions carried out in accordance with the effective legislation of the Russian Federation and establishment of banking and investment organizations, insurance companies and pension funds;
- organization of cargo shipment by rail, sea or motor transport;
- organization of wholesale and retail trade in consumer goods;
- organization of advertising and publishing activities, holding of exhibitions, trade fairs, auctions etc.;
- organization of all types of transportation and forwarding services, including declaration, customs clearance and cargo insurance;
- perform construction, reconstruction, repair and maintenance of industrial, residential, cultural and social, trading and other buildings and facilities;
- perform agency, consulting, marketing and foreign trade activities, including export and import transactions;
- acquisition of precious metals, including scrap, waste and spent catalysts, delivering them to Russian processing enterprises for processing and subsequent sale of end products in accordance with the procedure established by the effective legislation.

6.3. The Company shall also have the right to carry out any other activities not prohibited by the effective legislation of the Russian Federation. Certain types of activity, as might be established by federal laws, may only be carried out by the Company on the basis of a special permit (license) or after it becomes a member of a self-regulated organization or such a self-regulated organization issues a certificate confirming admission to certain types of activities.

### **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 is divided into two billion, one hundred seventy-eight million, four hundred seventy-nine thousand, one hundred (2,178,479,100) ordinary registered 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) ordinary registered shares and two billion, five hundred million (2,500,000,000) preference registered shares with a nominal value of ten (10) 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 authorized (joint-stock) capitals of other business partnerships and companies, governmental and municipal bonds, as well as exclusive or other intellectual property rights or rights provided under license agreements that may be assessed in terms of money, unless the legislation prescribes otherwise.

7.4. In the case of in-kind payment of additional shares, the Company Board of Directors shall assess the money value of property contributed in payment of such shares according to Article 77 of the Federal Law “On Joint-Stock Companies”.

7.5. Authorized capital of the Company may be:

- increased by increasing 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 number thereof, including by purchasing or cancelling part of the shares.

7.6. Any resolution to increase the authorized capital of the Company by increasing the nominal value of its shares shall be passed by a majority vote of shareholders participating in the General Shareholders Meeting.

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

The Company may place any additional shares only within the authorized shares quantity established by the Company Charter.

7.8. Any resolution to decrease the authorized capital and introduce relevant amends to the Company Charter shall be passed by the General Shareholders Meeting as required by the effective legislation of the Russian Federation.

7.9. As per the relevant 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 under this clause shall not confer the voting right. They shall be disregarded in vote counting and no dividends shall accrue on them. These shares shall be sold at a price no lower than their market price within one year of their acquisition. Failing this, the General Shareholders Meeting shall pass a resolution on decreasing the authorized capital of the Company by cancelling the shares specified above.

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

8.1. The Company may issue bonds and other issue-grade securities as provided for by securities-related legal regulations of the Russian Federation.

8.2. The Company shall issue bonds and other issue-grade securities on the basis of a relevant resolution of the Board of Directors, unless they are placed under a resolution of the General Shareholders Meeting according to the Federal Law “On Joint-Stock Companies”.

8.3. A bond shall confirm the right of its holder to demand redemption of such a bond (payment of its nominal value or nominal value plus interest) in due time. A bond issue resolution shall provide for a manner, timeline and other terms of bond redemption.

8.4. A bond shall have a nominal value.

8.5. The Company may issue term bonds or bonds to be redeemed by series as scheduled.

Bonds may be registered or pay-to-bearer. In the case of registered bonds, the Company shall put bond holders on the bond holder register. The Company may provide for the option of early bond redemption at the request of their holders.

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

9.1. Shareholders owning ordinary shares in the Company have the right to:

- participate in a General Shareholders Meeting and vote on all matters within its competence;
  - receive dividends;
  - in the event of liquidation of the Company, receive a portion of the assets remaining after settlements with creditors;
  - participate in managing the Company’s affairs as provided for by the effective legislation of the Russian Federation;
  - on the grounds stipulated by the effective legislation, challenge resolutions made by the Company’s governing bodies or transactions consummated by the Company, demand that the consequences of the invalidity thereof or the consequences of the invalidity of null and void transactions of the Company be enforced, demand that losses caused to the Company be reimbursed in accordance with the procedure and timeline stipulated by the effective legislation;
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- receive information about operations of the Company in the events and in accordance with the procedure provided for by the effective legislation of the Russian Federation, this Charter and the Corporate Code of Conduct approved by the Board of Directors.

9.2. Shareholders challenging any resolution made by the General Shareholders Meeting and shareholders, members of the Board of Directors or the Company demanding that losses caused to the Company be reimbursed, or a Company's transaction be invalidated, or the consequences of a transaction's invalidity be enforced, shall take reasonable efforts to notify other Company shareholders and the Company, where appropriate, in advance of their intention to take these claims to the court and also provide them with any other information related to the case.

A Company shareholder or a member of its Board of Directors intending to take legal actions under this clause hereof shall send a relevant written notice to the Sole Executive Body of the Company by post or courier service at least five (5) days before applying to the court.

If the Company has received such written notice, within three (3) days following receipt of the confirmation that the court has accepted the lawsuit specified in the first paragraph of this clause for hearing it, shall post such notice with all documents attached thereto on the Company's website on the Internet.

If the Company intends to file the lawsuit specified in the first paragraph of this clause to the court, the Company shall send the relevant notice and all information related to the case to all Company shareholders in accordance with the notification procedure provided for convening General Shareholders Meetings of the Company, as well as post this notice with all documents attached thereto on the Company's website on the Internet at least ten (10) business days before applying to the court.

