

APPROVED

By the Resolution of the Annual General Meeting  
of Shareholders of PJSC ALROSA,  
Minutes No. 40 of \_\_.\_\_.2019.

**REGULATIONS**  
**on the Supervisory Board**  
**of PJSC ALROSA**  
**(Revised Version)**

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## **1. GENERAL PROVISIONS**

**1.1.** The Supervisory Board of Public Joint Stock Company ALROSA (hereinafter the Company) is the managing body of the Company and acts on the basis of and in compliance with the Federal Law On Joint Stock Companies, the Company's Articles of Association and these Regulations.

The Supervisory Board shall be accountable to the General Meeting of Shareholders of the Company.

**1.2.** The Supervisory Board shall exercise general management of the activities of the Company, except for issues referred to the competence of the General Meeting of Shareholders by the Federal Law On Joint Stock Companies and the Company's Articles of Association.

**1.3.** The Supervisory Board shall ensure implementation by the Company of its objectives and tasks as established by the Company's Articles of Association, resolutions of the General Meeting of Shareholders and the Supervisory Board.

**1.4.** The following shall be the main tasks of the Supervisory Board:

- Determining the development strategy of the Company,
- Determining the disposition principles of Company's assets,
- Ensuring an efficient control system of the results of Company's financial and economic activities.

**1.5.** The Supervisory Board shall be held responsible for the following:

- Implementation of resolutions of the General Meeting of Shareholders in part falling within the competence of the Supervisory Board;
- Effects of taken decisions on issues falling within its competence.

**1.6.** The Supervisory Board shall be made of 15 (fifteen) members.

Only a natural person may be a member of the Supervisory Board of the Company.

The member of the Supervisory Board may not be a shareholder of the Company.

The members of the Executive Committee of the Company may not constitute more than one quarter of the members of the Supervisory Board of the Company.

The members of the Supervisory Board may not be members of the Auditing Committee of the Company.

Any persons elected to the Supervisory Board may be re-elected an unlimited number of times.

The Supervisory Board of the Company shall be elected by the General Meeting of Shareholders by cumulative vote. In the cumulative vote, the number of votes held by each of the Shareholders of the Company shall be multiplied by the number of persons to be elected to the Supervisory Board; and the Shareholder shall be entitled to give all thus held votes to a single candidate or to distribute them among two or more candidates. Those candidates who acquire the largest number of votes shall be deemed elected to the Supervisory Board.

The members of the Supervisory Board shall be elected to the term till the following annual General Meeting of Shareholders. If the annual General Meeting of Shareholders is not held within the period as set out by Clause 47 (point 1) of the Federal Law On Joint Stock Companies, the powers of the Supervisory Board shall be terminated, except for the powers related to preparation, calling and holding of the annual General Meeting of Shareholders.

In case a member of the Supervisory Board leaves the membership, the powers of all other members of the Supervisory Board shall not be terminated, except when the number of the members of the Supervisory Board becomes less than the half of the elected membership of the Supervisory Board. In such case, the Supervisory Board must take a decision to hold an extraordinary General Meeting of Shareholders for electing a new membership of the Supervisory Board.

Early termination of the powers of the members of the Supervisory Board shall be possible by a resolution of the General Meeting of Shareholders only in relation to all the members of the Supervisory Board.

**1.7.** The Chairman of the Supervisory Board, the first Vice Chairman and the Vice Chairman of the Supervisory Board shall be elected by the members of the Supervisory Board from among themselves.

The Supervisory Board of the Company may re-elect its Chairman, first Vice Chairman and Vice Chairman at any time.

The Chairman of the Executive Committee of the Company may not be Chairman of the Supervisory Board of the Company at the same time.

**1.8.** The Corporate Secretary shall ensure technical (information, documentation, minute-keeping, secretarial) support of routine activities of the Supervisory Board. The Corporate Secretary shall act by the Company's Articles of Association, these Regulations, the Regulations on the Corporate Secretary of the Company and as instructed by the Chairman of the Supervisory Board.

The Corporate Secretary shall be elected by the Supervisory Board of the Company. The Corporate Secretary shall be appointed to the position by the Chief Executive Officer – Chairman of the Executive Committee of the Company following the decision of the Supervisory Board on the election of the Corporate Secretary.

## **2. COMPETENCE OF THE SUPERVISORY BOARD**

**2.1.** The competence of the Supervisory Board shall be as stipulated by the Federal Law On Joint Stock Companies and the Company's Articles of Association.

**2.2.** The competence of the Supervisory Board shall cover issues related to general management of the Company, except for issues referred to the competence of the General Meeting of Shareholders by the Company's Articles of Association.

**2.3.** No issues placed within the competence of the Supervisory Board may be delegated to any executive bodies of the Company.

## **3. RIGHTS, DUTIES AND LIABILITY OF THE MEMBERS OF THE SUPERVISORY BOARD**

**3.1.** The members of the Supervisory Board shall have the right to do the following:

**3.1.1.** Familiarize themselves with any constituent, normative, accounting, reporting and any other documents and materials of the Company, including minutes of meetings of the Executive Committee of the Company; get copies of the mentioned documents; participate in Company's activities and events; and request from the Chief Executive Officer – Chairman of the Executive Committee of the Company and receive information needed for developing an opinion on items on the agenda of a meeting of the Supervisory Board, in the following procedure:

- The member of the Supervisory Board shall submit a request to the Chief Executive Officer – Chairman of the Executive Committee of the Company who shall transfer it to the Corporate Secretary with relevant appended instructions;

- The Corporate Secretary shall ensure access to the requested documents and information for the members of the Supervisory Board and provide copies, if requested by them, of the required documents and materials within 5 (five) days after the request submission date;

**3.1.2.** Demand calling a meeting of the Supervisory Board;

**3.1.3.** Demand that their special opinion should be attached to the minutes of the meeting of the Supervisory Board;

3.1.4. Receive remuneration for performing their duties in the manner and in the amount determined by the General Meeting of Shareholders, in case the General Meeting of Shareholders resolves to pay remuneration to the members of the Supervisory Board.

Any member of the Supervisory Board shall also have other rights in compliance with the Company's Articles of Association and effective laws of the Russian Federation.

