

APPROVED

by the General Shareholders Meeting
of Rosneft Oil Company
on December 23, 2025

Minutes dated December 26, 2025
without No

CHARTER

Rosneft Oil Company
(new version)

Moscow
2025

TABLE OF CONTENTS

1. GENERAL PROVISIONS	3
2. OFFICIAL NAME AND REGISTERED OFFICE OF THE COMPANY	3
3. PURPOSE AND SCOPE OF THE COMPANY OPERATIONS.....	4
4. BRANCHES AND REPRESENTATIVE OFFICES	5
5. CHARTER CAPITAL. SHARES. RIGHTS OF SHAREHOLDERS	5
6. FUNDS OF THE COMPANY	8
7. DIVIDENDS.....	8
8. SRUCTURE OF THE COMPANY BODIES	9
9. GENERAL SHAREHOLDERS MEETING	9
10. BOARD OF DIRECTORS OF THE COMPANY	22
11. CHIEF EXECUTIVE OFFICER OF THE COMPANY.....	31
12. MANAGEMENT BOARD OF THE COMPANY	35
13. LIABILITY OF MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE BODIES OF THE COMPANY	39
14. AUDIT COMMISSION	39
15. CORPORATE SECRETARY	41
16. STORAGE OF DOCUMENTS IN THE COMPANY. PROVISION OF INFORMATION BY THE COMPANY TO SHAREHOLDERS	42

1. GENERAL PROVISIONS

1.1. Public Joint Stock Company Rosneft Oil Company (the “Company”) was established under Decree № 327 of the President of the Russian Federation dated April 1, 1995 “On primary measures on development of the oil companies’ operations” and on the basis of Resolution of the Government of the Russian Federation № 971 dated September 29, 1995 “On reorganization of the state enterprise Rosneft into Open Joint Stock Company Rosneft Oil Company”.

1.2. The Company is established without limitation of the period of its existence.

1.3. The Company is the legal successor of the reorganized state enterprise Rosneft in accordance with the transfer act.

1.4. The Company is the legal successor of OAO Rosneft – Krasnodarneftegaz, OAO Rosneft – Purneftegaz, OAO Rosneft – Sakhalinmorneftegaz, OAO Rosneft – Stavropolneftegaz, OAO Yuganskneftegaz, OAO Severnaya Neft, OAO Selkupneftegaz, OAO Rosneft – Komsomolsk Refinery, OAO Rosneft – Tuapsinsky Refinery, OAO Rosneft – Arkhangelsknefteproduct, OAO Rosneft – Nakhodkanefteproduct, OAO Rosneft – Tuapsenefteproduct, which merged into the Company pursuant to the resolutions of General Shareholders Meetings of Rosneft, OAO Rosneft – Krasnodarneftegaz, OAO Rosneft – Purneftegaz, OAO Rosneft – Sakhalinmorneftegaz, OAO Rosneft – Stavropolneftegaz, OAO Yuganskneftegaz, OAO Severnaya Neft, OAO Selkupneftegaz, OAO Rosneft – Komsomolsk Refinery, OAO Rosneft – Tuapsinsky Refinery, OAO Rosneft – Arkhangelsknefteproduct, OAO Rosneft – Nakhodkanefteproduct, and OAO Rosneft – Tuapsenefteproduct dated June 2, 2006 on the reorganization by way of merger of OAO Rosneft – Krasnodarneftegaz, OAO Rosneft – Purneftegaz, OAO Rosneft – Sakhalinmorneftegaz, OAO Rosneft – Stavropolneftegaz, OAO Yuganskneftegaz, OAO Severnaya Neft, OAO Selkupneftegaz, OAO Rosneft – Komsomolsk Refinery, OAO Rosneft – Tuapsinsky Refinery, OAO Rosneft – Arkhangelsknefteproduct, OAO Rosneft – Nakhodkanefteproduct, and OAO Rosneft – Tuapsenefteproduct, respectively, into Rosneft, and the Deeds of Merger of OAO Rosneft – Krasnodarneftegaz, OAO Rosneft – Purneftegaz, OAO Rosneft – Sakhalinmorneftegaz, OAO Rosneft – Stavropolneftegaz, OAO Yuganskneftegaz, OAO Severnaya Neft, OAO Selkupneftegaz, OAO Rosneft – Komsomolsk Refinery, OAO Rosneft – Tuapsinsky Refinery, OAO Rosneft – Arkhangelsknefteproduct, OAO Rosneft – Nakhodkanefteproduct, and OAO Rosneft – Tuapsenefteproduct into Rosneft, respectively, dated June 2, 2006.

1.5. The Company has a seal, and is entitled to have stamps and letterheads, with its name, its emblem and duly registered trademark as well as any other means of identification.

2. OFFICIAL NAME AND REGISTERED OFFICE OF THE COMPANY

2.1. The official name of the Company.

2.1.1. The full name shall be:

(i) in Russian: Публичное акционерное общество «Нефтяная компания «Роснефть»;

(ii) in English: Rosneft Oil Company

2.1.2. The abbreviated name shall be:

(i) in Russian: ПАО «НК «Роснефть»;

(ii) in English: Rosneft.

2.2. Location of the Company: Moscow, Russian Federation.

3. PURPOSE AND SCOPE OF THE COMPANY OPERATIONS

3.1. The purpose of the Company operations shall be to earn profit.

3.2. The Company shall have the civil rights and obligations as necessary to engage in any type of activity not prohibited under federal laws.

3.3. In cases provided for by the effective legislation, the Company may only engage in some activities on the basis of a special permission (license), membership in a self-regulatory organization or a certificate issued by a self-regulatory organization and with respect to the performance of certain work.

3.4. The objectives of the Company's operations shall be to ensure the search, exploration, extraction, and processing of oil, gas, and gas condensate and the sale of oil, gas, gas condensate and their derivatives to consumers in and outside the Russian Federation, to conduct any associated types of activity, as well as to carry out works with precious metals and precious stones. The Company shall carry out, inter alia, the following main types of activity:

3.4.1. Geological prospecting and geological exploration aimed at oil, gas, coal, and other minerals search; extraction, transportation and processing of oil, gas, coal, other minerals, and timber; production of oil products, petrochemicals and other products, including liquefied natural gas, gas products and gas-derived chemicals, electric power, woodworking products, and fast moving consumer goods, as well as provision of services to the public; storage and sale (including sale in the domestic market and export sale) of oil, gas in gaseous and liquid form, oil products, gas products and gas-derived chemicals, coal, electric power, woodworking products, and other hydrocarbon and other derivatives.

3.4.2. Investment activities, including transactions with securities.

3.4.3. Arrangements for fulfilling of orders for federal state requirements and regional consumers of goods produced by the Company or its subsidiary companies, including deliveries of oil, gas, and oil products.

3.4.4. Investment management, construction, engineering, technical and maintenance support of upstream and downstream projects, scientific and technical support, procurement and sale, economic, foreign economic and legal support of the activity of both the Company and its subsidiary companies, and third party customers. Study of commodity and services markets and securities markets, research, and sociological and other studies. Regulation and coordination of the operations of subsidiary companies.

3.4.5. Leasing out of immovable and other property and use of leased property.

3.4.6. Provision of assistance in securing the interests of the Russian Federation in the preparation and execution of production sharing agreements in respect of subsoil areas and hydrocarbon deposits.

3.4.7. Organization of advertising and publishing activities and holding of exhibitions, selling exhibitions, auctions etc.

3.4.8. Agency, consultancy, marketing, and other activities, including foreign trade (including export and import transactions), performance of work and provision of services on a contractual basis.

3.4.9. Organization of protection of the Company employees and its property.

3.4.10. Use of precious metals and precious stones in technological processes as parts of equipment and materials.

3.4.11. Organization and implementation of measures with regard to mobilization preparation, civil defense, handling of information constituting a state secret, and protection of information constituting state secrets.

4. BRANCHES AND REPRESENTATIVE OFFICES

4.1. The Company may establish branches and open representative offices both in and outside the Russian Federation.

4.2. Branches and representative offices shall carry out their activities on behalf of the Company, which shall bear responsibility for their activities.

4.2.1. Branches and representative offices are not legal entities and are provided with property by the Company and shall operate in accordance with the regulations on such branches and representative offices.

4.2.2. The property of branches and representative offices shall be recorded on their separate balance sheets and on the balance sheet of the Company.

4.2.3. The heads of branches and representative offices shall act under a power of attorney.

5. CHARTER CAPITAL. SHARES. RIGHTS OF SHAREHOLDERS

5.1. Amount of charter capital

5.1.1. The charter capital of the Company shall amount to 105,981,778.17 rubles (one hundred five million nine hundred eighty one thousand seven hundred seventy-eight rubles and seventeen kopecks).

5.1.2. The charter capital of the Company shall be comprised of the par value of the Company shares acquired and paid for by the shareholders.

5.2. Types of shares placed by the Company

5.2.1. The Company shall have the right to place common shares.

(1) each common share in the Company shall have the same par value and shall provide to the shareholder holding it the same scope of rights;

(2) each common share shall be a voting share, with the exception of shares recorded on the balance sheet of the Company, and with the exception of other cases stipulated by the effective legislation of the Russian Federation.

5.2.2. All shares in the Company are registered shares.

5.2.3 All shares in the Company shall be issued in the non-documentary form.

5.3. Outstanding and authorized shares

5.3.1. The charter capital of the Company shall be divided into 10,598,177,817 (ten billion five hundred ninety-eight million one hundred seventy-seven thousand eight hundred seventeen) common registered non-documentary shares with the par value of 1 (one) kopeck each.

5.3.2. The Company shall have the right to place, in addition to the outstanding shares, registered common non-documentary shares in the amount not exceeding 6,332,510,632 (six billion three hundred thirty-two million five hundred ten thousand six hundred thirty-two) pieces, with the par value of 1 (one) kopeck each and with the aggregate par value of 63,325,106.32 rubles (sixty three million three hundred twenty five thousand one hundred six rubles and thirty two kopecks) (authorized shares), which shall carry the same rights as outstanding common shares in the Company as provided for by this Charter.

5.4. Increase of charter capital

5.4.1. The charter capital of the Company may be increased by increasing the par value of its shares or by placing additional shares.

5.4.2. A resolution to increase the charter capital of the Company by increasing the par value of its shares and by placing additional shares shall be approved by the General Shareholders Meeting.

5.5. Reduction of charter capital

5.5.1. The charter capital of the Company may be reduced by decreasing the par value of shares or reducing their total number, including by acquisition of a portion of shares.

5.5.2. The charter capital of the Company may be reduced by acquisition of a portion of the Company's shares under a resolution of the General Shareholders Meeting on the reduction of the charter capital of the Company by way of acquisition of a portion of outstanding shares in the Company with the purpose of reducing their total number.

5.5.3. The charter capital of the Company shall be reduced under a resolution of the General Shareholders Meeting on the reduction of the charter capital by redemption of shares, which are recorded on the balance sheet of the Company, if these shares have not been sold within one year from the date of their acquisition.

5.5.4. Within three business days following the resolution to reduce its charter capital, the Company shall notify the authority carrying out the state registration of legal entities, and shall twice, once a month, publish a notice of such charter capital reduction in mass media outlets that publish information regarding state registration of legal entities.

5.6. Acquisition by the Company of outstanding shares

5.6.1. The Company shall acquire its outstanding shares:

(1) under a resolution of the General Shareholders Meeting to reduce the charter capital of the Company. The shares acquired by the Company thereunder shall be redeemed;

(2) at the request of shareholders in cases provided for by the Federal Law "On Joint Stock Companies";

(3) under a resolution of the Board of Directors of the Company in number not to exceed 10 percent of the total number of all outstanding shares in the Company, provided that the remaining number of outstanding shares in the Company shall be no less than 90 percent of the total number of outstanding shares in the Company.

5.6.2. The shares acquired by the Company, as well as those recorded on the balance sheet of the Company on other grounds shall not vote and shall not be taken into consideration when counting votes, and no dividends shall accrue thereon. Such shares shall be sold at the price not less than the market price within one year from the date of their acquisition. Otherwise, the General

Shareholders Meeting shall resolve to reduce the charter capital of the Company by way of redemption of such shares.