The notice sent by a shareholder or the Company under this clause shall indicate corporate name (full name) of defendant(s), corporate name (full name) and claims of the person intending to file the lawsuit, brief description of circumstances underlying the claims of the person intending to file the lawsuit, name of the arbitration court with which the person intends to file the lawsuit.

The Company shareholders who fail to join, in the manner prescribed by the procedural legislation, a lawsuit challenging a resolution of the General Shareholders Meeting or seeking reimbursement of losses caused to the Company or invalidation of a Company transaction or enforcement of the consequences of the transaction's invalidity may not thereafter file identical claims with the court, unless the court deems the reasons for such a filing to be valid.

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

9.4. Company shareholders shall:

- comply with this Charter;
  - pay shares in the Company as prescribed by the effective legislation of the Russian Federation and this Charter;
  - exercise their rights reasonably and in good faith; take no actions intentionally aimed at causing damage to the Company, including not to disclose confidential information about the Company's activities;
  - participate in making corporate decisions without which the Company will not be able to continue operating as per the legislation of the Russian Federation if their participation is required for such a decision to be made;
  - perform no actions (omission) significantly impeding or preventing achievement of the objectives for which the Company is established;
  - inform the Company of their interest in completing a particular transaction in cases envisaged by the effective legislation of the Russian Federation;
  - perform other obligations as prescribed by the effective legislation of the Russian Federation and this Charter.
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**Article 10. Funds and net assets of the Company**

10.1. The Company shall establish a Reserve Fund of five (5) percent of its authorized capital, which shall be formed by way of mandatory annual deductions of at least 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 the Company's losses or redeem its bonds and shares if other financial resources are not available. The Reserve Fund may not be use for any other purposes.

10.3. The General Shareholders Meeting may also decide on establishing any other fund.

10.4. The Company's net assets shall be evaluated on the basis of its 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 become available to the Company.

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

**Article 12. Dividends of the Company**

12.1. The Company may, at the end of the first quarter, six (6) months, nine (9) months and/or at the end of a reporting year, make a resolution to pay (declare) dividends on the outstanding shares, unless otherwise stipulated by the Federal Law "On Joint-Stock Companies", and shall pay such dividends subject to restrictions established by the effective legislation of the Russian Federation.

12.2. The General Shareholders Meeting shall make a resolution on payment (declaration) of dividends, including their amount, payment procedure applied to shares of each category (type) and the date on which the persons entitled to receive dividends are determined. Dividends may not exceed the amount recommended by the Board of Directors. The resolution with regard to setting the date, for which the persons entitled to dividends, shall be passed with reference to the proposal of the Company Board of Directors. The dividend resolution shall set the dividend amount per share and a money amount allocated for dividend payment.

12.3. The date, for which the persons entitled to dividends are determined in accordance to the dividend payment (declaration) resolution, may not fall on a date earlier than ten (10) days and later than twenty (20) days after the date of the dividend payment (declaration) resolution.

12.4. The period to pay dividends to a nominal holder and trustee, being a professional securities market participant, who are registered in the register of shareholders, may not exceed ten (10) business days, and in case of other persons registered in the register of shareholders, twenty five (25) business days of the record date.

12.5. Dividends shall be paid in money and other property, including, without limitation, securities.

12.6. Dividends in money 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 – a securities market professional who carries out activities related to keeping the register of owners of registered securities as exclusive on the basis of the contract with the Company and has the license to carry out such types of

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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 of 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 six (6) 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 legislation of the Russian Federation 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 the 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 half of the 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 legislation of the Russian Federation 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 of 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 of 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 legislation of the Russian Federation 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;
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- 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) percent 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 their 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 from 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 (6) months, nine (9) 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 (6) months, nine (9) 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 legislation of the Russian Federation 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 legislation of the Russian Federation being in force and this Charter;
  - 20) pass a resolution on Company's acquisition of the outstanding shares in the events stipulated by the legislation of the Russian Federation 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 the delegation of powers of the Sole Executive Body under a contract to a commercial organization (management organization) or individual entrepreneur (manager) on the proposal of the Board of Directors;
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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 legislation of the Russian Federation 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 legislation of the Russian Federation being in force.

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

16.1. Resolutions on the matters provided for in Sub-clauses 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 Sub-clauses 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 by 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 legislation of the Russian Federation.

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.

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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 being held 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 being held.

Where provided for by the Federal Law “On Joint-Stock Companies”, the General Shareholders Meeting notification shall be made at least fifty (50) 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 being held 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 being held, the information (materials) is to be made available to the shareholders during the preparation for the General Shareholders Meeting in accordance with the legislation of the Russian Federation being in force and this Charter and 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 the case where 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, and 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 information about 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 Chairperson of the Board of Directors shall chair the General Shareholders Meeting. In case of his/her absence, the meeting shall be chaired by a member of the Board of Directors subject to the decision of the Chairperson of the Board of Directors. In the absence of such a decision of the Chairperson of the Board of Directors and/or in the absence of the member of the Board of Directors appointed by him/her, the Company's Sole Executive Body or management organization shall preside at the General Shareholders Meeting.

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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 via 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 cases where any other voting procedure is stipulated by the legislation of the Russian Federation being in force.

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

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 on 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 on the agenda and passing resolutions on the items on 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 (2) 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 (2) 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 the case of holding the General Shareholders Meeting in the form of absentee voting.

18.8. The results of the 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 the 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.

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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 the 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 or more candidates. Those nominees, who have won the greatest number of votes, shall be considered as elected members of the Board of Directors.