**3.2.** Any member of the Supervisory Board of the Company shall have the following duties:

3.2.1. Comply with the requirements of the Federal Law On Joint Stock Companies and the Company's Articles of Association set out for the member of the board of directors (supervisory board) of a joint stock company;

3.2.2. Attend in person meetings of the Supervisory Board held in the form of joint presence; take any effort to participate actively in the work of the Supervisory Board; and participate in taking decisions by voting on items on the agenda of meetings of the Supervisory Board held in the forms of joint presence and absentee voting;

3.2.3. Take grounded decisions by studying for this purpose all required information (materials) and by evaluating possible risks and unfavorable implications for the Company in decision making;

3.2.4. Implement any decisions approved by the General Meeting of Shareholders and the Supervisory Board;

3.2.5. Inform the Corporate Secretary of any changes of their permanent (main) place of employment (service, entrepreneurship, etc.);

3.2.6. Notify the Company within two months after the day when he/she comes to know or is supposed to come to know about occurrence of any circumstances that may cause him/her to be deemed interested in conclusion of any deals by the Company, related to the following:

1) About any legal entities in relation to which he/she, his/her spouse, parents, children, full-blooded and half-blood brothers and sisters, adopters and adoptees and (or) any organizations controlled by them, are controlling parties or are entitled to give binding orders;

2) About any legal entities in whose managing bodies he/she, his/her spouse, parents, children, full-blooded and half-blood brothers and sisters, adopters and adoptees and (or) any organizations controlled by them, hold office;

3) About any known to him/her deals being concluded or assumed, in which he/she may be deemed interested.

In case any changes occur in the data mentioned in points 1 and 2 of Clause 3.2.6 of these Regulations after the receipt by the Company of the notification as referred to by the first paragraph of Clause 3.2.6 of these Regulations, the member of the Supervisory Board shall notify the Company about such changes in the data within 14 days after the date when he/she comes to know or must come to know about such changes;

3.2.7. Inform the Supervisory Board about the following:

- Any fact of ownership of any securities of the Company, any intention to conclude deals with any securities of the Company, its subsidiaries and affiliated companies, and about any concluded deals with such securities;

- Any fact or intention to establish or participate in organizations, enterprises, companies that are competitors of the Company;

- Presence of interest in conclusion of a deal by the Company in case of an arising potential conflict of interests<sup>1</sup> (in such case, the members of the Supervisory Board should put the interests of the Company above their own);

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<sup>1</sup> A "conflict of interests" shall mean any contradiction between the interests of the Company and the private interests of the member of the Supervisory Board (that shall be interpreted as any direct or indirect private interests or interests in favor of any third party, including those by virtue of his/her business; friendly, family or other ties and relations; holding by him/her or any person related to him/her of any office in another legal entity; ownership by him/her or any parties related to him/her of shares in another legal entity; a contradiction between his/her duties in relation to the Company and duties in relation to another party. A conflict of interests may be caused, in particular, by: conclusion of deals in which the relevant party is interested directly or indirectly; acquisition of shares (interests) in legal entities that compete with the Company; taking office in such legal entities; establishing contractual relations with them; any other ties with them.

3.2.8. Communicate any required contacts to the Corporate Secretary, including his/her mailing address, contact phone, fax, and e-mail address;

3.2.9. Keep undisclosed any confidential information about Company's activities that becomes known to him/her.

**3.3.** The members of the Supervisory Board shall be liable to the Company for any losses caused to the Company by their culpable action (omission of action), unless any other grounds and scope of the liability are stipulated by federal laws. In such case, those members of the Supervisory Board who voted against the decision that entailed losses for the Company or did not participate in the voting shall not be held liable.

**3.4.** For the purpose of information and documentation support of the work of the Supervisory Board, committees under the Supervisory Board and members of the Supervisory Board, any information systems, solutions and file-sharing resources or data stores available to the Company may be used, including, in addition to cloud storage technology, ftp (file transfer protocol), SSH (Secure Shell), https (HyperText Transfer Protocol Secure), e-mail, as well as any other systems of electronic data transmission and storage, allowing access to information through user authentication,

E-mail account is created on alrosa.ru domain for members of the Supervisory Board of the Company, and at the request of a member of the Supervisory Board of the Company, access to the information technologies and solutions available in the Company is provided. Access to services and solutions is terminated by the end of the term of office of a member of the Supervisory Board.

Materials and documents of the Company, including those classified as insider information, may be transferred to members of the Supervisory Board with the use of electronic system for collegial bodies support, by e-mail to addresses of members of the Supervisory Board created on alrosa.ru domain, and also in hard copy.

**3.5.** Those members of the Supervisory Board who act in breach of their duties as set out by these Regulations on the Supervisory Board and the Articles of Association of the Company shall be liable to the extent of the losses inflicted on the Company as a result of such breach by members of the Supervisory Board of their duties, including any missed profit of the Company to the extent of its market value, unless any other grounds and scope of the liability are stipulated by effective laws of the Russian Federation.

#### **4. RIGHTS, DUTIES AND LIABILITY OF THE CHAIRMAN OF THE SUPERVISORY BOARD SENIOR INDEPENDENT DIRECTOR**

**4.1.** The Chairman of the Supervisory Board shall do the following:

1) Generally organize the activities of the Supervisory Board, plan the work of the Supervisory Board and control implementation of the approved work plan of the Supervisory Board;

2) Call planned and extraordinary meetings of the Supervisory Board, in particular: ensure notification of the members of the Supervisory Board about the nearest meeting (absentee voting) of the Supervisory Board in the order as provided for by these Regulations, determine the agenda and the form thereof (joint presence or absentee voting), supervise the progress of the meeting (absentee voting);

3) Act as the chairperson at meetings of the Supervisory Board to do the following:

- Establish a quorum or lack of a quorum at a meeting in accordance with the information provided by the Corporate Secretary and inform the members of the Supervisory Board that there is a quorum for the Supervisory Board to decide on the relevant issue;

- Point to a possibility of changing the sequence of consideration of the items on the agenda, changing the agenda as the whole; if necessary, initiate a discussion on the possible change in the sequence of consideration of the planned agenda;