5.6.3. The outstanding shares acquired by the Company shall be paid for in cash, securities, other property, or property rights or other rights that have monetary value.

5.7. Net assets of the Company

5.7.1. The value of the Company net assets shall be appraised based on accounting data in the manner established by the federal executive agency so authorized by the Government of the Russian Federation.

5.7.2. In cases, when the value of net assets of the Company becomes less than its charter capital, the obligations, actions, and resolutions of the Company and its governing bodies shall be determined by requirements of the effective legislation of the Russian Federation.

5.8. Rights of shareholders

5.8.1. The holders of common shares in the Company shall have the following rights:

- (1) to dispose of their shares without consent of other shareholders and the Company;
- (2) to receive a portion of the net profit (dividends) to be distributed among shareholders in the manner prescribed by the effective legislation of the Russian Federation and this Charter;
- (3) to receive a portion of the property and other assets of the Company (liquidation quota) which remain upon the liquidation of the Company, in proportion to the number of shares held by them;
- (4) to obtain information about the Company's operations and have access to the Company's documents in the manner and to the extent provided for under the effective legislation of the Russian Federation, this Charter, and Company's internal documents, and to obtain copies of such documents for a fee;
- (5) to obtain an extract from the register of holders of registered securities, evidencing their rights to shares;
- (6) to participate in the meeting or absentee voting of the General Shareholders Meeting on all issues falling within its competence;
- (7) to demand the repurchase of all or any portion of its shares by the Company in the cases provided for by the legislation;
- (8) other rights provided for by the legislation of the Russian Federation, the Charter of the Company and resolutions of the General Shareholders Meeting adopted within its competence.

5.8.2. The shareholders of the Company shall have the preemptive right to acquire additional shares and issuable securities convertible into shares, which are placed by open subscription, in a number proportionate to the number of shares they hold.

5.8.3. The shareholders of the Company that voted against or did not participate in the voting on the item of placing shares and issuable securities convertible into shares by closed subscription shall have the preemptive right to acquire additional shares and issuable securities convertible into shares to be placed by closed subscription, in a number proportionate to the number of shares which they hold. Such a right shall not apply to a placement of shares and other issuable securities convertible into shares by means of closed subscription among the shareholders only, if the

shareholders have an option to acquire a whole number of shares and other issuable securities convertible into shares scheduled for placement, in proportion to the number of shares they hold.

5.8.4. The Company shareholders incur obligations provided for by the effective legislation of the Russian Federation.

6. FUNDS OF THE COMPANY

6.1. The Company shall create a reserve fund equal to 5 (five) percent of its charter capital.

6.1.1. The annual deductions for the Company reserve fund shall be equal to 5 (five) percent of its net profits. Such deductions shall be made until the reserve fund reaches the amount determined under the Charter.

6.1.2. The reserve fund of the Company shall be used to cover its losses, for the redemption of the Company's bonds and for the buyout of the Company's shares in the absence of other resources.

6.1.3. The reserve fund shall not be used for other purposes.

6.2. A special employee share ownership fund shall be formed out of the net profit of the Company.

6.2.1. A special employee share ownership fund shall only be used to acquire the Company's shares put up for sale by its shareholders, for their subsequent distribution among the Company's employees.

6.2.2. The proceeds from sale of the Company's shares to the employees purchased at the expense of the employee share ownership fund of the Company shall be used to form such a fund.

6.3. The Company may create other funds under a resolution of the Board of Directors of the Company. The composition, the purpose, the sources and the use of such funds shall be determined by the Board of Directors of the Company.

7. DIVIDENDS

7.1. Dividends shall be paid out of the Company profit determined in accordance with requirements of the effective legislation.

7.2. The Company shall have a right to resolve on the payment (declaring) of dividends on outstanding shares based on the results for the first quarter, the first six months, and the first nine months of a reporting year and/or the results for a reporting year, unless otherwise stipulated by effective legislation of the Russian Federation. A resolution to pay (declare) dividends based on the results for the first quarter, the first six months, and the first nine months of a reporting year may be adopted within three months after the end of the respective period.

7.3. Resolutions to pay (declare) dividends shall be made by the General Shareholder Meeting. Such a resolution shall determine the dividend amount, the form of payment, the procedure of any non-cash dividend payment, and the date of record for determination of persons entitled to receive such dividends. The amount of dividends shall not be more than that recommended by the Board of Directors of the Company.

7.4. Dividends shall be paid in the monetary form. By a resolution of the General Shareholders Meeting of the Company dividends may be paid in a non-monetary form that shall be determined by a resolution of the General Shareholders Meeting of the Company based on the proposal of the Board of Directors of the Company.

7.5. Payment of dividends in cash to individuals whose rights to shares are recorded in the register of shareholders of the Company shall be made by transfer of funds to their bank accounts or special accounts of financial platform operators opened in accordance with the Federal Law “On the Conclusion of Financial Transactions Using the Financial Platform”, the details of which are available with the Company's registrar, or in the absence of information on bank accounts, special accounts of financial platform operators, unless otherwise is provided for by a resolution of the Board of Directors, by postal transfer of funds, and to other persons whose rights to shares are recorded in the register of shareholders of the Company, by transfer of funds to their bank accounts.

7.6. The date to determine persons entitled to receive such dividends, pursuant to the dividend payment/declaration resolution, may not be set earlier than 10 days or later than 20 days from the date of the said dividend payment/declaration resolution. In this regard, a resolution of the General Shareholders Meeting on setting the date to determine persons entitled to receive dividends shall only be adopted upon the proposal of the Board of Directors of the Company. Dividends shall be paid to any persons holding shares in the Company or to persons exercising any rights under such shares in accordance with federal laws as of the end of the business day of the date on which persons entitled to receive dividends are to be determined in accordance with the dividend payment resolution.

7.7. The period for dividend remittance to a nominee holder or a trust manager that is a security market professional, all as listed on the Company's share register, may not exceed 10 business days; and the period for dividend remittance to other persons listed on the share register shall not exceed 25 business days of the record date for the purpose of determining the persons entitled to receive dividends.

7.8. Any persons failing to receive a declared dividend because the Company or the registrar lacks accurate and necessary address details or banking details or for reason of any other delay on the creditor's part may file a claim for payment of such dividends (unclaimed dividends) over a five-year period from the date to be determined in accordance with the legislation of the Russian Federation.

7.9. When adopting a resolution on the payment (declaring) of dividends the Company shall follow the restrictions established by the federal laws.

8. STRUCTURE OF THE COMPANY BODIES

8.1. The bodies of the Company shall be as follows:

8.1.1. the General Shareholders Meeting.

8.1.2. The Board of Directors.

8.1.3. The Chief Executive Officer - the sole executive body.

8.1.4. The Management Board - the collective executive body.

8.2. In the event of appointment of a liquidation commission (liquidator) it shall assume all the duties related to the management of the Company.

9. GENERAL SHAREHOLDERS MEETING

9.1. Supreme Company body

9.1.1. The General Shareholders Meeting shall be the supreme body of the Company.

9.1.2. Resolutions of the General Shareholders Meeting may be adopted at the meeting where the voting is combined with absentee voting (hereinafter, also for the purposes of Article 9 of this Charter – a meeting), or by absentee voting of the General Shareholders Meeting, without holding a meeting (hereinafter, also for the purposes of Article 9 of this Charter – absentee voting). The meetings shall be conducted in the city of the Company's location - Moscow, or in cities of St. Petersburg, Krasnodar, Sochi, Stavropol, Saratov, Orenburg, Tyumen, Krasnoyarsk, Khabarovsk, Vladivostok, Krasnogorsk (Moscow Region).

If, in accordance with the legislation of the Russian Federation, resolutions on the items related to election of the Board of Directors and the Audit Commission, the appointment of an audit organization, and on the items related to approval of the annual report and annual accounting (financial) statements may be adopted by the General Shareholders Meeting by absentee voting, the Board of Directors of the Company shall have the right to resolve on the adoption of resolutions on those items by the General Shareholders Meeting of the Company by absentee voting, without holding a meeting. In this case, the rules of this Charter and internal documents of the Company governing the preparation and holding of a meeting (including an annual meeting) shall apply to the conduct of absentee voting, unless this is contrary to the essence of relevant relations.

9.1.3. A meeting with the option for remote participation using electronic or other technical facilities may be held by the resolution of the Board of Directors of the Company. The Board of Directors of the Company may resolve on holding a meeting with remote participation, without determining its venue and the possibility of being present at that venue.

9.1.4. The list of persons authorized to vote on resolutions of the General Shareholders Meeting, shall be made in accordance with the provisions of the applicable legislation of the Russian Federation. The date, as of which the persons authorized to vote on resolutions of the General Shareholders Meeting shall be identified (recorded), shall be set within the period provided for by effective legislation of the Russian Federation.

9.1.5. The Company shall reveal the information on the date, as of which the persons authorized to vote on resolutions of the General Shareholders Meeting of the Company shall be identified (recorded), at least 7 days prior to such date.

9.1.6. The annual meeting shall be convened not earlier than 2 months and not later than 6 months upon the end of the reporting year.

9.1.7. The meeting shall be presided over by the Chairman of the Board of Directors of the Company or another person appointed by the resolution of the Chairman of the Board of Directors or by the Board of Directors to preside over the meeting.

9.1.8. The procedure for preparing and conducting the meeting and absentee voting shall be established by the effective legislation of the Russian Federation, this Charter, and the Regulations on the General Shareholders Meeting of the Company.

9.2. Competence of the General Shareholders Meeting

9.2.1. The General Shareholders Meeting shall adopt resolutions on the following items by the majority of three fourths of votes of shareholders – owners of voting shares who participate in the meeting or absentee voting:

(1) amendments and addenda to and restatement of the Charter of the Company, except of the cases provided for by the Federal Law “On Joint Stock Companies” and this Charter;

(2) reorganization of the Company;

- (3) liquidation of the Company, appointment of the liquidation commission and approval of interim and final liquidation balance sheets;
- (4) determination of the number, par value, category (type) of authorized shares and the rights attached to such shares;
- (5) increase of the charter capital of the Company by way of a closed subscription for additional shares in the Company;
- (6) closed subscription for the Company's issuable securities convertible into Company shares;
- (7) increase in the charter capital of the Company by way of public subscription for additional common shares in the Company that exceed 25 percent of the Company's common shares previously placed;
- (8) public subscription for issuable securities convertible into common shares in the Company that exceed 25 percent of the Company's common shares previously placed;
- (9) reduction of the charter capital of the Company by reducing the par value of shares and repurchase of some outstanding shares by the Company for the purpose of reducing the aggregate number thereof;
- (10) acquisition of outstanding shares by the Company in cases provided for by the Federal Law "On Joint Stock Companies";
- (11) submission of an application to delist Company's shares and/or issuable Company's securities convertible into Company's shares;
- (12) submission of an application to the Bank of Russia seeking to have the Company released from its obligation of disclosing or providing any information contemplated by securities laws of the Russian Federation.