If an annual General Shareholders Meeting is not held within the time limits required by this Charter, the powers of the Board of Directors shall cease to be effective except for the powers required to prepare for, convene and hold the annual General Shareholders Meeting.

19.4. The total number of members in the Company's Board of Directors shall be determined by a resolution of the General Shareholders Meeting, but may not be less than ten (10) members. The General Shareholders Meeting may resolve to early terminate the powers of the entire Board of Directors only.

19.5. Only a natural person may be a member of the Board of Directors. A member of the Board of Directors does not need to be a Company shareholder.

The Management Board may not be constituted by more than one fourth of all members of the Board of Directors. A member of the Management Board may not be the Chairperson of the Board of Directors.

19.6. Persons elected as members of the Board of Directors may be re-elected an unlimited number of times.

19.7. Members of the Board of Directors shall be bound to disclose their ownership of the Company securities as well as sale and/or purchase of such securities.

19.8. Members of the Company's Board of Directors shall be entitled to receive information about the Company's activities, familiarize themselves with its accounting (financial) and other documents, demand indemnification for losses inflicted on the Company, challenge transactions made by the Company on such grounds as provided for by applicable laws, demand the enforcement of the consequences of invalidating the same and demand the enforcement of the consequences of the Company's void transactions in the manner prescribed by applicable laws.

## **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 Company's long-term plans and key business programs, the Company's annual and long-term business plans and annual investment programs;
  - 3) review reports on the implementation of the Company's annual and long-term business plans and reports on the implementation of the Company's annual investment program;
  - 4) convene annual and extraordinary General Shareholders Meetings, approve agendas for the General Shareholders Meeting, set a date for drawing up (determining) the list of persons authorized to participate in the General Shareholders Meeting and address other matters reserved for the Board of Directors and associated with preparation for and holding of the General Shareholders Meeting, except as provided by the Federal Law "On Joint-Stock Companies";
  - 5) issue of additional shares in the Company into which preferred shares of a certain type issued by the Company are converted or convertible into ordinary shares or preferred shares of other types provided that such issue is not associated with an increase in the Company's authorized capital, and issuing of bonds or other issue-grade securities other than shares;
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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 resolves to issue consent authorizing (committing to subsequently approve) a major transaction or related party transactions), price of placement or procedure for determining such price and redemption price of issue-grade securities in such cases as provided for in the applicable legislation of the Russian Federation and this Charter;

7) purchase shares, bonds or other securities issued by the Company in such cases as provided for by the applicable legislation of the Russian Federation and this Charter;

8) establish the Company's executive bodies (including the Company's Management Board as a collegial executive body), and determine (change) the total number of the Management Board's members, election and early termination of the powers of the Management Board's members and of the Sole Executive Body; approve terms and conditions of the contract to be executed with the Sole Executive Body and management organization;

9) determine the amount of remuneration payable to the members of the Management Board;

10) issue recommendations for the General Shareholders Meeting on the delegation of the Sole Executive Body's authority to a management organization or a manager under a contract;

11) authorize an early termination of the management organization's or manager's powers;

12) approve preliminary the Company's annual report, approve the report on related party transactions made by the Company in the reporting year;

13) issue recommendations to the General Shareholders Meeting on the amounts of remuneration and compensations payable to the members of the Audit Committee and determine the fee payable to the Company's auditor for its services;

14) issue recommendations to the General Shareholders Meeting on the amount, procedure and time limits for paying dividends on shares in the Company and regarding the date on which the list of persons eligible to receive dividends payable on shares in the Company must be made;

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

16) approve the Company's internal documents other than the internal documents, the approval of which is exclusively reserved by the Federal Law "On Joint-Stock Companies" to the General Shareholders Meeting and other internal documents, the approval of which is exclusively reserved by applicable laws and this Charter to the Management Board or Sole Executive Body;

17) create and liquidate the Company's branches, open and close the Company's representative offices;

18) pass resolutions authorizing or committing to subsequently approve major transactions in such cases as provided for by the applicable legislation of the Russian Federation being in force;

19) pass resolutions authorizing or committing to subsequently approve interested party transactions in such cases as provided for by the applicable legislation of the Russian Federation being in force;

20) approve a registrar for the Company and terms and conditions of a contract to be entered into with the registrar as well as authorizing the termination of the contract entered into with the registrar;

21) approve the Regulations on the structural business unit of the Company to be in charge of organizing and conducting internal audits of the Company and amendments thereto;

22) approve the Regulations on the Corporate Secretary of the Company and amendments thereto;

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 an internal audit of the Company (hereinafter – "Internal Audit"); approve the terms and conditions of the employment contract with such person; determine the amount of his remuneration, as well as the bonus (additional remuneration) payment principles; selecting an external

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independent organization for an 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 Corporate Secretary; determine the amount of his remuneration, as well as the bonus (additional remuneration) payment principles;

25) appoint the Secretary of the Company's Board of Directors;

26) consider reports on Internal Audit activities or activities of a third-party independent organization contracted to conduct an internal audit of the Company and assessment of their performance;

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

28) authorize transactions involving the acquisition, alienation, encumbrance or creation of a charge over or enabling the alienation of assets in the form of shares, equity stakes or participatory interest in legal entities and organizations (including the incorporation of commercial entities, placement (distribution) of shares, equity stakes or participatory interest to third parties) to be entered into between third parties, on the one hand, and the Company, legal entities, whose financial statements are consolidated with the Company's financial statements pursuant to international standards (hereinafter - companies of the SIBUR Group), companies in which the Company holds more than twenty (20) percent of shares or equity stakes, or subsidiaries of such companies, on the other hand, unless such transactions require the approval of the Board of Directors or the General Shareholders Meeting for other reasons provided for by the applicable laws and this Charter (obtaining a consent authorizing such transactions as interested-party transactions or major transactions)