- Ensure final approval of the agenda of the given meeting of the Supervisory Board and, as a result of such approval, announce the official agenda of the meeting to the members of the Supervisory Board;
  - Declare the meeting opened or inform those members of the Supervisory Board who are present at the meeting that the meeting of the Supervisory Board is incompetent;
  - Take measures to postpone the meeting with the given agenda in case of lack of a quorum and organize notification of those absent about the taken decision;
  - Introduce any parties present to the members of the Supervisory Board and control that any present parties summoned to the meeting in relation to individual items on the agenda, should participate in the work of the Supervisory Board only to the extent of such relevant issues;
  - Control that any requirements for the procedures as provided for by these Regulations should be observed during the meeting;
  - Give the floor to the reporter, speakers and those willing to make a comment and, if necessary, open a free debate on the relevant issue;
  - Keep a record of proposals made by members of the Supervisory Board on a draft decision (draft decisions) of the Supervisory Board;
  - Put draft decisions proposed by members of the Supervisory Board to the vote in the order in which they are received at the meeting or in preparation to the meeting and, among other things, take initiative in wording the draft decisions on issues under consideration;
  - Organize voting on the draft decision of the Supervisory Board put to the vote;
  - Give an official announcement at the meeting of the Supervisory Board that the decision is taken (as a result of voting) or ensure notification of the members of the Supervisory Board about the decision taken by the Supervisory Board in case of absentee voting;
  - Declare the meeting of the Supervisory Board closed upon completion of the agenda or in accordance with the decision of the Supervisory Board on early closure of the meeting;
  - Organize keeping of the minutes of the meeting of the Supervisory Board;
  - Sign the minutes of the meeting of the Supervisory Board;
- 4) Preside at the General Meeting of Shareholders;
- 5) Control the preparation process to annual and extraordinary Meetings of Shareholders of the Company;
- 6) Take every effort to organize and control timely provision of information required for taking decisions on the items on the agenda in compliance with these Regulations, to the members of the Supervisory Board;
- 7) Represent the Supervisory Board in relations with executive bodies of the Company and maintain permanent contracts with other bodies and officials of the Company;
- 8) Organize and ensure control of implementation of decisions taken by the General Meeting of Shareholders and the Supervisory Board of the Company;
- 9) Control correspondence of the Supervisory Board with the Shareholders, executive bodies and staff members of the Company, sign letters and other documents on behalf of the Supervisory Board;
- 10) Comment on prior decisions of the Supervisory Board and present the position of the Supervisory Board on issues that have been prior considered by meetings of the Supervisory Board, but have not been included into any relevant decisions of the Supervisory Board;
- 11) Take measures to notify Shareholders about decisions made by the Supervisory Board to the extent, in the order, within time periods and in the methods as established by effective regulatory acts of the Russian Federation (disclosures in news of authorized information agencies; publications in the mass media; placement in the official site of the Company in the Internet; etc.);
- 12) Organize activities of the committees, commissions and work groups of the Supervisory Board;
- 13) Control observance of the requirements of these Regulations by members of the Supervisory Board, the Corporate Secretary and any other persons and organs of the Company;
- 14) In collaboration with the Auditing Committee, control the activities of executive bodies of the Company on behalf of the Supervisory Board;

15) Perform any other functions stipulated by effective laws and the Articles of Association of the Company.

**4.2.** In case of absence of the Chairman of the Supervisory Board at meetings of the Supervisory Board and in his/her main work place between meetings for a period of 45 (forty five) calendar days or in case of any other impossibility to perform his/her functions, the first Vice Chairman of the Supervisory Board shall perform such functions. In case of simultaneous absence of the Chairman and the first Vice Chairman of the Supervisory Board, the Vice Chairman shall perform such functions.

**4.3.** In case of absence of the Chairman and the Vice Chairmen at a meeting of the Supervisory Board, one of the members of the Supervisory Board shall take the chair following a decision by the Supervisory Board.

**4.4.** From among the elected independent directors, whose independence is confirmed by the relevant conclusion of the HR and Remunerations Committee under the Supervisory Board, their unanimous decision, agreed with the Chairman of the Supervisory Board, shall be determined by the senior independent director.

At any time, the Senior Independent Director may be re-elected in accordance with the established procedure for its determining, on the initiative of one of independent directors.

**4.5.** The Senior Independent Director shall act as advisor to the Chairman of the Supervisory Board, facilitating the efficient organization of the Supervisory Board and its committees, coordinate the interaction between independent directors, convene independent directors meetings and preside thereat, interact with shareholders of the Company.

The Senior Independent Director shall interact with the Chairman of the Supervisory Board, members of the Supervisory Board of the Company, ensure the effectiveness of communication channels in the Supervisory Board and in relations with shareholders of the Company, explains to the Supervisory Board the roles, functions and tasks of independent directors and the Senior Independent Director.

In a conflict situation, the Senior Independent Director should make efforts to resolve a conflict by interacting with the Chairman of the Supervisory Board, other members of the Supervisory Board and shareholders of the Company in order to ensure the efficient and stable operation of the Supervisory Board.

To exercise his authorities, the Senior Independent Director shall be entitled to request information about the Company's activities in the manner and on the conditions provided for by internal documents.

## **5. RIGHTS AND DUTIES OF THE CORPORATE SECRETARY**

**5.1.** The Corporate Secretary shall be elected by the Supervisory Board.

In case of absence of the Corporate Secretary, his/her duties shall be entrusted to any other person by a majority vote of those members of the Supervisory Board who are present at the meeting.

**5.2.** The Corporate Secretary shall do the following:

1) Provide organizational, information and documentation support to the activities of the Supervisory Board both in connection with preparation and holding of the meetings of the Supervisory Board and between the meetings, including the following:

- Inform members of the Supervisory Board about a coming extraordinary and planned meeting (absentee voting) of the Supervisory Board;
- Distribute documents, materials to the members of the Supervisory Board for the meeting (absentee voting) of the Supervisory Board;
- Keep record of the correspondence (including requests, claims, applications) addressed to the Supervisory Board and/or its Chairman and/or Vice Chairmen, and ensure preparation of relevant answers, clarifications, press releases, etc.;

- Distribute correspondence to the members of the Supervisory Board incoming to their address and assist the members of the Supervisory Board in preparation of answers to any letters, requests, applications, etc., if necessary;
  - At the meeting of the Supervisory Board, record any questions, speeches, proposals, decisions (keep the minutes, maintain the audio record);
  - Provide technical and organizational assistance to those members of the Supervisory Board who are in charge of preparation of a relevant item at the meeting of the Supervisory Board;
  - Ensure printing out, editing, replication, translation and distribution of documents and materials of the Supervisory Board to relevant persons;
  - Following a proposal (demand) of any member (members) of the Supervisory Board, ensure notification of the Chairman of the Supervisory Board and, if necessary, other members of the Supervisory Board about the proposals made by the member (members) of the Supervisory Board on relevant draft decisions of the Supervisory Board, submitted before the meeting of the Supervisory Board;
  - In collaboration with the Chief Executive Officer – Chairman of the Executive Committee of the Company, ensure attendance of persons invited to a meeting of the Supervisory Board, and control that the actual participation of the invited person should be in accordance with the relevant item of the agenda;
  - In collaboration with the Chief Executive Officer – Chairman of the Executive Committee of the Company, ensure preparation to a regular meeting of the Supervisory Board (premises, materials, access to the premises for members of the Supervisory Board and invited persons, provision of any newly coming materials to them, etc.);
- 2) Compile and distribute ballots to members of the Supervisory Board in case of absentee voting of the Supervisory Board;
  - 3) Support the voting and the counting at the meeting of the Supervisory Board;
  - 4) Draw out the minutes of the Supervisory Board, distribute, if requested, a copy of the minutes to the relevant member of the Supervisory Board within 3 (three) days after the signing date of the minutes, and attach any special opinion of those members of the Supervisory Board who submit their special opinion in writing to the Corporate secretary;
  - 5) Interact with subdivisions of the Company management;
  - 6) Archive and store all documents and materials related to the activities of the Supervisory Board;
  - 7) Collect, store and update personal data forms of the members of the Supervisory Board;
  - 8) Maintain the correspondence log of the Supervisory Board (incoming and outgoing documents);
  - 9) Keep safe any office equipment, consumables and any other valuables assigned and (or) conveyed to the Supervisory Board;
  - 10) Assist committees and commissions of the Supervisory Board in their activities and store their documents;
  - 11) Deliver correspondence, information from Company's executive bodies addressed to the Supervisory Board to the Supervisory Board (relevant addressees);
  - 12) Provide organizational support in preparation and holding of any public events of the Supervisory Board (press conferences, official transmission of statements and memorandums to the media, interviews with members of the Supervisory Board, participation of the Supervisory Board and its representatives in the meetings of labor teams of the Company and in public meetings, etc.);
  - 13) Under the leadership of the Chairman of the Supervisory Board, control compliance with the requirements of these Regulations;
  - 14) Perform assignments of the Chairman of the Supervisory Board;
  - 15) Perform any other functions in compliance with effective laws, the Company's Articles of Association, these Regulations and Company's internal documents.