9.2.2. The General Shareholders Meeting shall adopt resolutions on the following items by the simple majority of votes of shareholders – owners of voting shares who participate in the meeting or absentee voting (if the legislation of the Russian Federation permits the adoption of resolutions on those items by absentee voting):

- (1) election of the members of the Board of Directors of the Company and early termination of their powers;
- (2) election of the members of the Audit Commission of the Company and early termination of their powers;
- (3) appointment of the audit organization of the Company;
- (4) approval of the annual reports of the Company;
- (5) approval of annual accounting (financial) statements;
- (6) distribution of profits and losses of the Company based on the results of a reporting year;
- (7) payment/declaration of dividends for the first quarter, the first six months, the first nine months of a reporting year, and for the reporting year, including setting a date to determine persons entitled to receive dividends;
- (8) establishing the rules of order for the meeting;

- (9) split and consolidation of shares;
- (10) increase of the charter capital of the Company by way of increase of the par value of shares;
- (11) increase of the charter capital of the Company by way of public subscription to additional shares comprising 25 percent or less of common shares previously placed;
- (12) reduction of the charter capital of the Company by the redemption of shares acquired or repurchased by the Company (shares at the disposal of the Company);
- (13) participation of the Company in financial and industrial groups, associations and other alliances of commercial organizations;
- (14) initiation of audits of financial and business operations of the Company by the Audit Commission of the Company;
- (15) approval of internal documents regulating activities of the Company bodies:
 - (i) Regulations on the General Shareholders Meeting of the Company;
 - (ii) Regulations on the Board of Directors of the Company;
 - (iii) Regulations on the Collective Executive Body (Management Board) of the Company;
 - (iv) Regulations on the Sole Executive Body (Chief Executive Officer) of the Company;
 - (v) Regulations on the Audit Commission of the Company;
 - (vi) Regulations on the Counting Commission of the Company;
- (16) setting remuneration payable to and (or) reimbursement of expenses incurred by the members of the Board of Directors of the Company in connection with the performance of their functions as members of the Board of Directors during the period when they performed their duties; determination of the amounts of such remuneration and reimbursement. The General Shareholders Meeting may resolve on the payment of remuneration to the members of the Board of Directors of the Company by transferring shares in the Company to them;
- (17) setting remuneration payable to and (or) reimbursement of expenses incurred by, the members of the Audit Commission in connection with the performance of their duties during the period when they performed their duties; determination of the amounts of such remuneration and reimbursement;
- (18) setting reimbursement of the individuals and bodies initiating an extraordinary meeting or absentee voting, for the expenses related to the preparation and conduct of such a meeting or absentee voting, at the Company's expense, in cases provided for by the effective legislation of the Russian Federation;
- (19) delegation of the functions vested in the Company's sole executive body under a contract, to a managing entity or manager, approval of the terms and conditions of such management contract, and early termination of powers of the managing entity (manager);
- (20) other matters falling within the competence of the General Shareholders Meeting under the Federal Law "On Joint Stock Companies".

9.2.3. The General Shareholders Meeting, by the majority of votes of shareholders - holders of the voting shares of the Company who participate in the meeting or absentee voting and are not interested in the transaction or controlled by persons interested in it, shall resolve to authorize

(approve) any related party transaction in accordance with the effective legislation of the Russian Federation.

9.2.4. The General Shareholders Meeting shall resolve to authorize (approve) any major transaction of the Company in such cases, subject to such procedure, and with such majority vote of voting shareholders who participate in the meeting or absentee voting as required by the effective legislation of the Russian Federation.

9.2.5. The federal law may refer to the competence of the General Shareholders Meeting of the Company any other matters, for which the decision-making procedure is determined by the effective legislation of the Russian Federation.

9.3. Procedure for decision-making by the General Shareholders Meeting

9.3.1. The General Shareholders Meeting shall consider and adopt resolutions on items falling within its competence in accordance with Clause 9.2 of the Charter of the Company.

9.3.2. The General Shareholders Meeting shall have the right to adopt resolutions only on items included in the agenda of the meeting or absentee voting (hereinafter, also for the purposes of Article 9 of this Charter – agenda). The General Shareholders Meeting shall not amend the agenda.

9.3.3. The resolutions on the following items shall be adopted by the General Shareholders Meeting only upon the proposal of the Board of Directors:

- (1) reorganization of the Company;
- (2) increase of the charter capital of the Company by way of increase of the par value of shares;
- (3) increase of the charter capital of the Company by way of placement of additional shares;
- (4) reduction of the charter capital of the Company by way of reduction of the nominal value of shares;
- (5) split and consolidation of shares;
- (6) authorization (approval) of related party transactions in the cases provided for by the Federal Law “On Joint Stock Companies”;
- (7) authorization (approval) of major transactions in the cases provided for by the Federal Law “On Joint Stock Companies”;
- (8) participation of the Company in financial and industrial groups, associations and other alliances of commercial organizations;
- (9) approval of internal documents regulating the operation of the Company bodies;
- (10) setting a date to determine persons entitled to receive dividends;
- (11) delegation of the authority vested in the Company’s sole executive body to a managing entity or manager;
- (12) in other cases provided for by the legislation of the Russian Federation and this Charter.

9.3.4. If the agenda includes the item on early termination of the powers of the members of the Board of Directors and the members of the Audit Commission of the Company, and election of the members of the Board of Directors and the members of the Audit Commission of the Company,

then if the resolution on early termination of the powers is not adopted, the results of voting on the new composition of the body shall not be determined.

9.3.5. The resolutions adopted by the General Shareholders Meeting and the voting results shall be declared at the meeting at which the voting took place, and shall also be communicated to the persons entitled to vote on resolution of the General Shareholders Meeting, within 4 (four) business days following the closing date of the meeting or following the final date for acceptance of voting ballots in case of the absentee voting; such communication shall be drawn up in the form of a report on the voting results in the manner stipulated by the legislation of the Russian Federation.

9.3.6. If as of the date for determination (recording) persons entitled to vote on resolutions of the General Shareholders Meeting, a nominee shareholder is listed on the share register of the Company, the report on the voting results shall be served to such nominee shareholder electronically (in the form of an e-document certified under an electronic signature).

9.3.7. No resolution of the General Shareholders Meeting on an item of the meeting agenda shall be deemed to have been adopted and may be declared, until the results of the voting on all agenda items are summarized. This rule does not apply to the voting on the rule of procedure of the meeting.

9.4. Notice of the Meeting or Absentee Voting

9.4.1. Notice of the meeting or absentee voting shall be published on the official website of the Company www.rosneft.ru on the Internet at least 30 days prior to the date of such meeting or absentee voting unless an earlier period is provided by the effective legislation of the Russian Federation. Requirements to the notice of the meeting or absentee voting, and further forms for notifying shareholders of any meeting or absentee voting to be conducted shall be set forth in the Regulations on the General Shareholders Meeting of the Company.

9.4.2. The Company may additionally notify its shareholders of the meeting or absentee voting via the mass media including print media (Rossiyskaya Gazeta, Komsomolskaya Pravda), electronic media, television, and radio, and via email, and other permitted means.

9.5. The list of information (materials) to be provided to the shareholders in preparation for the meeting or absentee voting, and the procedure for providing such information (materials)

9.5.1. The information (materials) to be provided to the persons entitled to vote on resolutions of the General Shareholders Meeting, in the course of preparation for the meeting or absentee voting, in accordance with the procedure established by the Regulations on the General Shareholders Meeting, shall include the following documents (materials) (subject to the items included in the agenda):

- (1) annual report;
- (2) annual accounting (financial) statements;
- (3) opinion of the audit organization;
- (4) assessment of the audit organization's opinion by the Audit Committee;
- (5) opinion of the Company Audit Commission based on findings of the audit of the annual accounting (financial) statements, the annual report;

- (6) information on candidates to the Board of Directors and the Audit Commission sufficient to form a concept of their personal and professional qualities;
- (7) information about the candidate(s) proposed for appointment as the Company's audit organization;
- (8) draft addenda and amendments to or a draft restated version of the Charter of the Company;
- (9) draft addenda and amendments to or drafts of new versions of internal documents of the Company;
- (10) draft resolutions of the General Shareholders Meeting;
- (11) recommendations of the Board of Directors of the Company on the items specified in Clause 10.2.9 of this Charter;
- (12) information about shareholder agreements entered into within the year prior to the date of the meeting or before the final date for acceptance of voting ballots in case of absentee voting, in the scope and in cases provided for by the effective legislation of the Russian Federation;
- (13) information on the persons proposing any item to the agenda or nominees to the Board of Directors and Audit Commission of the Company;
- (14) position of the Board of Directors of the Company with respect to the agenda and dissenting opinions of members of the Board of Directors of the Company on each item of the agenda;
- (15) opinion of the Board of Directors of the Company regarding a major transaction;
- (16) report on related-party transactions entered into by the Company in the reporting year;
- (17) opinion of Internal Audit;
- (18) information on the total amount of unclaimed dividends of the Company based on its accounting (financial) statements as of the latest reporting date prior to making a decision to conduct the annual meeting;
- (19) information on the total number of shareholders in respect to whom the sending of notices of meetings or absentee voting and/or voting ballots, payment of dividends has been suspended, and information on their shareholding in the charter capital of the Company and their share in the total number of voting shares of the Company;
- (20) other documents and materials provided for by the legislation of the Russian Federation, the Charter and the Regulations on the General Shareholders Meeting of the Company.

9.5.2. The accuracy of data in the annual Company report, annual accounting (financial) statements and report on the related-party transactions entered into by the Company during the reporting year shall be confirmed by the Audit Commission of the Company.

Before publishing the documents specified in Clause 9.5.1 of the Charter, the Company shall engage an audit organization that is not a related party of the Company or its shareholders for the performance of the annual audit and confirmation of the annual accounting (financial) statements.

The annual report of the Company shall be subject to prior approval by the Board of Directors of the Company no later than 30 days prior to the date of the annual meeting.

9.5.3. If the agenda includes the item on the election of the members of the Board of Directors and the members of the Audit Commission, then additional information as to whether the nominees to

the respective body of the Company have given their written consent or not thereto, shall also be provided.

9.5.4. If the agenda contains the items, the voting on which may trigger the right to demand the repurchase of shares by the Company, then the following additional information (materials) shall be provided to the shareholders:

- (1) an independent appraiser's report on the market value of the Company's shares the repurchase of which may be demanded from the Company;
- (2) a calculation of the Company's net assets value based on the accounting (financial) statements of the Company for the last completed reporting period;
- (3) minutes (extract from minutes) of the meeting of the Board of Directors of the Company containing the resolution on determining the repurchase price of Company shares, specifying such share repurchase price.

9.5.5. If the agenda includes the item on the Company's reorganization, then the following additional materials shall be provided to the shareholders:

- (1) a draft resolution on demerger, spin-off, or transformation or an agreement (a draft agreement) of merger or accession to be made between the companies involved in such merger or accession;
- (2) substantiation of the terms of and procedure for the Company's reorganization, which are set out in the draft resolution on the demerger, spin-off or transformation or in the agreement (draft agreement) on merger or accession;
- (3) a draft transfer certificate in case of reorganization by spin-off or demerger;
- (4) annual reports and annual accounting (financial) statements of all companies that take part in the reorganization, for the three completed reporting years preceding the date of the meeting or absentee voting, or for each completed reporting year from the date of the company establishment, if such a company has been operating less than three years;
- (5) interim accounting (financial) statements of all companies that take part in the reorganization for the last completed reporting period consisting of three months, six months or nine months, preceding the date of the meeting or absentee voting if such statements are produced.

9.5.6. In addition to the statutory means of provision to persons entitled to vote on the resolutions of the General Shareholders Meeting, of information (materials) listed in Clause 9.5 of this Charter such information (materials) for the meeting or absentee voting may be placed on the Company's web-site www.rosneft.ru on the Internet.

9.6. Proposals of items to the agenda and proposals nominating candidates to the Company bodies

9.6.1. Shareholders(s) that hold in the aggregate at least 2 percent of the voting shares of the Company shall have the right to propose items to the agenda of an annual meeting and to propose (nominate) candidates to the Board of Directors of the Company and the Audit Commission of the Company, provided that the number of such nominees shall not exceed the total number of members of the relevant body.

Proposals to the agenda of the annual meeting and proposals on nominees to the Board of Directors and/or the Audit Commission shall be received by the Company not earlier than July 1 of the reporting year and not later than 60 days from the end of a reporting year.

If the proposed agenda of the extraordinary meeting includes the item on election of the members of the Board of Directors and/or the Audit Commission of the Company, proposals on nominees shall be received by the Company at least 30 days prior to the date of the extraordinary meeting.

9.6.2. Requirements for proposed items to the agenda, for proposals on nomination of candidates to the Board of Directors and Audit Commission of the Company are determined by the effective legislation of the Russian Federation, this Charter and Regulations on the General Shareholders Meeting.

9.6.3. A proposal on the inclusion of items into the agenda shall contain the wording of each proposed item and may also contain the wording of the resolution on each proposed item.

9.6.4. The Board of Directors of the Company shall consider the submitted proposals and resolve to include or not to include them into the agenda within 5 days from the expiration of term set in Clause 9.6.1 of this Charter.