29) resolve to issue consent authorizing a transaction or a series of related transactions associated with the raising of finance (including a loan, credit, pledge or surety) or acquisition, alienation or enabling the alienation by the Company, SIBUR Group companies, companies in which the Company directly holds more than twenty (20) percent of shares or participatory interests or subsidiaries of such companies of property, whether directly or indirectly, if the amount of such financing or value of such property is or exceeds five (5) percent of the book value of the Company's assets determined based on the data contained in its accounting (financial) statements as of the last reporting date, except for transactions made in the ordinary course of business of the Company, SIBUR Group companies, companies in which the Company directly holds more than twenty (20) percent of shares or participatory interests or subsidiaries of any such companies or transactions requiring the consent of the Board of Directors or the General Shareholders Meeting on other grounds provided for by applicable laws and this Charter (including related party transactions, major transactions and other transactions requiring consent in accordance with sub-clause 28) of this clause) or transactions to be made with the SIBUR Group;

30) approve documents relating 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 legislation;

31) propose the General Shareholders Meeting to consider whether to issue consent authorizing (committing to subsequently approve) major transactions the value of which is twenty-five (25) percent to fifty (50) percent of the book value of the Company's assets, in such cases as provided for in Chapter X of the Federal Law "On Joint-Stock Companies";

32) approve opinions on major transactions in the manner prescribed by applicable legislation;

33) 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; appoint the chairpersons of 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;

34) approve key indicators of the management organization's performance contract and progress report in respect thereto;

35) approve an early termination of the powers of a subsidiary's Sole Executive Body; approve a nominee for election (appointment) as the Sole Executive Body of a subsidiary company where such subsidiary is the Company's management organization;

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36) file an application for the listing of the Company's shares and/or issue-grade securities convertible into the Company's shares;

37) approve the dividend policy of the Company and amendments thereto;

38) other matters exclusively reserved for the Board of Directors by the applicable legislation of the Russian Federation and this Charter.

20.2. No matter reserved for the Board of Directors may be referred to the Company's executive bodies for resolving.

20.3. The Board of Directors may, upon the recommendation of the Chairperson of the Management Board, consider any other matters which are not within its competence (other than matters reserved within the competence of the General Shareholders Meeting), the resolution of which may have a material impact on the Company's activities.

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

21.1. To address specific tasks faced by the Company, the Board of Directors has the right, and where required by current legislation, applicable rules of the exchanges on which the Company's securities are traded, shall establish committees of the Board of Directors, including HR and remunerations committee, audit committee and others.

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 the Board of Directors' committee shall be nominated by the Board of Directors.

21.4. The Board of Directors' committee shall meet as required and in accordance with regulations thereon 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 Chairperson of the Board of Directors**

22.1. The Chairperson of the Board of Directors shall be elected by and from among its members by a majority of votes of all members of the Board of Directors.

The Sole Executive Body and members of the Management Board may not be simultaneously the Chairperson of the Board of Directors.

22.2. The Chairperson of the Board of Directors shall organize the activities of the Board of Directors, convene meetings of the Board of Directors, approve agendas for its meetings and chair meetings of the Board of Directors, ensure the keeping of minutes at meetings and chair the General Shareholders Meetings.

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

22.4. The Deputy Chairperson of the Board of Directors shall be elected by and from among the members of the Board of Directors by a majority vote of all members of the Board of Directors and for the same period of service for which the Chairperson of the Board of Directors was elected.

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

23.1. The Board of Directors may pass resolutions at meetings held both in the form of joint attendance and in the form of absentee voting (by poll). The procedure for holding meetings shall be set out in the Regulations of the Board of Directors.

23.2. Meetings of the Board of Directors shall be convened by the Chairperson of the Board of Directors on his or her own initiative or at the request of a member of the Board of Directors, Audit Committee, director of the Company's structural business unit or management organization of the Company

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responsible for organizing and conducting internal audits at the Company, auditor of the Company, Sole Executive Body or Management Board.

In the absence of the Chairperson of the Board of Directors, a meeting of the Board of Directors may be convened by the Deputy Chairperson of the Board of Directors subject to a prior written approval of the Chairperson of the Board of Directors and in the event that the Deputy Chairperson of the Board of Directors is not available as well, by any member of the Board of Directors subject also to a prior written approval of the Chairperson of the Board of Directors. In such case, the members of the Board of Directors present at the meeting shall elect from among themselves a chairperson to chair the meeting of the Board of Directors who shall perform all duties assigned to and rights conferred on the Chairperson of the Board of Directors during that particular meeting.

A member of the Board of Directors acting as Chairperson at a meeting of the Board of Directors shall not have a decisive vote at meetings of the Board of Directors.

23.3. A meeting of the Board of Directors shall be quorate if at least a half of all elected members of the Board of Directors are present thereat. When determining if a meeting is quorate and the results of a vote taken at a meeting of the Board of Directors, a written opinion of a member of the Board of Directors, who is absent from the meeting, on its agenda items shall be taken into account. A member of the Board of Directors shall also be considered as present at the meeting if he or she participates therein via telephone or video conference call or is otherwise capable of promptly expressing his or her opinion and vote on the matters discussed during the meeting.