**5.3.** Any costs related to support of the activities of the Corporate Secretary and his/her remuneration shall be at the expense of the Company.

## **6. COMMITTEES, COMMISSIONS AND WORK GROUPS OF THE SUPERVISORY BOARD**

**6.1.** Committees and commissions of the Supervisory Board shall be formed by decision of the Supervisory Board.

**6.2.** Committees and commissions of the Supervisory Board shall be established for in-depth elaboration of any issues falling within the competence of the Supervisory Board or considered by the Supervisory Board in the exercise of supervision of the activities of any executive body and the management of the Company and for development of required recommendations of the Supervisory Board to any executive body of the Company.

**6.3.** Committees of the Supervisory Board shall be formed for consideration of long-term problems in the activities of the Company and for supporting efficient performance by the Supervisory Board of its most significant management and control functions. Any members of the Supervisory Board and experts may be elected to committees of the Supervisory Board. The main functions of the committees shall be preliminary all-round consideration of issues falling within the competence of the Supervisory Board within their subject-areas and development of recommendations for the Supervisory Board.

**6.4.** Commissions of the Supervisory Board shall be formed for considering everyday development issues and projects of the Company. Any members of the Supervisory Board, employees of the Company management, experts (including those from other organizations) may be members of the commissions. The head of the commission of the Supervisory Board shall be appointed by decision of the Supervisory Board.

**6.5.** On agreement with any executive bodies of the Company, the Supervisory Board may form joint work groups of the Supervisory Board and relevant executive bodies (for finalizing draft decisions and consideration of proposals and comments expressed at a meeting).

The persons who head such work groups following decisions of the Supervisory Board shall organize their activities and ensure submission of the finalized draft decisions within established deadlines. When such deadlines are not specified, the finalization period of draft decisions shall be 10 (ten) days.

**6.6.** Committees of the Supervisory Board shall act in compliance with the regulations on each of the committees approved by the Supervisory Board.

**6.7.** The order, competence and the term of office of any commissions and work groups of the Supervisory Board shall be determined by separate decisions of the Supervisory Board.

## **7. CALLING PROCEDURES, PREPARATION OF THE MEETING (ABSENTEE VOTING) OF THE SUPERVISORY BOARD**

**7.1.** The Chairman of the Supervisory Board may call a meeting (absentee voting) of the Supervisory Board on the following grounds:

- On his/her own initiative (including meetings as scheduled in the approved work plan of the Supervisory Board or in accordance with the date (period) and the agenda for the following meeting determined by the Supervisory Board at a prior meeting);

- On request by any member of the Supervisory Board, the Chief Executive Officer – Chairman of the Executive Committee of the Company, the Executive Committee of the Company, the Auditing Committee, an official responsible for the organization and performance of the internal audit (head of the structural subdivision responsible for the organization and performance of the internal audit), the

Auditor, any Shareholder (Shareholders) who hold in aggregate at least 2 percent of the shares in the Company (hereinafter the Initiators).

**7.2.** The Initiators shall make a request for calling a meeting (absentee voting) of the Supervisory Board in writing by means of sending a registered letter to the address of the Supervisory Board, with a delivery receipt, or by handing it in to the Corporate Secretary. The date of the request to call a meeting of the Supervisory Board shall be determined as the date of the delivery receipt or the date of the hand-in to the Corporate Secretary.

**7.3.** The request to call a meeting of the Supervisory Board (absentee voting) shall include the following information:

- The personal name of the Initiator of the calling or the corporate name of the body or the legal entity submitting the request;
- The signature of the person (head of the body or the legal entity) requesting the meeting;
- The form of the meeting (joint presence or absentee voting);
- The agenda;
- The list of information (materials) required for considering the proposed items on the agenda;
- Draft decisions on the items on the agenda.

**7.4.** The request to call a meeting of the Supervisory Board (absentee voting) may include the following information:

- The date of the meeting or the deadline for submission of filled-in ballots by the members of the Supervisory Board in case of absentee voting;
- The time and place of the meeting;
- Any other information at the disposal of the Initiator of the meeting (absentee voting).

The request to call a meeting of the Supervisory Board that includes the date of the meeting shall be submitted to the Supervisory Board at least 25 (twenty five) working days before the proposed date, except for requests on issues requiring prompt solution, subject to a written justification by the Initiator of the requested meeting of the Supervisory Board. The mentioned justification shall be submitted to members of the Supervisory Board together with the materials of the meeting.

An item may be included into the draft agenda on the initiative of the following parties:

- Any Shareholders who hold in aggregate at least one percent of the ordinary shares;
- The Supervisory Board;
- Any member of the Supervisory Board;
- The Chief Executive Officer – Chairman of the Executive Committee;
- The Executive Committee;
- The Auditing Committee, an official responsible for the organization and performance of the internal audit (head of the structural subdivision responsible for the organization and performance of the internal audit),
- The Auditor;
- Any committee of the Supervisory Board (within the competence of such committee);
- The Corporate Secretary (within the competence of the Corporate Secretary).

The procedures for preparing draft decisions on the issues submitted to the consideration of the Supervisory Board on the initiative of the Chief Executive Officer – Chairman of the Executive Committee and materials on the mentioned issues shall be determined by an internal document to be approved by the Chief Executive Officer – Chairman of the Executive Committee of the Company.

**7.5.** The draft agenda of the Supervisory Board shall be formed by the Corporate Secretary, initialed by the Chief Executive Officer – Chairman of the Executive Committee and further approved by the Chairman of the Supervisory Board.

**7.6.** The Chairman of the Supervisory Board shall take a decision to put a proposed item on the agenda or to refuse to put such item on the agenda within 5 (five) working days.

The Chairman of the Supervisory Board shall be entitled to refuse to call a meeting (absentee voting) of the Supervisory Board, if the proposal is made by a party not authorized to do so or falls outside the competence of the Supervisory Board or if the request to call a meeting of the Supervisory Board fails to include the information stipulated in Clause 7.3 of these Regulations.