9.6.5. An item proposed by the shareholder(s) shall be included into the agenda, and nominees shall be included in the list of candidates for voting in elections to the relevant body of the Company, unless:

- (1) the shareholder(s) failed to meet the timeframe set in Clause 9.6.1 of this Charter;
- (2) the shareholders(s) who signed the proposal do not/does not have the right to make proposals to the agenda and/or to nominate candidates to the Company bodies in accordance with the effective legislation of the Russian Federation and this Charter;
- (3) the proposal fails to meet the requirements provided for by the effective legislation of the Russian Federation, this Charter, and the Regulations on the General Shareholders Meeting;
- (4) the proposal on candidates to the Board of Directors and the Audit Commission of the Company fails to include any candidate-related information as prescribed by this Charter and the Regulations on the General Shareholders Meeting;
- (5) the item proposed for inclusion into the agenda does not fall within the competence of the General Shareholders Meeting by the law and the Charter of the Company and (or) fails to meet the requirements of the Federal Law "On Joint Stock Companies" or other normative legal acts of the Russian Federation.

9.6.6. The date of any proposal on inclusion of an item into the agenda and on nomination of candidates to the Company bodies shall be the date when the Company receives a relevant proposal, which date shall be determined as required by the effective legislation of the Russian Federation.

9.6.7. A motivated resolution of the Board of Directors of the Company on refusal to include a proposed item into the agenda or a proposed nominee into the list of candidates to the relevant Company's body shall be sent to the shareholder(s) proposing such an item or nominating such candidates within 3 days of such a resolution.

9.6.8. If the Board of Directors of the Company refuses to include a proposed item into the agenda or a proposed nominee into the list of candidates to the relevant body of the Company, or if the Board of Directors of the Company evades adopting such a resolution, the shareholder(s) may apply to the court seeking that the Company be required to include the proposed item into the agenda or a proposed candidate into the list of nominees to be voted on in elections to the relevant body of the Company.

9.6.9. The Board of Directors of the Company shall not change the wording of items proposed for inclusion into the agenda, and the wording of the resolutions on such items.

9.6.10. In addition to items proposed by the shareholders for inclusion into the agenda, and to nominees proposed by the shareholders for the formation of the relevant body of the Company, the Board of Directors of the Company has the right to include items into the agenda and/or nominees into the list of candidates for elections to the respective body of the Company at its own discretion. The number of candidates proposed by the Board of Directors of the Company may not be greater than the number of members of the respective body.

9.7. Extraordinary Meeting or Absentee Voting

9.7.1. The extraordinary meeting or absentee voting shall be conducted under the resolution of the Board of Directors of the Company adopted upon its initiative or at the request of the Audit Commission of the Company, the audit organization of the Company, and the shareholder(s) that hold at least 10 percent of the voting shares of the Company as of the date of such a request.

9.7.2. The request for conducting the extraordinary meeting or absentee voting shall be made in writing. If the request for conducting the extraordinary meeting or absentee voting is submitted by the shareholders (shareholder) it shall specify the names (company names) of submitting shareholders(s) and the number and the category (type) of shares owned by them. The request for conducting the extraordinary meeting or absentee voting shall be signed by person(s) requesting the conduct of the meeting or absentee voting.

9.7.3. The Board of Directors of the Company shall resolve to conduct or refuse to conduct the extraordinary meeting or absentee voting within 5 days from the date of submission of the request for the extraordinary meeting or absentee voting by persons mentioned in Clause 9.7.1 of this Charter.

9.7.4. The resolution of the Board of Directors of the Company to conduct the extraordinary meeting or absentee voting or a motivated resolution to refuse to conduct the extraordinary meeting or absentee voting shall be sent to the persons requesting the extraordinary meeting or absentee voting within 3 days from the date of such resolution.

9.7.5. A resolution refusing to conduct the extraordinary meeting or absentee voting shall only be adopted on such grounds as laid down in the Federal Law "On Joint Stock Companies".

9.7.6. In case, within the period set by Clause 9.7.3 of this Charter, the Board of Directors of the Company has either failed to adopt a resolution to conduct the extraordinary meeting or absentee voting or refused to conduct the same, the Company body or persons requiring the extraordinary meeting or absentee voting may apply to the court seeking that the Company be required to hold such extraordinary meeting or absentee voting.

9.7.7. Any extraordinary meeting or absentee voting requested by the Audit Committee, audit organization or shareholder(s) of the Company that hold at least 10 per cent of the voting shares of the Company shall be held within the period provided for by the effective legislation of the Russian Federation.

9.7.8. The date of submission of the request to conduct the extraordinary meeting or absentee voting shall be the date when the request is received by the Company, which shall be determined in accordance with the requirement of the effective legislation of the Russian Federation.

9.7.9 In the event the Board of Directors of the Company is obliged under the Federal Law "On Joint Stock Companies" to resolve on conducting an extraordinary meeting or absentee

voting, such meeting or absentee voting shall be conducted within the period provided for by the effective legislation of the Russian Federation.

9.8. Quorum for the Meeting or Absentee Voting

9.8.1. The General Shareholders Meeting shall be legitimate (there is a quorum for the meeting or absentee voting for decision-making by the General Shareholders Meeting) if the shareholders holding, in the aggregate, more than half of the votes attached to the Company's outstanding voting shares participate in the meeting or absentee voting.

9.8.2. Shareholders registered for participation in the meeting and shareholders whose ballots are received at least 2 days prior to the date of such meeting shall be deemed to have participated in the meeting.

9.8.3. The procedure for registration of participants of the meeting shall be regulated by the Regulations on the General Shareholders Meeting.

9.8.4. The shareholders whose voting ballots are received by the Company not later than the final date for acceptance of voting ballots shall be deemed to have participated in the absentee voting. The shareholders who in accordance with the rules of the legislation of the Russian Federation on securities, issued voting directives (instructions) to persons who register their share title rights shall be deemed to have participated in such absentee voting, if notices of declarations of their will were received not later than the final date for acceptance of voting ballots.

9.8.5. Voting ballots recognized as invalid in accordance with the effective legislation, this Charter, and Regulations on the General Shareholders Meeting, shall not be counted when the quorum is determined for voting on an item.

9.8.6. In case the agenda includes items which are to be voted on by different contingents of voters, the quorum for the adoption of resolutions on those items shall be determined separately. The absence of a quorum for resolutions on items to be voted on by a certain contingent of voters shall not prevent the adoption of resolutions on items to be voted on by a different contingent of voters, the quorum for which is reached.

9.8.7. A meeting shall open if by the time of its commencement there is a quorum for at least one of the items included in the agenda. If there is no quorum for any of the items of the agenda by the time of its commencement, then the commencement may be adjourned for no more than 2 hours.

9.9. Adjourned Meeting or Absentee Voting

9.9.1. In the absence of a quorum for the annual meeting, the Board of Directors shall adopt the resolution to conduct an adjourned meeting with the same agenda.

9.9.2. In the absence of a quorum for conduct of the extraordinary meeting or for decision-making by the absentee voting, an adjourned extraordinary meeting or absentee voting may be conducted with the same agenda in accordance with a resolution of the Board of Directors.

9.9.3. The procedure for preparing and conducting an adjourned meeting and adjourned absentee voting, and notifying the shareholders of the same, shall be similar to the procedure established for the canceled meeting or absentee voting by the effective legislation, this Charter, and the Regulations on the General Shareholders Meeting, save for any exceptions established by the Federal Law "On Joint Stock Companies".

9.9.4. The General Shareholders Meeting shall be legitimate conducting an adjourned meeting or absentee voting if the shareholders holding, in the aggregate, at least 30 percent of the votes

attached to the Company's outstanding voting shares participate in the adjourned meeting or absentee voting.

9.9.5. In the event an adjourned meeting or absentee voting is conducted earlier than 40 days after the date of the canceled meeting or after the final date for acceptance of voting ballots in case of the failed absentee voting, persons entitled to vote on resolutions to be adopted by the General Shareholders Meeting at the adjourned meeting or during the conduct of the adjourned absentee voting shall be determined (recorded) on the date on which the persons entitled to vote on resolutions to be adopted by the General Shareholders Meeting at the meeting or during the conduct of the absentee voting, which were recognized as failed.

9.10. Voting Ballots

9.10.1. Voting on items of the agenda shall be performed by voting ballots. A voting ballot shall be sent or delivered against signature to each of the persons registered in the shareholders register of the Company and entitled to vote on resolutions to be adopted by the General Shareholders Meeting, no later than 20 days prior to the date of the meeting or the final date for acceptance of voting ballots for absentee voting.

Voting ballots shall be sent in the form of an electronic message containing an electronic file of the ballots as an attachment, to the e-mail address of the relevant person specified in the shareholders register of the Company.

When resolving the issues related to preparation for a meeting or absentee voting, the Board of Directors may determine other ways of sending ballots to the shareholders, including by regular or registered mail.

9.10.2. A voting ballot shall meet the requirements established by the effective legislation of the Russian Federation and the Regulations on the General Shareholders Meeting. A voting ballot may include further information as determined by the Board of Directors in approving the form and text of such voting ballot.

9.10.3. In the event the meeting is held, the persons included in the list of persons entitled to vote on resolutions to be adopted by the General Shareholders Meeting may register for the participation in such meeting or send their filled-in ballots to the address of the Company specified in this Charter or address (es) stated in such ballot. As resolved by the Board of Directors, the Company may use electronic systems enabling shareholders to vote by means of electronic or other technical facilities. In such event, any person entitled to vote on resolutions of the General Shareholders Meeting may fill in an electronic form of the voting ballot on the Internet website, the address of which is specified in the notice of the meeting, and (or) send an electronic image of the filled-in voting ballot to the e-mail address specified in the notice of the meeting, and (or) send an electronic form of the voting ballot using other electronic or technical facilities provided for by the resolution of the Board of Directors. Shareholders may fill in the electronic form of the voting ballots on the Internet website and (or) send an electronic image of the filled-in voting ballot and (or) send the filled-in voting ballot in electronic form, if such possibilities are provided for by the resolution of the Board of Directors, during the meeting unless they have otherwise exercised their right to participate in the decision-making of the General Shareholders Meeting.

In case of conducting the absentee voting, filled-in voting ballots shall be sent to the postal address specified in the notice of the absentee voting. Upon the resolution of the Board of Directors, when the absentee voting is conducted, an electronic form of the voting ballot may be filled in on the Internet website at the address specified in the notice of the absentee voting, and (or) electronic

images of filled-in voting ballots may be sent, and (or) filled-in voting ballots may be sent in electronic form with the use of electronic or technical facilities, including to the e-mail address specified in the notice of the absentee voting.

9.10.4. When sending voting ballots in electronic form using electronic or other technical facilities, and when sending electronic images of filled-in voting ballots, the date and time of their sending must be recorded.

9.10.5. The voting ballot shall be signed by the person entitled to vote on resolutions of the General Shareholders Meeting, or by his/her representative with his/her own signature.

The electronic form of the voting ballot or an electronic image of the filled-in voting ballot shall be signed (certified) by the person entitled to vote on resolutions of the General Shareholders Meeting, or his/her representative with the electronic signature, the type(s) of which are established by the resolution of the Board of Directors adopted in preparation for the meeting or absentee voting, in accordance with the legislation of the Russian Federation.

9.10.6. When determining the presence of a quorum and the results of voting at the meeting, the votes to be counted shall be the votes represented by the voting ballots received by the Company no later than 2 days prior to the date of the meeting as well as the votes cast during the meeting, including the voting ballots cast electronically or by other technical means, if such an opportunity is provided for by a resolution of the Board of Directors.

9.10.7. When voting at the meeting, votes on only those items shall be counted for which the voting person is left with only one of the possible voting options, with the exception for the cases provided for by the effective legislation of the Russian Federation. The voting ballots filled in breach of the above requirement shall be held invalid, and votes on items set forth therein shall not count.

9.10.8. If a voting ballot contains several items put to a vote, failure to comply with the aforesaid requirements in respect to one or more items shall not result in the invalidation of the voting ballot as a whole.

9.10.9. If the ballots are received by the Company after the final date for the acceptance of the voting ballots, the shareholders that submitted such voting ballots shall be considered as not participated in the voting and the votes on the items contained therein shall not be counted.