23.4. The Secretary of the Board of Directors shall provide organizational support for the activities of the Board of Directors and keep minutes of its meetings and whose appointment and termination of powers thereof shall be reserved to the Board of Directors.

23.5. The procedure for convening and holding meetings of the Board of Directors and other provisions governing the rights and obligations of members of the Board of Directors shall be set out in the Regulations on the Board of Directors approved by the General Shareholders Meeting.

23.6. The minutes of the Board of Directors' meeting shall be signed by the person chairing the meeting and the Secretary of the Board of Directors. The minutes of a meeting held as an absentee voting (by poll) shall be signed by the Chairperson of the Board of Directors and Secretary of the Board of Directors.

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

24.1. In resolving matters at a meeting of the Board of Directors, each member of the Board of Directors shall have one vote. A member of the Board of Directors may not delegate his or her right to vote to another person including any other member of the Board of Directors.

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

24.2. A meeting of the Board of Directors shall pass its resolutions by a majority of votes cast by the members of the Board of Directors participating in the meeting unless a different procedure for passing resolutions is required by the applicable legislation of the Russian Federation or this Charter.

24.3. In the case of a tie vote, the vote of the Chairperson of the Board of Directors shall be decisive for the passing of a Board of Directors' resolution.

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

25.1. The following shall be the Company's executive bodies: Sole Executive Body (Chairperson of the Management Board) and Management Board (collegial executive body).

25.2. The Sole Executive Body and members of the Management Board shall be appointed by the Board of Directors for a tenure of three (3) years unless a different period is specified in the relevant resolution of the Board of Directors. The tenure of the Sole Executive Body and members of the Management Board may be extended by resolution of the Board of Directors an unlimited number of times. The Board of Directors may, at any time, terminate the powers of the Sole Executive Body and of any member of the Management Board.

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25.3. The rights and obligations of the Sole Executive Body shall be as provided by the applicable legislation of the Russian Federation being in force, this Charter and contract to be entered into by the Company. The contract shall be signed, on behalf of the Company, by the Chairperson of the Board of Directors or by a person authorized by a resolution of the Board of Directors.

The rights and obligations of members of the Management Board shall be as provided for by the applicable legislation of the Russian Federation 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 by a person authorized by resolution of the Board of Directors.

25.4. The Sole Executive Body may appoint deputies who shall carry out their activities to the extent of the powers set out in the order of the Sole Executive Body to that effect. The deputies of the Sole Executive Body shall act on behalf of the Company under powers of attorney issued by the Sole Executive Body.

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

25.6. The Sole Executive Body may appoint, for the duration of his/her vacation, business trip and other short-term absence, a person who shall temporarily act as the Sole Executive Body from among his/her deputies.

25.7. All matters relating to the day-to-day operations of the Company shall be reserved for the Sole Executive Body except for the matters reserved for the General Shareholders Meeting, Board of Directors or Management Board.

25.8. The Sole Executive Body shall:

- act on behalf of the Company without a power of attorney;
  - perform actions on behalf of the Company which entail the creation, amendment or termination of the Company's rights or obligations in relations with natural persons, legal entities or governmental authorities and shall, inter alia, perform all actions and sign all documents on behalf of the Company and represent the Company in connection with any matters exclusively reserved by this Charter or the Federal Law "On Joint-Stock Companies" to the Sole Executive Body of the Company;
  - authorize transactions to be made by the Company other than transactions the approval of which is reserved by this Charter to the General Shareholders Meeting, Board of Directors or the Management Board of the Company;
  - exercise the rights of the Company as a shareholder (member) of other legal entities except in connection with the matters reserved by this Charter to the Management Board of the Company;
  - authorize the Company's participation in or withdrawal from other organizations except as provided in Clauses 15.1, Sub-clauses 18, 19, 21 or Clauses 20.1, Sub-clauses 18, 19, 28), 29) hereof;
  - issue powers of attorney conferring powers to represent the Company, including delegable powers of attorney;
  - approve the organizational structure and personnel list of the Company, its branches and representative offices; determine remuneration forms, plans and amounts;
  - arrange the development of prospective plans, key business programs, annual and long-term business plans and annual investment program of the Company.
  - employ and terminate the employment of the Company's employees and enter into employment 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 governing the day-to-day activities of the Company, the approval of which is exclusively reserved by the applicable legislation and this Charter to the Sole Executive Body;
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- open accounts with banks;
  - arrange for the monitoring of the use of material, financial and labor resources;
  - approves the list of information containing trade secrets or is confidential;
  - ensure that the Company complies with the requirements of the applicable legislation of the Russian Federation in carrying out its business activities;
  - authorize the assertion of claims on behalf of the Company against individuals or legal entities; exercise the rights of a shareholder (member) of business entities in which the Company holds a share;
  - report to the Board of Directors in the manner, by the deadlines and in the format established by the Board of Directors;
  - approve transactions involving the acquisition, disposal, encumbrance or creation for the possibility of disposing of assets in the form of shares, participation interests or units in other companies, concluded between the companies of the SIBUR Group or between the Company and the companies of the SIBUR Group, save for the instances where a consent from the Board of Directors or the General Shareholders Meeting of PJSC SIBUR Holding is required for the performance of such transactions as being major transactions or interested-party transactions or due to other grounds envisaged by effective legislation or this Charter;
  - take decisions that the matters indicated in Sub-clause 6 of Clause 26.2 of Article 26 of this Charter may be considered on a sole basis;
  - resolve other issues arising in the day-to-day operations of the Company.

25.9. The Sole Executive Body and the members of the Board of Directors must disclose the fact that they hold, sell and/or buy securities of the Company.