**7.7. Notification about a Meeting or Absentee Voting of the Supervisory Board**

7.7.1. A notice of the meeting of the Supervisory Board shall be sent to each of the members of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, in writing, in compliance with Annex 1 to these Regulations, by facsimile or in the electronic form at least 15 (fifteen) days before the date of the meeting.

The notice shall include the following information:

- The date, time and place of the meeting;
- The address for sending written opinions with the results of the voting on the items of the agenda (for being taken into account when establishing the quorum and the voting results in the event of impossibility to attend the meeting by the relevant member);
- The agenda of the meeting;
- The list of reference materials to be provided to the members of the Supervisory Board for the meeting.

The notice shall include attached draft decisions on the items on the agenda, justifications of the need to take the proposed decision, reference materials. A list of parties invited to the meeting may also be attached».

Any draft decision of the Supervisory Board and materials that include any information classified as state secret, commercial secret or service secret shall be submitted to the consideration of the Supervisory Board in compliance with the relevant regulations.

7.7.2. A notice of the absentee voting of the Supervisory Board shall be sent to each of the members of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, in writing, in compliance with Annex 2 to these Regulations, by facsimile or in the electronic form at least 7 (seven) days before the date of the meeting. When any issues occur that cannot be delayed, the Chairman of the Supervisory Board may take a decision to establish another period for notification about the absentee voting of the Supervisory Board.

The notice shall include the following information:

- The deadline for submission of ballots by the members of the Supervisory Board on the items on the agenda;
- The address for submitting filled-in ballots;
- The agenda of the absentee voting;
- The list of reference materials to be provided to the members of the Supervisory Board for the absentee voting.

The notice shall include the ballot attached, with draft decisions on the items of the agenda and, if necessary, justifications of the need to take the proposed decision, and reference materials.

Any draft decision of the Supervisory Board and materials that include any information classified as state secret, commercial secret or service secret shall be submitted to the consideration of the Supervisory Board in compliance with the relevant regulations.

**7.8.** If necessary, a meeting of the Supervisory Board may be postponed upon agreement of all the members of the Supervisory Board present, without taking any decisions on the items of the agenda.

If any circumstances arise that make it impossible or difficult to hold a meeting of the Supervisory Board in the place and (or) at the time about which the members of the Supervisory Board have been notified, the meeting with the planned agenda may be held in another place and (or) at another time.

All the members of the Supervisory Board shall be notified about such change in the place and (or) time of the meeting with regard to the time that the members of the Supervisory Board may normally

need to arrive to the meeting. The notice of the mentioned changes shall be sent to the members of the Supervisory Board in any form that ensures receipt by the member of the Supervisory Board of the notice at the location address or at the mailing address of such member.

It is not allowed to schedule any meeting of the Supervisory Board at night (from 10 p.m. to 6 a.m. local time).

It is not allowed to hold a meeting in a place and at a time that imply significant hindrance of the attendance for the majority of the members of the Supervisory Board or make such attendance impossible, including production facilities or any other premises where normal work of the Supervisory Board is impossible.

**7.9.** Any members of the Supervisory Board may submit their comments and proposals on the issues under consideration to the Corporate Secretary at least 2 (two) days before the meeting (absentee voting).

**7.10.** At its meeting, the Supervisory Board may put any additional items on the agenda, change the agenda of the meeting or exclude any items from the agenda of the meeting by its decision taken by the 2/3 (two thirds) majority of the total votes of the members of the Supervisory Board.

**7.11.** In certain cases stipulated by laws, legally established procedures and time limits for calling and holding a meeting of the Supervisory Board shall apply, including the period for distributing notices of the meeting and materials on the items of the agenda.

**7.12. Additional Regulations on Considering Deals with an Interest:**

**7.12.1.** The Corporate Secretary shall ensure preliminary (before the consideration by the Supervisory Board) consideration by the independent directors of any significant deals with an interest of any parties who control the Company (main Shareholders) and include a document reflecting the position of the independent directors into the set of materials on the relevant issue.

**7.12.2.** The Supervisory Board shall evaluate potential indicators of interest of any members of the management bodies of the Company or any parties controlling the Company (main Shareholders) in any deals concluded by any legal entities controlled by the Company.

**7.12.3.** Any member of the Supervisory Board who is actually interested (whose interest is ascertained in compliance with Clause 12.1.3 (point 2) of the Company's Articles of Association) shall not participate in the voting on the issue of agreement to or further approval of the deal. In case of actual interest in a deal before its approval, relevant circumstances shall be fixed in the materials on the issue and in recommendations by the Supervisory Board to those members of the Supervisory Board who are actually interested not to participate in the voting on the issue of agreement to or further approval of such deal.

## **8. MEETING (ABSENTEE VOTING) OF THE SUPERVISORY BOARD**

**8.1.** Any of the members of the newly elected Supervisory Board may call its first (organizational) meeting after the election.

**8.2.** Meetings of the Supervisory Board are held as necessary, as a rule, at least once every two months in the usual course of work, preferably in the form of joint presence in accordance with the schedule of the work plan of the Supervisory Board approved by the Supervisory Board.

The Supervisory Board shall approve its work plan for the period till the regular annual General Meeting of Shareholders of the Company. The work plan of the Supervisory Board shall be formed on the basis of proposals made by those Shareholders who hold at least one percent of the ordinary shares in the Company, any members of the Supervisory Board, the Chief executive Officer – Chairman of the Executive Committee, the Executive Committee, the Auditing Committee, and the Auditor of the Company.

**8.3.** Any proposal to include an issue into the work plan of the Supervisory Board shall include the following information:

- Information about the party (body) submitting the proposal;
- The wording of the issues proposed for consideration by the Supervisory Board;
- Motivation for raising the issues;
- Proposed time limits of considering the issue;
- The signature of the person (head of the body) submitting the proposal.

**8.4.** The Supervisory Board may decide to include any additional issues into the approved schedule of its meetings.

As the need may be, the Supervisory Board shall consider issues not included into its work plan.

**8.5.** Any decisions of the Supervisory Board shall be competent (with a quorum established) if at least half of the members of the Supervisory Board out of the membership of the Supervisory Board participate in the consideration thereof.

The Federal Law On Joint Stock Companies and the Company's Articles of Association shall establish the quorum and the procedures for decision making by the Supervisory Board. Where in compliance with the Federal Law On Joint Stock Companies or the Articles of Association of the Company a decision is taken by a qualified majority or by a unanimous vote of all members of the Supervisory Board without the votes of those who have retired from Supervisory Board, the "retired" members of the Supervisory Board shall be interpreted as dead, missing and recognized incapable.

**8.6.** Each of the members of the Supervisory Board shall have one vote. No member of the Supervisory Board is allowed to assign his/her vote to any other member of the Supervisory Board. In case of a tie vote on a decision, the vote of the Chairman of the Supervisory Board or any other person acting as Chairman at the meeting (absentee voting) of the Supervisory Board, shall be the casting vote.