9.11. Counting Commission

9.11.1. The functions of the Counting Commission of the Company shall be performed by the registrar of the Company.

9.11.2. Company's registrar shall:

- (1) verify the powers of and register the persons participating in the meeting;
- (2) ascertain the quorum for the meeting and absentee voting, and the quorum for resolutions on each item of the agenda;
- (3) give explanations on questions arising in connection with the exercise by shareholders of the voting rights;
- (4) explain the procedure for the voting on issues put to a vote;
- (5) ensure that the established procedures for the voting and shareholders' rights to participate in the voting are kept with;

- (6) count votes and summarize the voting results;
 - (7) announce resolutions made at the meeting and results of voting on items of the agenda;
 - (8) prepare and sign the minutes of the voting results;
 - (9) submit the voting ballots to the archives;
 - (10) perform other functions provided for by the effective legislation of the Russian Federation and the agreement between the Company and its registrar.
- 9.11.3. Minutes of the Counting Commission shall be signed by at least 3 authorized persons of the registrar.

10. BOARD OF DIRECTORS OF THE COMPANY

10.1. The Board of Directors of the Company shall be responsible for general management of the Company operations, with the exception of the items falling within the competence of the General Shareholders Meeting of the Company.

10.2. Competence of the Board of Directors

10.2.1. In the exercise of its management functions the Board of Directors of the Company shall:

- (1) determine the priority directions of the activities;
- (2) approve a long-term strategy of development and monitor its implementation;
- (3) approve plans of the Company's financial and business operations (business plans, including risk tolerance; budgets) and monitor their implementation;
- (4) preliminarily approve the Company's annual report;
- (5) determine the amount of remuneration payable to the Company's audit organization;
- (6) determine the list and amounts of funds formed in the Company;
- (7) make resolutions on the use of the reserve fund and other funds of the Company;
- (8) approve criteria for determination of the amount of remuneration payable to the members of the Board of Directors of the Company;
- (9) determine key performance indicators and approve amounts of annual bonuses (premiums) payable to the members of the Company's collective executive body, the Company's sole executive body, and other top managers of the Company;
- (10) make resolutions on audit by the Audit Commission of financial and business operations of the Company, consider the findings of such audits as carried out pursuant to the resolution of the Board of Directors, and make resolutions on them if required;
- (11) determine the price (monetary value) of the property in cases, provided for by the Federal Law "On Joint Stock Companies";
- (12) approve the registrar of the Company and terms and conditions of the contract to be concluded with the registrar for keeping the register of holders of registered securities, as well as amendment/termination of the contract with the registrar;
- (13) consider reports of the officer (business unit) of the Company responsible for control over compliance of the Company with the legislative requirements concerning the prevention of

unlawful use of insider information, reports on the Company compliance with the legislation of the Russian Federation with respect to the prevention of illegal use of insider information and market manipulation;

(14) approve key areas for development of the internal control and risk management system, and supervise their implementation;

(15) arrange for analysis and operational efficiency assessment of the internal control and risk management system;

(16) elect chairmen of committees of the Board of Directors of the Company;

(17) adopt the resolutions on appointment and dismissal of the Head of the Internal Audit Service of the Company;

(18) consider reports of the Internal Audit Service of the Company;

(19) adopt resolutions on application for a listing of the Company's shares and/or the Company's issuable securities convertible into the Company's shares.

10.2.2. The Board of Directors of the Company shall form the executive bodies of the Company, including:

(1) appointment of the Chief Executive Officer of the Company, adoption of a resolution on early termination of powers of the Chief Executive Officer of the Company;

(2) determination of the total number of members of the Management Board, appointment of members of the Management Board, appointment of the Vice Chairman of the Management Board, adoption of a resolution on early termination of powers of certain or all members of the Management Board;

(3) approval of terms and conditions of contracts with the Chief Executive Officer of the Company and members of the Management Board, approval of amendments and addendums to such contracts;

(4) appointment of persons authorized to sign the contract on behalf of the Company with the Chief Executive Officer and the members of the Management Board of the Company;

(5) determination of an officer of the Company, performing duties of the sole executive body of the Company in case the Chief Executive Officer is not capable of performing his/her duties for a lengthy or indefinite period, including in case of temporary disability, voluntary resignation, or early termination for other reason;

(6) giving consent to the Chief Executive Officer concurrent employment, and to holding by the Chief Executive Officer and the members of the Management Board of the Company of positions in governing bodies of other entities;

10.2.3. The Board of Directors shall adopt resolutions connected with the preparation and conducting the meeting or absentee voting of the General Shareholders Meetings including determination of:

(1) the method of decision-making by the General Shareholders Meetings (a meeting or absentee voting);

(2) the possibility of remote participation of the shareholders in a meeting of the General Shareholders Meeting, the procedure for access to remote participation in a meeting of the General

Shareholders Meeting, including methods for reliable identification of persons participating remotely in a meeting, the possibility to be present at the venue of the meeting or holding a meeting without determining its venue;

(3) the date and time of the meeting of the General Shareholders Meeting, as well as the final date for acceptance of voting ballots, the venue of the meeting of the General Shareholders Meeting (except for a meeting with remote participation, which is held without determining its venue) or, in case of absentee voting, the final date for acceptance voting ballots for absentee voting;

(4) the date of determining (registering) persons entitled to vote on resolutions of the General Shareholders Meeting;

(5) the final date for submitting shareholder nominations of candidates for election to the Board of Directors of the Company, if the agenda of the extraordinary meeting of the General Shareholders Meeting includes the item on election of the members of the Board of Directors of the Company;

(6) the agenda of the meeting or absentee voting of the General Shareholders Meeting;

(7) the procedure for notifying shareholders of conducting the meeting of the General Shareholders Meeting or absentee voting;

(8) the list of information (materials) to be provided to shareholders in connection with the preparation for the meeting of the General Shareholders Meeting or absentee voting, and procedure for provision of such information (materials);

(9) the form and the wording of the voting ballots, and the draft resolutions on the items of the agenda of the meeting or absentee voting of the General Shareholders Meeting, which shall be sent electronically to the nominee shareholders listed on the share register of the Company;

(10) the address (postal address and (or) e-mail address) to which the filled-in voting ballots may be sent, and the methods of signing the voting ballots in accordance with the legislation of the Russian Federation, as well as the possibility of filling in and submitting the voting ballots in electronic form using other electronic or other technical facilities;

(11) adoption of resolutions on any other items, falling within the competence of the Board of Directors in accordance with the requirements of the effective legislation of the Russian Federation, this Charter, and internal documents of the Company and related to the preparation and conduct of the meeting or absentee voting of the General Shareholders Meeting of the Company.

10.2.4. The Board of Directors shall exercise powers with regard to placement and repurchase of the issuable securities in the Company, including adoption of resolutions on the following items:

(1) placement of bonds and other issuable securities of the Company with the exception of cases where the item of placing bonds and other issuable securities falls within the competence of the General Shareholders Meeting in accordance with the effective legislation or the Charter of the Company;

(2) approval of resolutions on issuance (additional issuance) of securities, prospectuses and amendments thereto;

(3) determination of the offering price or a procedure for determination the same as well as determination of the buyout price for issuable securities in the cases provided for by the Federal Law “On Joint Stock Companies”;

(4) acquisition of outstanding shares of the Company in the number not exceeding 10 percent of the total number of all outstanding shares of the Company, so that the number of outstanding shares of the Company in circulation shall be no less than 90 percent of the total number of outstanding shares of the Company;

(5) acquisition of bonds and other securities placed by the Company in cases provided for by the effective legislation of the Russian Federation;

(6) sale of any shares acquired by the Company in cases provided for by the effective legislation of the Russian Federation;

(7) approval of a report on the results of acquisition of the shares for the purpose of their redemption and of the report on the results of redemption of the shares;

(8) approval of a report on the shareholders’ claims for redemption of their shares.

10.2.5. The Board of Directors shall authorize (approve) the following transactions of the Company:

(1) major transactions in the cases provided for by the Federal Law “On Joint Stock Companies”. If a transaction constitutes a major transaction and also a related-party transaction, however under the effective legislation of the Russian Federation does not require an authorization (approval) as a related-party transaction, the said transaction shall be authorized (approved) by the Board of Directors in accordance with the rules provided for the authorization (approval) of major transactions;

(2) related-party transactions in the cases provided for by the Federal Law “On Joint Stock Companies”.

10.2.6. The Board of Directors shall adopt a resolution on implementation of business projects/investment programs (including those related to establishment of new enterprises (businesses), joint ventures, attracting of investments, new construction, reconstruction, production capacities upgrade), which involve or may involve expenses or other liabilities of the Company in the amount, equal to or exceeding a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars.

10.2.7. The Board of Directors shall adopt the resolutions on entering into, amendment and early termination of the following transactions (or a number of inter-related transactions) not covered by the classes of transactions specified in Clauses 9.2.3, 9.2.4 and 10.2.5 of this Charter;

(1) any transactions, which involve or may involve expenses and (or) other liabilities of the Company in the amount, equal to or exceeding a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars, with the exception for transactions authorized in accordance with a different procedure established by the effective legislation and this Charter;

(2) grants, donations, or charitable transactions, which involve or may involve expenses and (or) other liabilities of the Company in the amount, equal to or exceeding a monetary equivalent of 50,000,000 (fifty million) US dollars.

10.2.8. The Board of Directors of the Company shall approve the following internal documents of the Company including any amendments thereto:

- (1) Corporate Governance Code of the Company;
- (2) Code of Corporate Ethics;
- (3) Regulations on committees of the Board of Directors of the Company;
- (4) Regulations on the Corporate Secretary of the Company;
- (5) Regulations on the Funds of the Company;
- (6) Regulations on remuneration and compensation payable to the members of the Board of Directors of the Company (including regulations on holding by the members of the Board of Directors shares of the Company and the Group Companies), members of the Management Board and the sole executive body (including regulations on social support for members of the Management Board and the sole executive body), and key executives;
- (7) Policy-level local normative documents of the Company in the following areas:
 - (i) determination of the business organization model (including determination of key managerial and business processes and principles for establishing and modifying the Company's organizational structure);
 - (ii) sustainable development;
 - (iii) corporate governance;
 - (iv) internal control and risk management system;
 - (v) compliance of documents and operations of the Company with the legal requirements and business practice;
 - (vi) management of conflict of interests;
 - (vii) internal audit (Regulations on Internal Audit, which shall define the goals, objectives, and authorities of organizational department performing internal audit functions in the Company);
 - (viii) management of finances and reporting;
 - (ix) industrial safety;
 - (x) labour and environmental protection;
 - (xi) investments;
 - (xii) innovation activities;
 - (xiii) information policy (including information disclosure and provision, protection of confidential information, information security and measures to prevent wrongful use of insider information);
 - (xiv) dividend policy (Regulations on Dividend Policy);
 - (xv) external communications (including regional politics and international operations);
 - (xvi) anti-corruption policy;
 - (xvii) human resource and social policies;
 - (xviii) performance evaluation (including evaluation of work of the Company's governing bodies);

(8) other internal documents of the Company as defined by this Charter and the effective legislation of the Russian Federation.

The Board of Directors may supervise implementation of provisions of internal Company documents, as referenced above in this clause of the Charter, by the Company's executive bodies, including by way of requesting and examining progress reports by the Company's executive bodies on the Company's compliance with the above internal documents or (and) by requiring that committees of the Board of Directors or the Company's Corporate Secretary monitor compliance with internal Company documents to be approved by the Board of Directors.

10.2.9. The Board of Directors shall provide recommendations to the General Shareholders Meeting on the following items:

- (1) procedure for distribution of profits and losses of the Company based on the results of a reporting year;
- (2) amount of a dividend on the Company shares and procedure of payment of dividends;
- (3) amount of remuneration and compensation payable to the members of the Company's Audit Commission.

10.2.10. The Board of Directors shall develop proposals to the General Shareholders Meeting on items falling within the competence of the General Shareholders Meeting as provided for in Clause 9.3.3 of this Charter.

10.2.11. The Board of Directors shall adopt the resolutions on the appointment of the Corporate Secretary of the Company or dismissal of such Corporate Secretary, fix the amount of remuneration and system of bonuses for the Corporate Secretary.