#### **Article 26. The Collegial Executive Body of the Company.**

26.1. The Management Board shall act on the basis of the Company's Charter and the regulations on the Management Board to be approved by the General Shareholders Meeting. The quantitative composition of the Management Board shall be determined by the Company's Board of Directors and must be optimal for discussing issues in a constructive manner and taking timely and efficient decisions. The quantitative composition of the Management Board may not exceed fifteen (15) people.

26.2. The Management Board shall have the power to:

- 1) organize an efficient operational management of the day-to-day activities of the Company;
- 2) approve the overall development strategy of the subsidiaries of PJSC SIBUR Holding, including pursuing unified production, technical, financial, pricing, distribution, social and personnel policies;
- 3) approve preliminarily the annual and long-term business plan of the Company, including the financial, economic and production targets for all main business workstreams, and the annual investment program of the companies; consider reports regarding the performance of the annual and long-term business plans and the annual investment program of the Company;
- 4) appoint and dismiss the heads of branches and representative offices of the Company;
- 5) approve the list and assess the composition of the key risks of the Company; approve the procedures and measures for managing such risks; consider reports regarding the implementation thereof;
- 6) consider the implementation of projects involving the acquisition/disposal of assets<sup>1</sup> (save for the instances where the Sole Executive Body has decided to consider such issues him/herself), including

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<sup>1</sup> A project involving the acquisition/disposal of assets means all consistent legal and physical actions taken by the Company or a company of the SIBUR Group and aimed at:

- 1) the acquisition from third parties/disposal to third parties of assets in the form of shares (participation interests),
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determining the persons in charge of conducting negotiations with potential partners as part of the projects involving the acquisition/disposal of assets, vesting powers in such persons to carry on the negotiation process; appoint the supervisor, the head and the administrator of the project involving the acquisition/disposal of assets; approve the volume and procedure for financing projects involving the acquisition/disposal of assets (save for the instances of establishment, together with third parties, of business companies); determine the price, and the procedure for determining the price, of projects involving the disposal of assets;

7) consider reports regarding the implementation of big-budget investment projects, or reports regarding post-investment monitoring (including projects involving the maintenance of fixed assets, or the acquisition and disposal of assets);

8) take decisions to create or abolish permanent collegial advisory bodies under the Company's Management Board; approve their quantitative and person- and/or position-based composition, as well as approve documents regulating their work and proposed changes to the composition thereof; consider annual reports regarding the work of the said bodies.

In this case, the Chairperson of the Management Board shall be the chairperson of such collegial advisory bodies at the Company's Management Board.

26.3. A meeting of the Management Board shall be deemed quorate if at least fifty (50) percent of the elected members of the Management Board have taken part in it . When determining the quorum or the results of the voting at a meeting of the Management Board, a written opinion on the agenda items expressed by a member of the Management Board, who is absent from the meeting, shall be taken into account. A member of the Management Board shall also be deemed to be present at the meeting if he or she participates therein via telephone or video conference call or is otherwise capable of promptly expressing his or her opinion and vote on the matters discussed during the meeting.

If the number of the members of the Management Board is fewer than the number comprising the said quorum, the Board of Directors shall form a Management Board that is quorate to take decisions.

26.4. At the meetings of the Management Board, decisions shall be taken by the majority of the votes cast by the members of the Management Board present at the meeting, with due account of the written opinions of the items on the agenda of the meeting expressed by the members of the Management Board, who are absent from the meeting.

26.5. The Secretary of the Management Board, to be appointed by the Chairperson of the Management Board, shall provide the organizational support for the work of the Management Board and shall take minutes of the meetings thereof. The minutes of a meeting shall be signed by the person who chairs the meeting. The minutes of a meeting held as absentee voting (by poll) shall be signed by the Chairperson of the Management Board.

26.6. The procedure for convening and holding meetings of the Management Board shall be determined by the Regulations on the Management Board to be approved by the General Shareholders Meeting.

26.7. By a resolution of the Board of Directors, the members of the Management Board may receive, while holding their office, remuneration and/or a compensation for the expenses incurred in connection with the performance of their functions as members of the Management Board. The amount of such remuneration and compensation shall be established by a resolution of the Board of Directors.

26.8. If the functions of the Company's Sole Executive Body have been transferred to a management organization, the person exercising the functions of the sole executive body of such management organization according to the charter of the management organization, shall be appointed as the Chairman of the Management Board.

26.9. If two or more sole executive bodies operate in the management organization to which the functions of the Company's Sole Executive Body have been transferred, one of the sole executive bodies of

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- 2) the acquisition from third parties/disposal to third parties of movable or immovable property used in the core operations of the Company or the companies of the SIBUR Group, worth over RUB 100,000,000 (one hundred million) (save for the instances where such property is acquired/disposed of as a result of a contract concluded through a tender, based on a tender, a request for proposals or other competitive bidding procedures envisaged by the internal documents of the Company).
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the management organization, according to the Charter of the management organization and the contract concluded between the Company and such management organization, shall be appointed as the Chairperson of the Management Board and as the person who exercises, on behalf of the Company (represented by the management organization), the powers indicated in Clause 25.8 of Article 25 of this Charter.

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

27.1. By a resolution of the General Shareholders Meeting, the powers of the Sole Executive Body may be transferred, under a contract, to a management organization. The decision to transfer the powers of the Sole Executive Body to a management organization shall be taken by the General Shareholders Meeting only under the proposal of the Board of Directors.