**8.7.** Any representatives of government authorities and local self-governments, members of the Executive Committee, the Auditing Committee, employees of the Company and any other persons may be invited to meetings of the Supervisory Board out of the list approved by the Chairman of the Supervisory Board.

**8.8.** Following a decision of the Chairman of the Supervisory Board, a meeting of the Supervisory Board may be held in the videoconference mode (i.e., the meeting during which the members of the Supervisory Board in different locations use videoconference communications enabling them to see and hear the reporter, ask question to the reporter, make proposals on the draft decision of the issue under consideration) or other technical means of communication, including telephone. The meeting of the Supervisory Board held in the videoconference mode or with the use of other technical means of communication, including telephone, shall be a meeting held in the form of joint presence. The place of the meeting held in the videoconference mode shall be the location of the Chairman of the meeting of the Supervisory Board.

**8.9.** The Chairman of the Supervisory Board shall take a decision to hold absentee voting of the Supervisory Board.

In the event of absentee voting, ballots shall be distributed to the members of the Supervisory Board with the use of electronic system for collegial bodies support, by e-mail, by facsimile or in hard copy. The ballots distributed to the members of the Supervisory Board shall be compiled by the Corporate Secretary.

The ballot shall include the following information:

- 1) A mention of the decision of the Supervisory Board, the Chairman of the Supervisory Board or the item of the work plan of the Supervisory Board underlying the absentee voting; if absentee voting is held on the initiative of any other parties and bodies, a mention of the initiators of the absentee voting;
- 2) The wording of the issue (item on the agenda);

- 3) The wording of the draft decision on each of the items on the agenda;
- 4) Voting versions (expressed as: "FOR", "AGAINST", "ABSTAINED");
- 5) A mention of the requirement to duly fill in only one of the voting versions on each of the items;
- 6) A description of the filling-in method of the ballot (underlining, crossing out);
- 7) A mention of the requirement for the member of the Supervisory Board to sign the ballot;
- 8) A mention of the deadline before which the filled-in ballot should be submitted;
- 9) The mailing address, the e-mail address and the facsimile number to which the filled-in ballot should be sent.

The date of the actual submission of the ballot shall be determined as the sending date of the ballot by the member of the Supervisory Board in one of the following ways: with the use of electronic system for collegial bodies support, by e-mail, facsimile or in hard copy as stated on the ballot or as the date of the hand-in of the ballot directly to the Corporate Secretary. If requested by any member of the Supervisory Board, the Corporate Secretary shall provide a confirmation to evidence the fact of the ballot receipt and (or) to evidence the content of the ballot (by means of sending a copy of the ballot signed by the Corporate Secretary, with the transcript of the signature and the signing date to the member of the Supervisory Board).

The Corporate Secretary shall process the ballots received from the members of the Supervisory Board.

Those members of the Supervisory Board whose ballots were submitted within the established deadline for submission of ballots shall be deemed participating in the voting.

A ballot may be deemed invalid in full or in part of any of the items on the following grounds:

- There are any signs in more than one box of the voting version on the item (except for cases where presence of any signs in more than one box does not prevent unambiguous understanding of the will expressed by the member of the Supervisory Board, i.e., when there are no doubts about the version he/she selects); or
- There is no signature of the voting member of the Supervisory Board on his/her ballot; or
- The ballot includes any corrections and/or reservations on the proposed draft decision.

The Corporate Secretary shall draw out the minutes of the absentee voting. If requested by any member of the Supervisory Board, the minutes of the absentee voting shall be sent to the relevant member of the Supervisory Board by a registered letter with a delivery receipt, sent by e-mail, facsimile or handed in personally within 3 (three) days after the request submission date.

## **9. PROCEDURES OF THE MEETING AND OF DECISION EXECUTION OF THE SUPERVISORY BOARD**

**9.1.** Quorum of the meeting of the Supervisory Board shall be registered in the minutes of the Supervisory Board meeting.

Any member of the Supervisory Board who is unable to attend the meeting of the Supervisory Board in person, may express his/her opinion on the items on the agenda in writing.

If the written opinion submitted by the member of the Supervisory Board includes the results of his/her voting on the proposed draft decisions (one of the proposed draft decisions), such member of the Supervisory Board shall be deemed participating in the voting and his/her written opinion shall be counted when establishing a quorum for taking decisions on the items on the agenda and the voting results.

The member of the Supervisory Board shall submit such written opinion before the meeting of the Supervisory Board, in one of the following ways: with the use of electronic system for collegial bodies support or by means of electronic communications (a scanned image of the written opinion).

In the event any alternative draft decisions on the same item of the agenda are submitted to the Supervisory Board for consideration as per Clause 9.9.1 of these Regulations, the written opinion of the member of the Supervisory Board in a rating voting shall be counted, subject to the condition that it includes his/her voting results in such rating voting for one of the proposed alternatives and reflects the fact of his/her awareness of the other alternative draft decisions.

In the event the meeting of the Supervisory Board decides to change its decision on any item on the agenda of the Supervisory Board, the Corporate Secretary on the instructions of the Chariman of the Supervisory Board may distribute the amended ballots (updated draft decisions) to those members of the Supervisory Board who are unable to attend such meeting in person before the closure of such meeting of the Supervisory Board.

The member of the Supervisory Board shall submit his/her written opinion (updated written opinion) before the closure of the meeting of the Supervisory Board.

**9.2.** If there is no quorum, the meeting shall be declared incompetent In such case the person in the chair of the meeting of the Supervisory Board shall take one of the following decisions:

- 1) Determine the time for a new meeting to be held instead of the failed one and to have the prior established agenda, and take measures to ensure attendance by the members of the Supervisory Board;
- 2) Advise the members of the Supervisory Board about the planned time of their notification of the new meeting to be held instead of the failed one, in the order established in these Regulations;
- 3) Include the agenda of the failed meeting into the agenda of a regular planned meeting of the Supervisory Board;
- 4) On agreement of the members of the Supervisory Board attending the meeting, exclude the items (the agenda) of the failed meeting in full or in part out of the list of issues to be considered at meetings of the Supervisory Board (except for cases stipulated by effective laws).

The new meeting instead of the failed one may be held not less than one hour and not more than 20 (twenty) days after the decision on the issue is taken by the person in the chair of the meeting.

The quorum of the meeting of the Supervisory Board with a given agenda registered as regulated above shall be established only once for the whole meeting of the Supervisory Board with the given agenda, independent of the actual work duration of the Supervisory Board in the frameworks of such meeting.

In the event the number of the members of the Supervisory Board becomes less than one half of the membership of the Supervisory Board in the course of a meeting of the Supervisory Board due to their departure, the person in the chair of such meeting of the Supervisory Board shall have the right to take one of the following decisions:

- 1) By force of the impossibility to take decisions due to the lack of a quorum for taking decisions by the Supervisory Board established in the order stipulated in these Regulations (as relevant to case), terminate the meeting of the Supervisory Board;
- 2) In view of the lack of a quorum for taking decisions by the Supervisory Board established in the order stipulated in these Regulations, continue the meeting of the Supervisory Board without taking any decisions with the aim of ascertaining the position of the remaining members of the Supervisory Board and developing recommendations for the Supervisory Board to be considered at a regular meeting of the Supervisory Board.