10.2.12. The Board of Directors shall appoint the Secretary of the Board of Directors of the Company.

10.2.13. The Board of Directors shall determine the general policy in relation to the Group Companies. In particular, the following items shall fall within the competence of the Board of Directors:

- (1) approval of the internal document of the Company that defines criteria for classifying any Group Companies as Key Group Companies;
- (2) determination of the position of the Company with regard to conclusion, amendment and early termination by Group Companies of the following transactions (or several inter-related transactions):
 - (i) any transactions, which involve or may involve expenses and (or) other liabilities of a Group Company in the amount, equal to or exceeding a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars, with the exception for Group Company transactions subject to a different procedure for determination of the Company's position pursuant to this Charter;
 - (ii) grants, donations, or charitable transactions, which involve or may involve expenses and (or) other liabilities of a Group Company equal to or exceeding a monetary equivalent of 50,000,000 (fifty million) US dollars;
- (3) determination of the position of the Company with regard to implementation by Group Companies of business projects/investment programs (including those related to establishment of

new enterprises (businesses), joint ventures, attracting investments, new construction, reconstruction, production capacities upgrade), which involve or may involve expenses and (or) other liabilities of the Group Companies equal to or exceeding a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars;

(4) determination of the position of the Company with regard to the following items:

(i) any actions, including transactions, that result in any reduction of the charter capital of a Key Group Company or reduction of the Company's direct or indirect proportionate equity stake in a Key Group Company;

(ii) liquidation of Key Group Companies;

(iii) reorganization of Key Group Companies by way of merger or consolidation into business entities other than Group Companies.

For the purpose of this Charter, any business entity where the Company directly and (or) indirectly holds shares or equity stakes of 20 percent and more shall be recognized as Group Company.

For the purpose of this Charter, Group Companies having or likely to have a material impact on the Company's financial, economic, and other performance indicators and/or on the implementation of its development strategy shall be recognized as Key Group Companies.

10.2.14. The Board of Directors shall adopt resolutions on other items falling within its competence in accordance with the effective legislation of the Russian Federation or this Charter.

10.2.15. Items falling within the competence of the Board of Directors of the Company may not be delegated to the executive bodies of the Company.

10.2.16. The Board of Directors shall have the right to accept for consideration any item relating to activities of the Company, with the exception of items, falling within the competence of the General Shareholders Meeting in accordance with the Federal Law "On Joint Stock Companies" or this Charter.

10.2.17. Any items related to the development and implementation of defense measures regarding mobilization preparation, civil defense, emergency situations and information protection issues, which constitute state secret, shall not be considered at a meeting of the Board of Directors of the Company.

10.3. Election of the Board of Directors

10.3.1. Members of the Board of Directors of the Company shall be elected by the General Shareholders Meeting for the period until the next annual meeting of the General Shareholders Meeting.

10.3.2. If the annual meeting of the General Shareholders Meeting is not conducted within the term specified in this Charter, powers of the Board of Directors of the Company shall terminate, except for the powers to prepare for and conduct the annual meeting of the General Shareholders Meeting.

10.3.3. A member of the Board of Directors of the Company may not be a shareholder of the Company. Only an individual may be a member of the Board of Directors of the Company.

10.3.4. The Board of Directors shall be elected by cumulative voting and shall be composed of 11 (eleven) members.

10.3.5. The Board of Directors shall, among other things, include persons of sufficient independence to develop a position on items falling within the competence of the Board of Directors, regardless of any influence exerted by the executive bodies of the Company, selected shareholder groups, or other stakeholders, and having a sufficient degree of professionalism and experience (independent directors). A number of independent directors shall be at least one-third of the total number of members of the Board of Directors of the Company, but may not be less than three.

10.3.6. A member of the Board of Directors may not be recognized as an independent director if he/she is:

- (1) related to the Company;
- (2) related to a significant shareholder of the Company;
- (3) related to a significant counterparty of the Company;
- (4) related to a competitor of the Company;
- (5) an affiliate of the state (the Russian Federation, an entity of the Russian Federation) or a municipality.

Whether any member of the Board of Directors is independent, shall be determined in accordance with criteria established by the Regulations on the Board of Directors of the Company.

The Board of Directors assess candidates to the Board of Directors, issues an opinion regarding independence of any candidate to the Board of Directors, and shall examine any independent members of the Board of Directors for compliance with the independence criteria.

10.3.7. In accordance with the resolution of the General Shareholders Meeting of the Company the powers of the Board of Directors of the Company may be terminated in respect of all members of the Board of Directors of the Company only.

10.3.8. Persons elected to the Board of Directors of the Company may be re-elected an unlimited number of times.

10.3.9. If the number of the members of the Board of Directors of the Company becomes less than the number that constitutes a quorum for conduct of a meeting or absentee voting of the Board of Directors as determined in this Charter, the Board of Directors of the Company shall resolve to conduct the extraordinary meeting of the General Shareholders Meeting aimed at election of the new members of the Board of Directors of the Company. The remaining members of the Board of Directors of the Company may only resolve to conduct such extraordinary meeting of the General Shareholders Meeting.

10.4. Chairman of the Board of Directors and his/her Deputies

10.4.1. The Chairman of the Board of Directors of the Company and his/her Deputies shall be elected by the members of the Board of Directors of the Company from among themselves by the majority of votes of all the members of the Board of Directors of the Company, without consideration of the votes of the withdrawn members of the Board of Directors.

10.4.2. The Board of Directors of the Company shall have the right to re-elect its Chairman and Deputy Chairmen of the Board of Directors at any time by the majority of votes of all the members of the Board of Directors without consideration of the votes of the withdrawn members of the Board of Directors.

10.4.3. The Chairman of the Board of Directors of the Company shall organize its work, make decisions to conduct a meeting or absentee voting of the Board of Directors of the Company, and preside at the meetings of the Board of Directors, unless otherwise is provided for by this Charter; shall arrange for keeping minutes at the Board of Directors meetings, ensure interaction between the Board of Directors and other Company bodies, and exercise other powers prescribed by internal documents of the Company.

10.4.4. In the absence of the Chairman of the Board of Directors, his/her duties shall be performed by one of his/her Deputies, and in case of their absence - by one of the members of the Board of Directors by a resolution of the Board of Directors.

10.5. Procedure for Decision-Making by the Board of Directors

10.5.1. Decisions of the Board of Directors of the Company may be made at meetings, including those combined with absentee voting (hereinafter referred to as a meeting of the Board of Directors of the Company), or by absentee voting (hereinafter referred to as absentee voting of the Board of Directors of the Company).

10.5.2. One may participate in a meeting of the Board of Directors of the Company remotely using electronic or other technical facilities. The procedure for accessing remote participation in a meeting, including methods for reliable identification of individuals participating remotely, shall be established by the Chairman of the Board of Directors of the Company during preparation for the meeting in accordance with the Company's internal documents. A meeting of the Board of Directors with remote participation may involve presence at its venue or may be held without determining its venue.

10.5.3. If at a meeting of the Board of Directors of the Company, the voting is combined with absentee voting, the acceptance of documents for the absentee voting containing information on the declaration of will of members of the Board of Directors of the Company (voting ballot) that vote in absentia, shall be completed on the date of the meeting, at the time specified in the notice of meeting, unless an earlier date is specified in such notice as a final date for acceptance of voting ballots.

10.5.4. The Board of Directors may not adopt resolutions by absentee voting on the items specified in sub-clauses 1-3 of Clause 10.2.1 and sub-clauses 1-10 of Clause 10.2.3 of this Charter.

10.5.5. The Chairman of the Board of Directors of the Company shall make a decision to conduct a meeting or absentee voting at his/her own initiative or at the request of a member of the Board of Directors, the Management Board, the Chief Executive Officer, the Audit Commission of the Company or the audit organization of the Company. The procedure for conducting of the meetings of the Board of Directors of the Company shall be determined by this Charter and the Regulations on the Board of Directors of the Company.

10.5.6. The resolutions of the Board of Directors shall be adopted by the majority of votes of the members of the Board of Directors of the Company participating in the meeting or absentee voting of the Board of Directors of the Company unless otherwise is provided for by the Federal Law "On Joint Stock Companies" or the Company's Charter.

(1) The resolution on the authorization (approval) of a related-party transaction shall be adopted by the Board of Directors of the Company, by the majority of votes of directors who are not interested in conclusion of such a transaction and compliant with the criteria established for this purpose by the effective legislation of the Russian Federation. In the event that the number of directors compliant with the specified requirements is reduced below two (unless other minimum

number is established by the effective legislation of the Russian Federation), such transaction shall be submitted to the General Shareholders Meeting.

(2) The resolution on the authorization (approval) of a major transaction involving a property valued at 25 to 50 percent of the book value of the Company's assets, and resolutions authorizing placement by the Company of bonds convertible into shares, or other issuable securities convertible into shares, shall be adopted unanimously by all the members of the Board of Directors, without consideration of the votes of the withdrawn members of the Board of Directors.

(3) The resolution of the Board of Directors on submitting proposals to the General Shareholders Meeting regarding the items specified in sub-clauses 1, 2, 3, and 7, Clause 9.3.3, Article 9 of this Charter, shall be considered approved by the Board of Directors if at least all but one elected members of the Board of Directors voted for it. The votes of the withdrawn members of the Board of Directors shall not be taken into consideration.

10.5.7. When resolving on items by the Board of Directors of the Company, each member of the Board of Directors of the Company shall have one vote. No member of the Board of Directors of the Company shall be allowed to delegate his/her voting right to another person, including another member of the Board of Directors.

10.5.8. Should the votes of the Board of Directors of the Company members on a resolution be split equally, the Chairman of the Board of Directors shall have a casting vote.

10.6 Committees of the Board of Directors

10.6.1. As resolved by the Board of Directors, committees shall be formed within its structure. The formation and operation of such committees shall be governed by the Regulations on the Board of Directors of the Company, the Regulations on the Board of Directors of the Company Committees and other internal documents to be approved by the Board of Directors of the Company. When determining the competence of its committees, the Board of Directors may determine a list of items falling within the competence of the Board of Directors to be preliminary considered by relevant committees of the Board of Directors.

10.6.2. As a rule, the Board of Directors shall form the following committees: Strategy and Sustainable Development Committee, Audit Committee, and Human Resources and Remuneration Committee.

10.6.3. The Board of Directors may resolve to form any other committees of the Board of Directors.

11. CHIEF EXECUTIVE OFFICER OF THE COMPANY

11.1. The Chief Executive Officer of the Company shall exercise powers of the sole executive body, and shall act on the basis of this Charter as well as on the basis of the Regulations on the Sole Executive Body (Chief Executive Officer) of the Company approved by the General Shareholders Meeting.

11.2. The Chief Executive Officer shall report to the Board of Directors of the Company and the General Shareholders Meeting.

11.3. The Chief Executive Officer of the Company shall be appointed by the Board of Directors of the Company for a term of 5 (five) years.

11.4. The Chief Executive Officer of the Company shall perform his/her duties during the term for which he/she was elected, until a new Chief Executive Officer of the Company is appointed or an

acting Chief Executive Officer is appointed in accordance with the procedure established under sub-clause 5 of Clause 10.2.2 of this Charter.

11.5. The rights and obligations of the Chief Executive Officer, as well as the amount of and procedure for payment of remuneration to the Chief Executive Officer of the Company shall be determined by an agreement to be entered into by the Chief Executive Officer and the Company. Such agreement shall be signed on behalf of the Company by the Chairman of the Board of Directors or any another person authorized by the Board of Directors of the Company.

11.6. The powers of the Chief Executive Officer of the Company may be terminated early by the resolution of the Board of Directors of the Company.

11.7. The Chief Executive Officer shall be authorized to act on behalf of the Company without the power of attorney, inter alia, to represent the interests of the Company, to conclude transactions on behalf of the Company to the extent provided for by the effective legislation of the Russian Federation and this Charter, to issue orders and to give instructions mandatory for all employees of the Company, to issue powers of attorney for representation of interests of the Company. For the duration of his/her short-term absence (vacation, sick leave, business travel, or other circumstances with the exception of those specified by sub-clause 5, Clause 10.2.2 of this Charter), the Chief Executive Officer may appoint a person to act as the Company's sole executive body.