27.2. The rights and obligations of the management organization in managing the daily operations of the Company shall be determined by the Federal Law “On Joint-Stock Companies”, this Charter and the contract concluded with the Company. The terms and conditions of the contract 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 Chairperson of the Board of Directors or by a person authorized by the Board of Directors.

27.4. The Board of Directors may decide to suspend the powers of the management organization, if the creation of the executive bodies falls within the terms of reference of the General Shareholders Meeting. Simultaneously with the said decision, the Board of Directors shall take a decision to create a temporary Sole Executive Body and to conduct an extraordinary General Shareholders Meeting in order to decide to terminate early the powers of the management organization, to create a new Sole Executive Body or to transfer the powers of the Sole Executive Body to the management organization.

27.5. The terms of reference of the management organization shall include all matters pertaining to the daily operations of the Company, except for the matters reserved to the General Shareholders Meeting, the Board of Directors or the Management Board. The management organization may demand that a meeting of the Board of Directors be convened.

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

27.7. The management organization shall be responsible for the proper organization of its work pertaining to the use of information comprising state secrets, for the organization, condition and correctness of accounting records of the Company, for the timely submission of the annual report and other financial documents to the respective authorities, as well as of the information about the Company’s business submitted to the shareholders, creditors and the mass media.

27.8. By a resolution of the Company’s Board of Directors, in the instances, where this is permitted by the rules of effective legislation and the applicable rules of the exchanges at which securities of the Company are traded, a structural subdivision within the management organization of the Company, which is a subsidiary of the Company, may be created to exercise the functions of an internal audit of the Company, and a subdivision may be created to perform the functions of the Corporate Secretary of the Company, which shall administratively report (including the heads of the said subdivisions) to the Sole Executive Body of the management organization who exercises the functions of the Chairperson of the Management Board, and shall functionally report to the Company’s Board of Directors. All decisions of the Company’s management organization, which is a subsidiary of the Company, pertaining to the Corporate Secretary or the Internal Audit shall be taken in accordance with the resolutions of the Company’s Board of Directors passed within the latter’s terms of reference.

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

28.1. Resolutions to approve the performance of or to approve concluded major transactions and interested party transactions shall be taken by the management bodies of the Company in accordance with the requirements of current legislation of the Russian Federation and this Charter.

28.2. The Company’s notice about an interested party transaction shall be served to the members of the Board of Directors and the members of the Management Board at least five (5) business days before the date of conclusion of such transaction. Such notice shall be served in the manner prescribed by the

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Regulations on the Company's Board of Directors for serving notices of meetings of the Company's Board of Directors.

### **Article 29. Audit committee**

29.1. To exercise control over the financial and commercial operations of the Company, the General Shareholders Meeting shall elect an Audit Committee composed of three (3) persons, for a period until the next annual General Shareholders Meeting.

29.2. By a resolution of the General Shareholders Meeting, the members of the Audit Committee may receive, while holding their office, remuneration and/or a compensation for the expenses incurred in connection with the performance of their functions. The amount of such remuneration and compensation shall be established by a resolution of the General Shareholders Meeting, based on recommendations by the Board of Directors.

29.3. In addition to the matters envisaged by the Federal Law "On Joint-Stock Companies", the terms of reference of the Audit Committee shall include:

1) auditing and analyzing the financial condition of the Company, its solvency, the functioning of its internal control system and the management system of financial and operating risks, liquidity of assets, and the ratio between own and borrowed funds;

2) checking whether the settlement operations with counterparties and the government budget, settlement operations pertaining to labor payments, social insurance, the accrual and payment of dividends and other settlement operations are performed timely and correctly;

3) verifying that the physical, labor and financial resources are used in the financial and commercial operations are in compliance with the effective rules and limits, approved cost sheets and other documents regulating the business of the Company, as well as with the resolutions of the General Shareholders Meeting;

4) verifying whether the commercial operations of the Company performed under the contracts and transactions concluded on behalf of the Company are lawful;

5) checking whether the assets, monetary funds, property and other resources of the Company are used efficiently; identifying the causes of inefficient losses and expenses;

6) checking whether the directions to remedy violations and drawbacks identified by the Audit Committee have been complied with;

7) verifying whether the decisions regarding the financial and commercial operations taken by the Board of Directors and the Management Board comply with the Company's Charter and the resolutions of the General Shareholders Meeting.

29.4. Based on the audit of the financial and commercial operations of the Company, the Audit Committee shall draw up an opinion, which shall contain:

a confirmation that the data contained in the reports and other accounting (financial) documents of the Company are correct;

information about any violations of the accounting procedures and the procedures for submitting financial accounting (financial) reports established by the legal regulations of the Russian Federation, and any violations of the legal regulations of the Russian Federation during the performance of the financial and commercial operations.

29.5. The operating procedures of the Audit Committee shall be determined by the Regulations on the Audit Committee to be approved by the General Shareholders Meeting.

### **Article 30. The Company's Auditor**

30.1. The Company's Auditor (audit organization) shall audit the financial and commercial operations of the Company in accordance with the legal regulations of the Russian Federation, based on a contract concluded therewith.

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30.2. The Board of Directors shall organize the selection of candidates to act as the Company's Auditor. The Company's Auditor shall be approved by the General Shareholders Meeting. The fees payable for the Auditor's services shall be determined by the Board of Directors.

30.3. Based on the audit of the financial and commercial operations of the Company, the Company's Auditor shall draw up an opinion, which shall contain:

- a confirmation that the data contained in the reports and other financial documents of the Company are correct;
- information about any violations of the accounting procedures and the procedures for submitting accounting (financial) reports established by the legal regulations of the Russian Federation, and any violations of the legal regulations of the Russian Federation in the course of the performance of the financial and commercial operations.