Under these Regulations, establishing a quorum is a preliminary procedure to precede the actual meeting of the Supervisory Board. No voting shall be held to approve the quorum (information of the Corporate Secretary about availability of the quorum).

**9.3.** The person in the chair of the meeting of the Supervisory Board shall have the right to exclude any items put on the agenda of the meeting of the Supervisory Board on the following grounds:

- The initiator of the item is absent from the meeting of the Supervisory Board;
- The initiator has made an oral or written application to exclude the item from the agenda.

**9.4.** At the meeting of the Supervisory Board, the following time-limits shall be established: up to 10 (ten) minutes for reports; up to 5 (five) minutes for supplementary reports and speeches in a debate; up to 3 (three) minutes for references/clarifications. The person in the chair of the meeting of the Supervisory Board may change the time-limits.

Any participants in the meeting and parties invited to the meeting may speak in a debate, put forward proposals, make comments, and provide references/clarifications on the essence of the issues

under consideration. The debate shall be stopped following a suggestion by the person in the chair or any members of the Supervisory Board.

**9.5.** If necessary, the Supervisory Board may hold a visiting meeting of the Supervisory Board.

**9.6.** At the meeting of the Supervisory Board, decisions shall be taken by open vote.

**9.7.** At the meeting of the Supervisory Board, voting may be held with the use of an electronic vote counting system or without such electronic system.

The electronic vote counting system may be used for: registering those members of the Supervisory Board who are present and establishing a quorum; counting the votes and determining the results of the voting; entering members of the Supervisory Board on the list for a debate; and providing information support to the meeting of the Supervisory Board.

**9.8.** The voting shall be a choice out of the following vote versions: "FOR", "AGAINST" or "ABSTAINED". The counting of the votes and presentation of the voting results in absolute terms shall be held in relation to each voting.

In case any members of the Supervisory Board develop a new draft decision on an issue under consideration in the course of discussions on such issue, the new draft decision shall be put to the vote subject to no objections from at least one of those members of the Supervisory Board who are present at the meeting; and no voting shall be held on the prior draft decision. If at least one Supervisory Board member present at the meeting in person objects, the new draft resolution developed by the Supervisory Board members shall be considered alternative and submitted to the Supervisory Board directly at the meeting; the decision of whether to include this resolution into the list of alternative draft resolutions on the agenda in question shall be made by the Supervisory Board by a 2/3 (two-thirds) majority of the votes cast by the members of the Supervisory Board.

In the frameworks of consideration of one item on the agenda of the meeting of the Supervisory Board, separate voting of the Supervisory Board is allowed on separate points of the draft decision (if there are two or more points in the draft decision).

The separate voting shall be held in the following cases:

- There is a written request by at least two members of the Supervisory Board submitted to the Chairman of the Supervisory Board three working days before the date of the relevant meeting of the Supervisory Board;
- The meeting of the Supervisory Board decides by a 2/3 majority of the total votes of the Supervisory Board to hold a separate vote on separate points of the draft decision (if there are two or more points in the draft decision).

**9.9.** Decisions on procedural issues shall be taken by a majority of votes of those members of the Supervisory Board who participate in the voting.

The following issues shall be procedural:

- a) Having a break in the meeting or postponing the meeting;
- b) Granting more time in excess of the time-limits for a speech;
- c) Postponing or stopping discussions on an issue;
- d) Delegating the consideration of an issue to the relevant committee or commission of the Supervisory Board;
- e) Voting without discussions;
- f) Holding a closed meeting;
- g) Returning to a repeated vote.

**9.9.1** Rating Voting

The rating voting shall be held in case two or more alternative draft decisions have been submitted to the Supervisory Board for consideration on the same item on the agenda.

The alternative draft decisions shall be submitted to the Corporate Secretary at least 3 (three) working days before the date of the absentee voting or 3 (three) working days before the date of the

meeting of the Supervisory Board and shall include a justification of the need to approve the given wording of the decision.

In case a proposal to consider an alternative draft decision on an issue is submitted to the Supervisory Board directly at the meeting, the decision to include it into the list of alternative draft decisions on the issue under consideration shall be taken by the Supervisory Board by a 2/3 (two-thirds) majority of the total votes of the Supervisory Board.

The initiator of the proposal to consider the alternative draft decision shall submit relevant printed materials to the members of the Supervisory Board together with the proposal.

In the rating voting, only one of the draft decisions submitted on one item on the agenda shall be selected to be considered by the Supervisory Board.

The rating voting shall be a series of consecutive quantitative votes by the members of the Supervisory Board on each of the alternative draft decisions.

The draft decision that acquires the largest number of votes "FOR" it in relation to the other drafts shall be deemed accepted for consideration.

In the event two or more alternative draft decisions acquire the same number of votes, the alternative draft decision for which the Chairman of the Supervisory Board of the Company or the person in the chair at the meeting of the Supervisory Board votes shall be accepted for consideration.

In the event none of the alternative draft decisions acquires a sufficient number of votes of the members of the Supervisory Board to be accepted for consideration by the Supervisory Board, the item shall be withdrawn from consideration of the Supervisory Board.

**9.9.2.** In case of absentee voting, the ballots may include alternative draft decisions on each of the items on the agenda subject to the condition that they are submitted at least 2 (two) working days before the date of the absentee voting of the Supervisory Board and include a justification of the need to approve the given wording of the decision. In such case, each of the members of the Supervisory Board may vote on each of the proposed alternative draft decisions. The alternative decision that acquires the largest number of votes "FOR" it in relation to the other alternative decisions (subject to the condition that it has acquired the majority of votes as required by the Company's Articles of Association) shall be deemed passed. In the event several of the alternative draft decisions acquire the same majority of votes, none of such decisions shall be deemed passed.

**9.10.** At the meeting of the Supervisory Board, the Corporate Secretary shall keep the minutes. An audio record of the meeting of the Supervisory Board may be used as auxiliary material in execution of the minutes of the meeting of the Supervisory Board. The minutes shall be executed within 3 (three) days after the meeting.

The minutes of the meeting (absentee voting) shall include the following information:

- The place and time of the meeting or, in case of absentee voting, the place of execution of the minutes and the deadline for submission of filled-in ballots;
- Those present at the meeting or submitting a written opinion on the items on the agenda (in case of absentee voting, those submitting filled-in ballots before the established deadline);
- The agenda of the meeting (absentee voting);
- The issues put to the vote and the voting results on them;
- The decisions passed (with a justification of the grounds on which the Supervisory Board disregards the recommendations of a committee (committees) of the Supervisory Board (if the Supervisory Board takes a decision in contradiction to the recommendations of its committee (committees)).