11.8. The Chief Executive Officer shall procure the fulfillment of resolutions adopted by the General Shareholders Meeting and the Board of Directors of the Company.

11.9. The Chief Executive Officer of the Company shall be personally responsible for establishing appropriate conditions to safeguard information constituting a state secret. In case of liquidation or reorganization of the Company, the Chief Executive Officer of the Company shall be personally responsible for preservation of information constituting a state secret.

11.10. The following matters fall within the competence of the Chief Executive Officer of the Company:

(1) current management of the Company operations in accordance with resolutions of the General Shareholders Meeting and the Board of Directors of the Company;

(2) submission of proposals to the Board of Directors on nominees to the Management Board of the Company and on early termination of powers of the members of the Management Board of the Company;

(3) arrangements for development of financial and business plans to be submitted to the Board of Directors of the Company for approval, as well as preliminary consideration and approval (prior to submission to the Board of Directors of the Company) of any expenses not contemplated by the Company's financial and business plan;

(4) preparation of the Company's annual reports, annual accounting (financial) statements, as well as profit distribution statements, including payment (declaration) of dividends, and Company losses for the reporting year for submission to the Board of Directors;

(5) approval of the Company's personnel schedule and any amendments or additions thereto;

(6) appointment of heads of the Company's branches and representative offices and termination of their powers;

- (7) appointment of individual members to collective bodies (committees, commissions etc., with the exception of committees of the Board of Directors of the Company);
- (8) determination of the list of information containing trade secrets or constituting confidential information of the Company;
- (9) implementation of internal control procedures;
- (10) execution, amendment, or early termination of currency conversion transactions, regardless of their value, with the exception of transactions to be approved by other governing bodies of the Company on grounds provided for by the effective legislation of the Russian Federation and this Charter;
- (11) execution, amendment, or early termination of a transaction (or several inter-related transactions), including those in the course of ordinary business activity, which involve or may involve expenses and (or) other liabilities of the Company up to a monetary equivalent of 500,000,000 (five hundred million) US dollars, with the exception of transactions to be decided on subject to another procedure as established by the effective legislation and this Charter;
- (12) implementation, amendment or early termination of grant, donation, or charitable transactions, which involve or may involve expenses and/or other liabilities of the Company up to a monetary equivalent of 5,000,000 (five million) US dollars;
- (13) adoption of resolutions to implement business projects/investment programs (including those involving establishment of new enterprises/businesses, joint ventures, attracting investments, new construction, reconstruction, production capacities upgrade), which involve or may involve expenses and/or other liabilities of the Company up to a monetary equivalent of 500,000,000 (five hundred million) US dollars;
- (14) conducting meetings of the Management Board;
- (15) the signing of all documents on behalf of the Company, and minutes of meetings of the Management Board;
- (16) approval of internal documents of the Company, adoption of which does not fall within the competence of the General Shareholders Meeting, the Board of Directors and the Management Board of the Company;
- (17) approval of the list of documents to be kept by the Company;
- (18) approval of the list of Key Group Companies;
- (19) approval of the list of candidates to governing bodies of Group Companies other than Key Group Companies;
- (20) other issues not falling within the competence of the General Shareholders Meeting, the Board of Directors and the Management Board of the Company in accordance with the effective legislation and this Charter.

11.11. The Chief Executive Officer of the Company shall determine the Company's position with regard to activity of Group Companies on the following issues:

- (1) approval/modification of the organization structure of Key Group Companies;
- (2) appointment / termination of powers of members of the collective executive bodies (Management Boards), sole executive bodies and termination of their powers, as well as delegation

of powers of the sole executive body to a managing entity of Group Companies other than Key Group Companies;

(3) approval of the terms and conditions of employment agreements with the sole executive body and members of the collective executive body of Group Companies, adoption of resolutions on imposition of disciplinary penalties on sole executive bodies of Group Companies;

(4) approval of the terms and conditions of any agreement with the managing entity (manager) of a Group Company;

(5) election of the Chairman of the Board of Directors (Supervisory Board) of a Group Company;

(6) approval of the lists of candidates for election to Audit Commissions of Group Companies;

(7) determination of the amount of remuneration payable to members of the Board of Directors (Supervisory Board), Audit Commission, and collective executive body of a Key Group Company;

(8) approval of performance indicators and annual bonus amounts for the sole executive body of a Group Company other than a Key Group Company;

(9) establishment/opening/liquidation of branches and representative offices, appointment of heads of branches and representative offices for Key Group Companies;

(10) approval of constituent documents, regulations on the governing bodies, regulations on the branches and representative offices, as well as amendments thereto with regard to Key Group Companies using a standard form of such documents of Group Companies as developed and approved by the Company;

(11) approval of constituent documents, regulations on the governing bodies, regulations on the branches and representative offices, as well as amendments thereto with regard to Group Companies other than Key Group Companies, in case such documents are inconsistent with standard forms approved by the Company;

(12) distribution of profits of Group Companies;

(13) approval of plans of financial and business operations (business plans and budgets) of Group Companies and any amendments thereto;

(14) reorganization of Group Companies other than Key Group Companies, with the exception of cases when, in accordance with this Charter, the position of the Company on reorganization of the said Group Entities shall be determined by the Management Board of the Company;

(15) execution of any actions (transactions) on increase of the charter capital of a Group Company other than a Key Group Company unless such actions (transactions) result in reduction of the Company's direct or indirect proportionate equity stake held by the Company in such Group Company;

(16) split and consolidation of shares of a Group Company;

(17) entering into, amendment, or early termination of any transaction (or several inter-related transactions), including a shareholder agreement or a similar agreement (a corporate contract), as well as any transaction made in the ordinary course of business, which involve or may involve expenses and (or) other liabilities of a Group Company ranging from a monetary equivalent of 25,000,000 (twenty five million) US dollars to a monetary equivalent of 500,000,000 (five hundred

million) US dollars, with the exception for Group Company transactions, subject to a different procedure for determination of the Company's position pursuant to this Charter;

(18) entering into, amendment or early termination of grants, donations, and charitable transactions, which involve or may involve expenses and (or) other liabilities of a Group Company up to a monetary equivalent of 5,000,000 (five million) US dollars;

(19) implementation of business projects/investment programs (including those involving establishment of new enterprises/businesses, joint ventures, attracting of investments, new construction, reconstruction, production capacities upgrade), which involve or may involve expenses or other liabilities of a Group Company up to a monetary equivalent of 500,000,000 (five hundred million) US dollars;

(20) entering into, amendment or early termination of any transaction (or several inter-related transactions), which involve or may involve expenses and (or) other liabilities of a Group Company up to a monetary equivalent of 500,000,000 (five hundred million) US dollars:

(i) with shares issued by the Company;

(ii) with shares or equity stakes in Group Companies;

(iii) with a 20 percent or higher share/stake in the charter capital of other business entities;

(iv) with non-core assets and real estate, with the exception of lease agreements.

11.12. The Chief Executive Officer may determine the position of the Company on any issue involving the operation of a business entity wherein the Company directly or indirectly holds an equity stake unless such issues fall within the competence of the Board of Directors or the Management Board of the Company in accordance with this Charter.

11.13. The procedure for exercising the Chief Executive Officer's authorities defined in Clauses 11.10 - 11.12 of this Charter may be established by Company's local regulations and directives.

11.14. The Chief Executive Officer of the Company may refer to the Management Board of the Company, for consideration, any issue falling within his/her competence as provided for by this Charter.

11.15. The Chief Executive Officer shall participate in the meetings of the Board of Directors and, if so requested by the Board of Directors, shall provide the latter with information on all aspects of activities carried out by the Company involving issues within the competence of the Board of Directors of the Company. During the periods between meetings of the Board of Directors, the Chief Executive Officer of the Company shall regularly inform the Chairman of the Board of Directors, and at the request of the latter - other members of the Board of Directors, on main areas of the Company's activity.

12. MANAGEMENT BOARD OF THE COMPANY

12.1. The Management Board of the Company shall be the collective executive body of the Company, which shall act on the basis of this Charter as well as on the basis of the Regulations on the Collective Executive Body (Management Board) of the Company approved by the General Shareholders Meeting.

12.2. The functions of the Chairman of the Management Board of the Company shall be performed by the Chief Executive Officer of the Company. The Management Board of the Company shall appoint the Secretary of the Management Board from among employees of the Company in

accordance with the procedure provided for by the Regulations on the Collective Executive Body (Management Board) of the Company.

12.3. Members of the Management Board of the Company shall be appointed by the Board of Directors for the term of three years. The procedure for formation of the Management Board shall be established under the Regulations on the Collective Executive Body (Management Board) of the Company.

12.4. Powers of certain or all members of the Management Board of the Company may be terminated early by resolution of the Board of Directors of the Company.

12.5. The presence of at least one half of the number of the appointed members of the Management Board of the Company (with the exception of its withdrawn members) shall constitute a quorum for decision-making by the Management Board. If the number of the members of the Management Board of the Company becomes less than the number constituting the quorum, the Board of Directors of the Company shall form a new Management Board or elect additional members to the Management Board of the Company until the required number is reached.

12.6. The Chief Executive Officer of the Company shall organize the meetings of the Management Board of the Company. At the meeting of the Management Board of the Company minutes shall be kept, which shall be signed by the Chief Executive Officer and secretary of the Management Board thereafter (if they are not present - by their substitutes in accordance with the procedure established by the Regulation on the Collective Executive Body (the Management Board) of the Company). Minutes of the Management Board of the Company shall be made available to the members of the Board of Directors of the Company, the Audit Commission of the Company, and the audit organization of the Company upon their request.

12.7. When resolving on items of the agenda each member of the Management Board shall have one vote. No member of the Management Board of the Company shall be allowed to delegate his/her voting right to another person, including another member of the Management Board.

12.8. The procedure for conducting meetings of the Management Board (including meetings with remote participation of the Management Board members) and for making decisions by the Management Board at a meeting where voting is combined with absentee voting and the procedure for making decisions by the Management Board by absentee voting shall be established by the Regulations on the Collective Executive Body (Management Board) of the Company.

A meeting with remote participation of the members of the Management Board may be conducted upon decision of the Chief Executive Officer of the Company, without determining its venue.

12.9. The Management Board of the Company may adopt resolutions on items falling within its competence by the absentee voting in accordance with the procedure provided for by the Regulations on the Collective Executive Body (Management Board) of the Company.

12.10. The following items shall fall within the competence of the Management Board of the Company:

- (1) preliminary determination of the priority areas of activities;
- (2) organization of work to implement Company's activities in the priority areas;
- (3) adoption of resolutions on participation or on termination of participation in commercial and non-profit organizations;

- (4) approval of the corporate structure of the Company, establishment and liquidation of branches, opening and liquidation of representative offices of the Company;
- (5) approval of performance indicators and annual bonus amounts payable to the heads of separate organization departments of the Company;
- (6) determination of the Company's system of collective bodies (committees, commissions etc., other than committees of the Board of Directors), identification of tasks and functions of the Company's collective bodies;
- (7) approval of the list of nominees to governing bodies of Key Group Companies;
- (8) adoption of resolutions on entering into, amendment or early termination of any transaction (or several inter-related transactions), including any transaction made in the ordinary course of business, which involves or may involve expenses and (or) other liabilities of the Company ranging from a monetary equivalent of 500,000,000 (five hundred million) US dollars to a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars, with the exception of transactions to be authorized under a different procedure as established by the effective legislation and this Charter;
- (9) adoption of resolutions on entering into, amendment, or early termination of grant, donation, or charitable transactions, which involve or may involve expenses and (or) other liabilities of the Company ranging from a monetary equivalent of 5,000,000 (five million) US dollars to a monetary equivalent of 50,000,000 (fifty million) US dollars;
- (10) adoption of resolutions to implement any business projects/investment programs (including those related to establishment of new enterprises (businesses), joint ventures, attracting of investment, new construction, reconstruction, and facility upgrades), which involve or may involve expenses or other liabilities of the Company ranging from a monetary equivalent of 500,000,000 (five hundred million) US dollars to a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars;
- (11) appointment of the Secretary of the Management Board of the Company;
- (12) approval of the following internal documents of the Company:
 - (i) regulations on the terms of remuneration and social security for the employees of the Company;
 - (ii) regulations on the principles for establishing and functioning of the collective bodies system (committees, commissions, etc.) of the Company;
 - (iii) regulations on the collective bodies of the Company (committees and commissions etc.), with the exception of regulations on the committees of the Board of Directors of the Company;
 - (iv) local regulations on organization of work of the Company's representatives within governing bodies of other legal entities;
 - (v) standard forms of corporate documents for Group Companies, including constituent documents of Group Companies, regulations on the governing bodies of Group Companies, and regulations on the branches and representative offices of Group Companies;
 - (vi) model organizational structure for Group Companies in accordance with the areas of their business;

(vii) policy-level internal documents of the Company unless their approval falls within the competence of the Board of Directors, as well as standard-level internal documents.

12.11. The Management Board of the Company shall determine the position of the Company on the following items of operations carried out by Group Companies:

(1) appointment of members of the collective executive bodies (Management Boards), sole executive bodies, and termination of their powers, delegation of the authority vested in the sole executive body of a Key Group Company to a management entity;

(2) determination of performance indicators and annual bonus amounts payable to the sole executive bodies of Key Group Companies;

(3) approval of constituent documents, regulations on the governing bodies, branches and representative offices of Key Group Companies, and amendments thereto, insofar as such documents are inconsistent with standard forms approved by the Company;

(4) execution of any actions (transactions) on increase of the charter capital of Key Group Companies unless such actions (transactions) result in reduction of the Company's direct or indirect proportionate equity stake held by the Company in such Key Group Company;

(5) execution of any actions (transactions) that result in reduction of the charter capital of Group Companies other than Key Group Companies, or in reduction of the Company's direct or indirect proportionate equity stake held by the Company in such Group Companies;

(6) liquidation of Group Companies other than Key Group Companies;

(7) reorganization of Key Group Companies, with the exception of items of reorganization of Key Group Companies the position on which shall be determined by the Board of Directors of the Company;

(8) reorganization of Group Companies, other than Key Group Companies, by way of merger or consolidation into business entities other than Group Companies;

(9) entering into, amendment or early termination of any transaction (or several inter-related transactions), including a transaction made in the ordinary course of business, which involve or may involve expenses and (or) other liabilities of a Group Company ranging from a monetary equivalent of 500,000,000 (five hundred million) US dollars to a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars, with the exception for of Group Companies transactions subject to a different procedure for determination of the Company's position pursuant to this Charter;

(10) entering into, amendment or early termination of grant, donation, or charitable transactions, which involve or may involve expenses and (or) other liabilities of the Company ranging from a monetary equivalent of 5,000,000 (five million) US dollars to a monetary equivalent of 50,000,000 (fifty million) US dollars;

(11) implementation of any business projects/investment programs (including those related to establishment of new enterprises (businesses), joint ventures, attracting of investment, new construction, reconstruction, and facility upgrades), which involve or may involve expenses or other liabilities of a Group Company ranging from a monetary equivalent of 500,000,000 (five hundred million) US dollars to a monetary equivalent of 1,500,000,000 (one billion five hundred million) US dollars.

12.12. The Management Board may adopt a resolution on any item, submitted for its consideration by the Chief Executive Officer falling within the competence of the latter in accordance with this Charter.

13. LIABILITY OF MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE BODIES OF THE COMPANY

13.1. When exercising their rights and performing their duties, the members of the Board of Directors of the Company, the Chief Executive Officer of the Company and the members of the Management Board of the Company shall act in the interests of the Company and exercise their rights and perform their duties in good faith and in a reasonable manner.

13.2. The members of the Board of Directors of the Company, the Chief Executive Officer of the Company and the members of the Management Board of the Company shall be liable to the Company for damages caused to the Company by their wrongful actions (inactions), unless other grounds for or amount of, the liability are provided for by the effective legislation of the Russian Federation.

13.3. The members of the Board of Directors of the Company and the members of the Management Board of the Company who voted against the resolution that caused damages to the Company, or who did not participate in the voting, shall not be liable.

13.4. The Company or shareholder(s) holding, in the aggregate, at least 1 percent of Company's common shares shall have the right to file a court claim against the member(s) of the Board of Directors of the Company, the Chief Executive Officer of the Company, and the member(s) of the Management Board of the Company for damages caused to the Company in cases and in accordance with the procedure provided for by the effective legislation of the Russian Federation.

13.5. The Company may at its cost and expense insure the liability of the members of the Board of Directors, the Chief Executive Officer and the members of the Management Board of the Company as provided for by this Clause of the Charter.

14. AUDIT COMMISSION

14.1. The financial and business operations of the Company shall be supervised by the Audit Commission. The operating procedures of the Audit Commission shall be determined by the Regulations on the Audit Commission of the Company approved by the General Shareholders Meeting of the Company.

14.2. The Audit Commission of the Company shall consist of 5 (five) members to be elected by the General Shareholders Meeting of the Company for a period until the next annual meeting of the General Shareholders Meeting.

14.3. If the number of the members of the Audit Commission becomes less than 3 (three), the remaining members of the Audit Commission shall perform their duties until a new Audit Commission is elected, and the Board of Directors of the Company shall conduct the extraordinary meeting of the General Shareholders Meeting to elect a new Audit Commission, the term of powers of which shall last till the next annual meeting of the General Shareholders Meeting.

14.4. The powers of some or all of the members of the Audit Commission may be terminated early by a resolution of the General Shareholders Meeting.

14.5. Only an individual may be a member of the Audit Commission of the Company. A member of the Audit Commission of the Company may not be a shareholder of the Company. No member

of the Audit Commission of the Company may concurrently serve as a member of the Board of Directors of the Company or hold other positions in the governing bodies of the Company.

14.6. Any candidate to the Audit Commission of the Company shall meet the following requirements:

- (1) university degree in economics, finance, law, or business;
- (2) no positions held with any entity that competes with the Company.

14.7. At the first meeting following its election, the Audit Commission shall elect the Chairman of the Audit Commission from among its members. The Chairman of the Audit Commission may be re-elected by the majority of votes of all members elected to the Audit Commission.

14.8. The Audit Commission of the Company shall audit Company's operations, which shall include identification and assessment of any risks arising as a result and in the course of its business operations. The Audit Commission of the Company shall:

(1) audit (inspect) financial and business operations of the Company, whereupon it shall draw up a report that shall include:

- (i) confirmation of reliability and accuracy of the data in reports and other financial documents of the Company;
- (ii) information on any non-compliance with the accounting and financial reporting procedures established by legal acts of the Russian Federation or non-compliance with legal acts of the Russian Federation in the course of financial and business operations;

(2) confirm reliability and accuracy of data included in the annual report of the Company and annual accounting (financial) statements.

14.9. The examination (audit) of the Company's financial and business operations shall be based on the annual performance of the Company and may also be conducted at any time on the initiative of the Audit Commission of the Company, under a resolution of the General Shareholders Meeting or the Board of Directors of the Company, or upon request of any shareholder(s) holding, in the aggregate, at least 10 percent of all voting shares of the Company.

14.10. Upon request of the Audit Commission of the Company, the officers of the Company's governing bodies shall provide documents on the Company's financial and business operations within five days from submission of such written request.

14.11. The Audit Commission of the Company shall have the right to request the conducting of an extraordinary meeting or absentee voting of the General Shareholders Meeting, a meeting or absentee voting of the Board of Directors or the Management Board of the Company.

14.12. The quorum for decision-making by the Audit Commission of the Company is at least half of the number of members of the Audit Commission determined by this Charter (with the exception of withdrawn members of the Audit Commission).

14.13. Resolutions may be made by the Audit Commission of the Company in the following ways:

1) at a meeting to discuss the agenda items, including at a meeting combined with absentee voting. A meeting of the Audit Commission to discuss the agenda items, by decision of the Chairman of the Audit Commission, in cases and in the manner provided for by the internal documents of the Company, may be conducted with the remote participation of members of the Audit Commission

of the Company using electronic or other technical facilities (including telephone (video) conferences), including without determining the venue of the meeting;

2) by absentee voting on the agenda items.

14.14. When adopting resolutions on items, each member of the Audit Commission shall have one vote. No member of the Audit Commission shall be allowed to delegate his/her voting right to another person, including another member of the Audit Commission of the Company.

14.15. Resolutions of the Audit Commission of the Company shall be adopted and its reports shall be approved by the majority of votes of the members of the Audit Commission who participate in the meeting or absentee voting of the Audit Commission by a roll call vote. Should the votes be split equally, the Chairman of the Audit Commission shall have a casting vote.

14.16. The members of the Audit Commission of the Company may be paid remuneration and (or) reimbursed for costs related to the performance of their duties for the term of their office. The amounts of such remuneration and reimbursement shall be determined by a resolution of the General Shareholders Meeting of the Company based on a recommendation of the Board of Directors of the Company.

15. CORPORATE SECRETARY

15.1. The Corporate Secretary of the Company shall be an officer of the Company, who ensures the Company's compliance with the effective legislation, this Charter, and internal documents of the Company that guarantees due exercise of any rights and lawful interests vested in shareholders of the Company.

15.2. The Corporate Secretary shall be appointed to and removed from that office by the Chief Executive Officer of the Company pursuant to a resolution of the Board of Directors of the Company.

15.3. The Corporate Secretary shall report to the Board of Directors of the Company.

15.4. Requirements applicable to a nominee to the position of the Corporate Secretary of the Company, the functions, rights, obligations and responsibilities of the Corporate Secretary of the Company as well as the procedure for his/her interaction with the bodies and organization departments of the Company shall be determined by the Regulations on the Corporate Secretary of the Company.

15.5. The functions of the Corporate Secretary of the Company shall include:

(1) participation in arrangements to prepare and conduct meeting or absentee voting of the General Shareholders Meeting of the Company;

(2) facilitation of work carried out by the Board of Directors of the Company and its committees;

(3) participation in implementation of the Company's policies with regard to information disclosure and arrangements for safe custody of the Company's corporate documents;

(4) support to the Company's interaction with its shareholders and participation in prevention of corporate conflicts;

(5) support to implementation of any procedure established by the legislation of the Russian Federation and internal documents of the Company that ensure implementation of shareholders rights and lawful interests, as well as compliance monitoring thereof;

(6) prompt notification of the Board of Directors of any detected breach of the legislation of the Russian Federation or any provisions of internal documents of the Company to the extent the functions of the Corporate Secretary of the Company include ensuring compliance with the same;

(7) participation in improvements to the system and practices of the Company's corporate governance.

15.6. The Corporate Secretary shall perform the functions of the Secretary of the Board of Directors and the Secretary of the General Shareholders Meeting of the Company.

15.7. In order to perform the functions vested in him/her, the Corporate Secretary of the Company may:

(1) request and obtain documents of the Company required to carry out the Corporate Secretary's functions;

(2) submit proposals on consideration of any items related to his/her functions by the Company bodies subject to their competence;

(3) require that Company employees comply with the Charter and internal documents of the Company with regard to the Corporate Secretary's functions;

(4) interact with the Chairman of the Board of Directors of the Company and the chairmen of its committees.

16. STORAGE OF DOCUMENTS IN THE COMPANY. PROVISION OF INFORMATION BY THE COMPANY TO SHAREHOLDERS

16.1. The Company shall store documents in safe custody to such extent and subject to such procedure as provided for by the effective legislation of the Russian Federation.

16.2. An additional list of documents to be kept by the Company shall be approved by the Chief Executive Officer of the Company.

16.3. The Company shall provide the shareholders with access to the documents stipulated by the Federal Law "On Joint Stock Companies". Accounting documents and minutes of meetings of the collective executive body shall be available to the shareholder(s) holding, in the aggregate, at least 25 percent of the voting shares of the Company.

16.4. Upon request of any shareholder, the Company shall grant him/her access to the documents provided for by the Federal Law "On Joint Stock Companies" within the period provided for by the effective legislation of the Russian Federation for familiarization at the office of the executive bodies of the Company. Upon request of the persons entitled to have access to the documents specified in the Federal Law "On Joint Stock Companies", the Company shall provide them with copies of such documents. The fee charged by the Company for providing such copies shall not exceed the cost of copying.