30.4. The shareholders holding ten (10) percent of the shares or more have the right to request that an audit of the Company be conducted. The expenses on conducting the audit shall be borne by the shareholder who has demanded the audit.

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

31.1. The Company shall maintain accounting records and submit accounting (financial) reports in the manner prescribed by the current legislation of the Russian Federation.

31.2. The correctness of the data contained in the Company's annual reports, the reports on the interested party transactions concluded by the Company during the reporting year and the annual accounting (financial) reports must be confirmed by the Audit Committee.

31.3. The annual report of the Company must be pre-approved by the Company's Board of Directors at least thirty (30) days prior to the date of the annual General Shareholders Meeting.

31.4. The reporting year of the Company shall match the calendar year and shall run from the 1st of January until the 31st of December.

31.5. The Sole Executive Body shall be responsible for the organization, condition and correctness of the accounting records of the Company, the timely submission of the accounting (financial) reports to the respective authorities, as well as the information about the Company's business submitted to the shareholders, the creditors and the mass media.

31.6. The Company shall store the documents prescribed by the federal laws, the Charter and the internal documents of the Company, resolutions of the Company's management bodies and by other legal regulations of the Russian Federation at the place where the Company's executive bodies are located.

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

32.1. The Company shall provide the shareholders with access to the documents as stipulated by the legislation of the Russian Federation, in the manner and within the scope envisaged by the Federal Law "On Joint-Stock Companies".

32.2. The documents requested by shareholders, if the shareholders are entitled to receive (review) them, shall be submitted to the shareholders within seven (7) business days from the date when the request to review the information has been received, at the premises of the Sole Executive Body. Copies of the documents requested by the shareholders may be sent to the shareholders by one of the methods agreed upon with the shareholders, within the above period. The fee charged by the Company for the provision of such copies may not exceed the costs for the production of the copies and, if the request requires that the copies be sent to the address indicated by the shareholder, the respective shipping costs. The costs for the production of the copies of the documents requested by a shareholder and the costs for the shipping thereof shall be paid by the shareholder in advance, before the requested copies of the documents are provided to the shareholder.

32.3. The procedure and deadlines for providing documents that contain confidential information of the Company shall be determined by current legislation. The terms and conditions of a non-disclosure contract (confidentiality agreement) to be concluded with the shareholder requesting the documents that

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contain confidential information, shall be determined in a standard form that is the same for all shareholders of the Company and shall be placed on the Internet website of the Company.

32.4. The Company's officers responsible for the provision of information to the shareholders of the Company shall be liable for a failure to provide such information, in accordance with current legislation of the Russian Federation and the internal documents of the Company.

32.5. The members of the Board of Directors, the members of the Management Board, the Sole Executive Body (management organization), the members of the Audit Committee and the employees of the Company shall comply with the procedure established by the Board of Directors for using the Company's insider information, including the measures for protecting such information.

32.6. The obligation not to disclose the Company's insider information received by the persons indicated in Clause 32.5 of this Charter in connection with the performance by them or their job duties shall remain in effect for at least five (5) years from the termination of their powers (termination of their employment or other contract with the Company).

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

33.1. The Company may be reorganized voluntarily by way of a merger, accession, division, separation or transformation, in the manner prescribed by the current legislation of the Russian Federation. The decision to reorganize the Company may be taken by the General Shareholders Meeting.

33.2. The reorganization of the Company shall entail the transfer of the rights and obligations of the Company to its legal successor (successors), in the manner prescribed by the legal regulations of the Russian Federation.

33.3. The Company shall be deemed reorganized from the date of state registration of the newly created legal entities, save for the reorganization in the form of accession. If the Company is reorganized by way of accession to another company, the Company shall be deemed reorganized from the date when an entry is made in the Unified State Register of Legal Entities that the Company has been wound up.

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

34.1. The Company may be liquidated voluntarily or pursuant to a court judgment, in the manner prescribed by current legislation of the Russian Federation and this Charter.

34.2. If the Company is liquidated, save for the liquidation pursuant to a court judgment, the Board of Directors shall pose the question regarding the liquidation of the Company and the appointment of the Liquidation Committee to the General Shareholders Meeting to consider. From the date of appointment of the Liquidation Committee, all powers in managing the Company shall pass to the committee. The Liquidation Committee shall act before the court on behalf of the Company.

34.3. The procedure for liquidating the Company and allocating the property remaining after settlements with the creditors have been completed, shall be determined by the current legislation of the Russian Federation.

34.4. The liquidation of the Company shall be deemed to be completed and the Company shall be deemed to be wound up from the date when a corresponding entry is made in the Unified State Register of Legal Entities.

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

35.1. This Charter and any amendments and supplements thereto shall come into force for third parties from the date of their state registration or, in the instances prescribed by effective legislation, from the date when the registration authority was notified.

35.2. The Company's shareholders and bodies shall be guided, in so far as this does not affect any third-party rights, by this Charter and all amendments and supplements thereto, from the date of the approval thereof by the Company's General Shareholders Meeting or, in the instances prescribed by effective legislation, by the Board of Directors.

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35.3. If the provisions of this Charter run counter to current legislation, the Company and the shareholders shall be guided by the provisions of current legislation.

35.4. Invalidity of any provision of this Charter shall not render invalid the remaining provisions of the Charter. Should any new legal regulations come into force, which render invalid certain provisions of this Charter or which require any changes to be made to the Charter, the shareholders shall resolve to make corresponding changes to this Charter.