The minutes of the meetings (absentee voting) of the Supervisory Board of the Company shall be consecutively numbered.

The person in the chair at the meeting of the Supervisory Board shall sign the minutes of the meeting of the Supervisory Board of the Company.

The Chairman of the Supervisory Board and (or) the Corporate Secretary shall be entitled to certify any extract of the minutes on behalf of the Company (the Supervisory Board).

Any special opinions of the members of the Supervisory Board shall be attached to the minutes of the Supervisory Board and be an integral part thereof.

**9.11.** In the event the Supervisory Board takes its decisions by absentee voting, the opinions of the members of the Supervisory Board expressed in writing and signed by them with their own hands (or scanned images of the ballots) shall be attached to the minutes.

**9.12.** Any decisions taken by the Supervisory Board shall be mandatory for implementation by the Chief Executive Officer – Chairman of the Executive Committee and the Executive Committee of the Company.

**9.13.** The Corporate Secretary shall distribute the minutes to the members of the Supervisory Board following their requests within 3 (three) days after the minutes are signed.

The Corporate Secretary shall make extracts of the minutes of the Supervisory Board and hand them in to the initiators of putting the item on the agenda, reporters on the item and those in charge of implementing the decision within 3 (three) days after the minutes of the meeting (absentee voting) are signed, against receipt.

**9.14.** The Chairman of the Supervisory Board and, as instructed by the Chairman of the Supervisory Board, the Corporate Secretary shall control execution of the decisions of the Supervisory Board. The Chief Executive Officer – Chairman of the Executive Committee and the Executive Committee shall control execution of the decisions of the Supervisory Board by Company's executives and subdivisions.

**9.15.** Where closed meetings of the Supervisory Board are held, preparation of any materials for such meetings, admittance to the meeting, execution of any protocols and resolutions shall be performed in compliance with the requirements about protection of the state, commercial or service secrets or any other secrets protected by the law.

## **10. STORAGE AND USE OF DOCUMENTS OF THE SUPERVISORY BOARD**

**10.1.** The minutes of meetings of the Supervisory Board shall be available to the Shareholders of the Company, the members of the Supervisory Board, the members of the Auditing Committee, the Auditor, the Chief Executive Officer – Chairman of the Executive Committee and to representatives of controlling authorities for consideration at the location of the Company or at any other place determined by the Chairman of the Supervisory Board.

**10.2.** The originals of the minutes of meetings of the Supervisory Board and any documents related to them shall be issued to representatives of controlling authorities for consideration in the premises of the archive in the presence of the Corporate Secretary, against receipt.

**10.3.** As a result of the activities of the Supervisory Board, an archive of the Supervisory Board shall be formed to include the following documents:

- 1) Minutes of meetings (absentee votes) of the Supervisory Board;
- 2) Attachments to the minutes of meetings (absentee votes) of the Supervisory Board;
- 3) Reference materials for the meetings (absentee votes) of the Supervisory Board;
- 4) Minutes of General Meeting of Shareholders of the Company;
- 5) Documents and materials of committees, commissions and work groups of the Supervisory Board;
- 6) Personal data forms of the members of the Supervisory Board;
- 7) Verbatim records of meetings of the Supervisory Board or any other documents (recording methods) enabling registration of the position of each member of the Supervisory Board on the items on the agenda.

The documents included into the archive of the Supervisory Board, shall be kept in the Company's premises (at the location of the executive body of the Company) for an indefinite term.

The storage shall be at the expense of the Company.

The Corporate Secretary shall perform systematization and archiving of the documents and materials of the Supervisory Board. The Corporate Secretary shall make (maintain) a list of all the documents and materials of the archive of the Supervisory Board on paper and on electronic media.

**10.4.** Employees of the Company who have access to the documents of the Supervisory Board shall be liable for any disclosure of the information that is confidential. The confidential nature of information shall be determined by the Supervisory Board and registered in the minutes of the relevant meeting.

## **11. APPROVAL AND AMENDMENT PROCEDURES OF THESE REGULATIONS**

**11.1.** Where, in pursuance of duly made amendments to any effective laws of the Russian Federation, any particular clauses of these Regulations come into conflict therewith, such clauses shall be null and void and the norms of effective laws shall apply. Any norms of these Regulations conflicting with effective laws shall not affect the validity of any other norms of these Regulations; and the Company shall take all due measures to bring these Regulations in compliance with the norms of effective laws.

**11.2.B** In case of any contradiction between these Regulations and the Articles of Association of the Company, the Articles of Association of the Company shall prevail.

**11.3.** After the approval of these Regulations, the Regulations on the Supervisory Board of the Company approved by the resolution of the extraordinary General Meeting of Shareholders of the Company dated 25.06.2015 (Minutes #33) as amended by the resolutions of the annual General Meeting of Shareholders of the Company dated 30.06.2016 (Minutes #34) and 30.06.2017 (Minutes #35) shall lose force.

Annexes:

1. Notice form of the meeting of the Supervisory Board;
2. Notice form of the absentee voting of the Supervisory Board.

## Annex 1 to the Regulations on the Supervisory Board of PJSC ALROSA

\_\_\_\_\_ № \_\_\_\_\_

**To the Supervisory Board members  
of PJSC ALROSA**

\_\_\_\_\_  
Meeting  
\_\_\_\_\_  
of the Supervisory Board  
\_\_\_\_\_  
of PJSC ALROSA  
\_\_\_\_\_

**Dear Supervisory Board Members of PJSC ALROSA,**

I hereby notify you that the Chairman of the Supervisory Board of PJSC ALROSA (hereinafter the Company) passed a resolution to hold a meeting of the Supervisory Board.

Date of the meeting: \_\_\_\_\_ 201\_\_\_\_.

Time of the meeting:

Venue of the meeting:

Mailing address for written opinions:

Closing date and time to receive written opinions:

The agenda of the meeting:

**Sincerely yours,  
Head of Corporate Governance Department – Corporate Secretary**

Full name  
Telephone  
Fax:  
E-mail

## Annex 2 to the Regulations on the Supervisory Board of PJSC ALROSA

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No

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**To the Supervisory Board members  
of PJSC ALROSA**

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Absentee voting  
of the Supervisory Board  
of PJSC ALROSA

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**Dear Supervisory Board Members of PJSC ALROSA,**

I hereby notify you that the Chairman of the Supervisory Board of PJSC ALROSA (hereinafter the Company) passed a resolution to hold an absentee voting of the Supervisory Board.

Date of the voting:

Agenda:

You are hereby requested to send the original ballot to the Corporate Governance Department of the Company by \_\_\_\_ on \_\_\_\_\_ 201\_\_ at the address:

Encl.:

1. Ballot of the Supervisory Board member of PJSC ALROSA.

**Sincerely yours,  
Head of Corporate Governance Department – Corporate Secretary**

Full name:  
Telephone  
Fax:  
E-mail: