

APPROVED
by the Extraordinary General Meeting
of Shareholders
of PIK Group of Companies Public
Joint Stock Company

Minutes No 1 dated 06 March 2021

**REGULATION
ON THE BOARD OF DIRECTORS
of Public Joint Stock Company
«PIK-specialized homebuilder»**

Moscow

1. GENERAL PROVISIONS

1.1. This Regulation on the Board of Directors (hereinafter the "Regulation") have been developed in accordance with the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies" and the Articles of Association of the Company and define the procedure for convening, preparing and holding meetings of the Board of Directors, the procedure for decision-making by the Board of Directors, the rights and obligations of members of the Board of Directors, and other issues relating to the activities of the Board of Directors.

1.2. The Board of Directors is a collective management body of the Company responsible for general management of its operations with the exception of issues referred to the competence of the General Meeting of Shareholders by federal laws and the Company' Articles of Association.

2. OBJECTS AND PRINCIPLES OF ACTIVITY BOARD OF DIRECTORS

2.1. The purposes of the Board of Directors' operation shall be gaining maximum profit and increase in the assets of the Company, protection of rights and lawful interests of shareholders, procurement of completeness, reliability and objectiveness of public information about the Company.

2.2. The main functions of the Board of Directors are as follows:

- determining of the main guidelines of the Company's activity in the long term, determining the strategy and priority areas of the Company's development;
- defining the basic principles and approaches to the organization of the Company's risk management and internal control system;
- ensuring effective control over the Company's financial, economic and business activities;
- ensuring implementation and protection of shareholder rights, as well as facilitating the resolution of corporate conflicts;
- formation of the Company's executive bodies and ensuring effective control over their activities;
- ensuring the Company's transparency, meeting the timeliness and completeness of the Company's disclosures;
- exercising control over corporate governance practices in the Company.

2.3. In order to achieve its purpose, the Board of Directors shall be guided by the following principles:

- adoption of decisions based on reliable information about the Company's operations;
- exclusion of limitations of shareholders' rights on participation in the management of the Company's affairs, receiving dividends and information about the Company;
- attainment of a balance of interests of different shareholders' groups and adoption by the Board of Directors of the most objective decisions for the benefit of all shareholders of the Company.

3. MEMBERS OF THE BOARD OF DIRECTORS, THEIR RIGHTS AND OBLIGATIONS

3.1. Members of the Board of Directors shall comply with the requirements established by the applicable laws of the Russian Federation and shall have the knowledge, skills and experience necessary to make decisions falling within the competence of the Board of Directors and required for the effective performance of the functions of the Board of Directors of the Company.

3.2. The Board of Directors shall include members who are sufficiently professional, experienced and independent to form their own position and are able to make objective and honest judgments, independent of the influence of the Company's executive bodies, certain groups of shareholders or other interested parties (hereinafter referred to as "independent directors").

3.3. The number of independent directors shall be at least one-third (1/3) of the Board of Directors and may not be less than three (3).

3.4. A member of the Board of Directors generally cannot be an independent director if he/she is:

- (a) related to the Company;
- b) related to a substantial shareholder of the Company;
- c) related to a material counterparty of the Company;
- d) related to a competitor of the Company;
- e) associated with the state (the Russian Federation, a constituent entity of the Russian Federation) or a municipality.

The criteria for determining independence, including the criteria of affiliation with the aforementioned persons and their materiality, shall be established by the trade organizer listing the Company's securities.

The Board of Directors evaluates the independence of candidates for the Board of Directors and prepares an appropriate opinion on each candidate, as well as regularly reviews the compliance of independent directors with the independence criteria and decides whether they meet or do not meet the independence criteria.

In certain cases, which should be exceptional, the Board of Directors of the Company may, when making an assessment, recognize a candidate (elected member of the Board of Directors) as independent despite the presence of formal criteria of affiliation with the Company, a material counterparty or competitor of the Company, if such criteria have no effect on the ability of the member of the Board of Directors to make independent, objective and bona fide judgments.

3.5. An independent director shall refrain from taking any actions as a result of which he/she may cease to be independent. If after the election of an independent director to the Board of Directors circumstances arise as a result of which such director ceases to be independent, such member of the Board of Directors shall notify the Board of Directors of such circumstances. The notice shall be sent to the Chairman of the Board of Directors and the Chief Executive Officer of the Company within a reasonable time after the director becomes aware of the occurrence of such circumstances. The notice shall contain a description of the event giving rise to the loss of independence and, should it be possible to establish the time of occurrence of such event, also the relevant calendar date.

Upon receipt by the Chairman of the Board of Directors of the aforementioned notice, and if circumstances as a result of which a director ceases to be independent become known from other sources, the issue of non-compliance of a member of the Board of Directors who has lost the status of an independent director with the independence criteria shall be considered by the Board of Directors at the next meeting.

Information on the loss of the independent director status by a member of the Board of Directors shall be disclosed on the Company's website in the section containing information on the composition of the Board of Directors.

3.6. If the Chairman of the Board of Directors is not an independent director, the Board of Directors may elect a Senior Independent Director from among its elected independent directors.

3.7. The Senior Independent Director shall be elected upon the proposal of the independent directors by a majority vote of the members of the Board of Directors attending the meeting. Proposals on the candidacy of the Senior Independent Director shall be made unanimously by the independent directors.

3.8. The powers of the Senior Independent Director shall be valid until a new Board of Directors is elected. The Senior Independent Director shall be dismissed prematurely he/she loses the status of an Independent Director. The Senior Independent Director may also be dismissed prematurely

by resolution of the Board of Directors. In such cases, the Board of Directors shall be entitled to elect a new Senior Independent Director as proposed by the Independent Directors.

3.9. The Senior Independent Director performs, in particular, the following functions:

- coordinating interaction between independent directors, including convening meetings of independent directors as necessary and presiding over such meetings;
- interacting with, advising and assisting the Chairman of the Board of Directors in facilitating the efficient organization of the Board's work;
- coordinating the evaluation of the Chairman of the Board of Directors and its succession planning;
- carries out communications with the shareholders of the Company;
- informs the Board of Directors of the consolidated opinion of independent directors reached at their meetings (sessions), including on the issues of material corporate actions of the Company.

3.10. A member of the Board of Directors shall have the right to:

3.10.1. request and obtain access to information related to the Company's activities, as well as to information about legal entities controlled by the Company, except for information access to which is restricted in accordance with the requirements of laws or other legal acts of the Russian Federation;

3.10.2. demand the convening of a meeting of the Board of Directors;

3.10.3. to familiarize themselves with the minutes of meetings of the Board of Directors, committees and other working bodies of the Board of Directors and, in the manner prescribed by This Regulation, to receive copies of such minutes;

3.10.4. to send his/her written opinion on the agenda of the meeting of the Board of Directors, at which he is unable to attend;

3.10.5. receive remuneration for the performance of his/her duties and compensation for expenses related to performance of the functions of the Company's Board of Directors member in the cases and in the amount determined by the decisions of the General Meeting of Shareholders;

3.10.6. demand that the minutes of a meeting of the Board of Directors include his/her dissenting opinion on the agenda items and decisions to be made.

3.11. A member of the Board of Directors shall:

3.11.1. be loyal to the Company, i.e., refrain from using his/her position in the Company for the benefit of others;

3.11.2. act within the scope of his/her rights in accordance with the objects, functions and principles of the Board of Directors;

3.11.3. to act reasonably and in good faith with respect to the Company;

3.11.4. not disclose and not use in his/her personal benefit or to the benefit of third parties the confidential information on the Company's activities and insider information that became known to him, and to comply with the requirements stipulated by the laws, regulatory acts of the Russian Federation and internal documents of the Company on the procedure of access and use of confidential and insider information;

3.11.5. initiate meetings of the Board of Directors to resolve urgent matters;

3.11.6. actively participate in meetings of the Board of Directors and committees established by the Board of Directors;

3.11.7. participate in making decisions of the Board of Directors by voting on issues on the agenda of its meetings;

3.11.8. abstain from voting on issues in which he or she has an interest;

3.11.9. make informed decisions, for which purpose he/she shall study all necessary information (materials);

3.11.10. assess risks and adverse consequences for the Company when making decisions;

3.11.11. refrain from actions that will or may potentially lead to a conflict between his/her interests and the interests of the Company, and, if such conflict exists or arises, disclose

information about it to the Board of Directors, in particular, notify the Board of Directors or the Board Committee before the discussion of the relevant agenda item, and take measures to comply with the procedure for taking actions or entering into transactions in which the Board member has an interest;

- 3.11.12. refrain from accepting gifts from parties interested in the decisions, and from taking advantage of any other direct or indirect benefits provided by such parties;
- 3.11.13. provide the Company in writing with complete and accurate information about legal entities in the management bodies of which he/she holds or intends to hold positions, and (or) of Boards of Directors (Supervisory Boards) of which he/she is or intends to become a member;
- 3.11.14. timely notify the Company of its affiliations and changes therein;
- 3.11.15. notify the Company of any completed or proposed transactions in which he/she may be deemed an interested party, as well as other information provided for by the Federal Law "On Joint-Stock Companies" related to his/her interest in the Company's transactions;
- 3.11.16. notify the Board of Directors in writing of the fact of ownership of the securities of the Company, the intention to enter into transactions with the securities of the Company, its subsidiaries or affiliates, and of transactions consummated therewith;
- 3.11.17. fulfill the instructions of the Board of Directors in a timely manner and in good faith;
- 3.11.18. Perform other duties stipulated by the applicable laws and regulations of the Russian Federation, the Company's Articles of Association, this Regulation, and other Company bylaws.
- 3.11.19. The Company shall provide newly elected members of the Board of Directors with sufficient information about the Company and the work of the Board of Directors as soon as possible.
- 3.12. The Company shall, at the request of a member of the Board of Directors expressed orally or in writing, provide access to the information and documents specified in clause 3.10.1 of this Regulation, as well as give prompt responses to their requests.

The Company officials may not refuse to provide a member of the Board of Directors with the requested information, including on the grounds that, in the opinion of the Company, the requested information is not relevant to the agenda of the meeting or the competence of the Board of Directors.

In this case, the requested information and documents must be provided for review to a member of the Board of Directors within five days from the date of the relevant request.

- 3.13. The Company shall, at the request of a member of the Board of Directors, provide him/her with copies of the documents he/she requires.

4. CHAIRMAN OF THE BOARD OF DIRECTORS

- 4.1. The Chairperson of the Board of Directors shall be elected by and out of the members of the Board of Directors at its first meeting by a majority vote of the members of the Board of Directors attending such a meeting.
- 4.2. A person exercising the functions of the sole executive body of the Company may not simultaneously hold the office of the Chairperson of the Board of Directors.
- 4.3. The Board of Directors may at any time re-elect its Chairperson.
- 4.4. The members of the Board of Directors may elect a deputy Chairperson. In absence of the Chairperson of the Board of Directors, all his/her functions (including the right to sign documents) shall be exercised by his/her deputy, and in the absence of the latter - one of the members of the Board of Directors according to the decision of the Board of Directors adopted by a majority vote of its members attending a respective meeting.
- 4.5. Chairman of the Board of Directors:
 - organizes the work of the Board of Directors;

- convenes and presides over meetings of the Board of Directors,
- organizes the development of the work plan of the Board of Directors, as well as monitoring the implementation of decisions of the Board of Directors;
- determines the form, date and time of meetings and approves (signs) the agenda of the meeting, takes all necessary measures to provide members of the Board of Directors with the information necessary to make decisions on agenda items in a timely manner;
- organizes the keeping of minutes at meetings and signs the minutes of meetings;
- organizes the discussion of issues at the meetings, as well as hearing the opinions of persons invited to participate in the meeting;
- ensures the effective work of the committees of the Board of Directors, initiates the nomination of members of the Board of Directors to the committees based on their professional and personal qualities and the proposals of the members of the Board of Directors;
- presides at the General Meeting of Shareholders of the Company, signs the minutes of the General Meeting of Shareholders, as well as documents whose approval falls within the competence of the General Meeting of Shareholders;
- represents the Board of Directors in its interactions with the Company's executive bodies and other bodies and persons, including during negotiations;
- maintains official correspondence of the Board of Directors, signs requests, letters and other documents on behalf of the Board of Directors;
- interacts with the Company's shareholders through the Corporate Secretary;
- take measures to ensure timely provision of materials to members of the Board of Directors on issues on the agenda the Board of Directors' meetings;
- reports to the Annual General Meeting of Shareholders on the activities of the Board of Directors;
- performs other functions stipulated by the applicable laws, the Articles of Association and internal documents of the Company.

5. SECRETARY OF THE BOARD OF DIRECTORS

- 5.1. The Corporate Secretary of the Company shall act as the Secretary of the Board of Directors.
- 5.2. In the absence of the Corporate Secretary, the duties of the Secretary of the Board of Directors shall be assigned to another person by decision of the Board of Directors by a majority vote of the members of the Board of Directors attending the meeting.
- 5.3. Secretary of the Board of Directors:
- accepts requests to convene meetings of the Board of Directors and the documents necessary to set the agenda and prepare the meetings of the Board of Directors;
 - drafts agendas for the Board of Directors;
 - inform members of the Board of Directors about meetings of the Board of Directors, distribute documents and materials for the meetings, as well as ballot papers in case of meetings by absentee voting;
 - accepts ballot papers filled out by members of the Board of Directors and summarizes the results of voting on the issues to be decided by absentee voting;
 - keep minutes of meetings in presentia of the Board of Directors, prepare minutes of meetings and arrange for their signing;

- provide technical and organizational assistance to members of the Board of Directors in preparing for Board meetings;
- prepares and signs extracts from the minutes of meetings of the Board of Directors;
- performs other functions in accordance with this Regulation, the Company's internal documents and the instructions of the Chairman of the Board of Directors.

6. MEETING OF THE BOARD OF DIRECTORS

- 6.1. A meeting of the Board of Directors may be held in the form of a joint presence (in particular, using conference calls) or an absentee voting.
- 6.2. To hold a meeting in presentia, information and communication technologies that enable remote participation in the meeting, discussing items on the agenda, and passing resolutions on the matters put to the vote, without the member of the Board of Directors being present at the place of the meeting. The remote participation in the meeting by the members of the Board of Directors shall be equal to their presence in the meeting, subject to their unique identification (authentication).
- 6.3. Meetings of the Board of Directors shall be held regularly in accordance with the work schedule approved by the meeting of the Board of Directors. If necessary, the Board of Directors shall consider issues which have not been included in the work schedule.
- 6.4. In addition to meetings of the Board of Directors called by the Chairman of the Board of Directors at his/her own discretion, meetings of the Board of Directors shall also be called at the request of a member of the Board of Directors, Audit Commission, Head of Internal Audit Department, Company's Auditor, and single-member or multiple-member executive body of the Company.
- 6.5. The request to call a meeting of the Board of Directors shall be sent by the requestor to the Chairman of the Board of Directors through the Secretary of the Board of Directors and shall contain the following information:
- 6.5.1. name of the requestor, or name/corporate name of the body or legal entity that submitted the request;
 - 6.5.2. desired form of the meeting (joint presence or absentee voting);
 - 6.5.3. desired date of the meeting;
 - 6.5.4. wording of items on the agenda of the meeting and draft resolutions on the agenda items;
 - 6.5.5. reasons for including such items on the agenda;
 - 6.5.6. list of documents and other materials required to consider the matters;
 - 6.5.7. signature of the person (manager of the legal entity or body) requesting the meeting;
 - 6.5.8. any other information as the requestor of the meeting may think fit.
- 6.6. Within three (3) days following the date of the request to call a meeting of the Company's Board of Directors, the Chairman of the Board of Directors shall pass a resolution to call the meeting, or to refuse calling the same, and inform the person that submitted the request to that effect.
- 6.7. The Chairman of the Board of Directors shall be entitled to refuse calling the meeting of the Board of Directors, if either the matter is outside the competence of the Board of Directors, or the person that signed the request is not entitled to request such meeting, or the request to call a meeting of the Board of Directors does not contain the information specified by these Regulations.
- 6.8. The meeting of the Company's Board of Directors called at the request of a member of the Board of Directors, Audit Commission, Head of Internal Audit Department, Company's Auditor, and single-member or multiple-member executive body of the Company shall be held within fifteen (15) days following the submission of such request, and where the matter is subject to preliminary review by the committee of the Board of Directors – within one (1) month following the submission of such request. The date of receipt of the request by the Chairman of the Board of Directors (or the person acting as the Chairman of the Board of Directors) shall be deemed the date of submission of such request.

- 6.9. To the extent provided by the Federal Law on Joint-Stock Companies, the Company shall give notice to the members of the Board of Directors containing information on the terms and condition of a related-party transaction at least fifteen (15) days prior to the date of such transaction. A member of the Board of Directors may, at his/her own discretion, request a meeting of the Board of Directors to resolve the matter of giving consent to the transaction. To enable obtaining the consent of the Board of Directors before the date of the transaction, the member of the Board of Directors is recommended to submit the corresponding request within fifteen (15) days of receipt of the Company's notice.
- 6.10. The Secretary of the Board of Directors shall promptly inform the Chairman of the Board of Directors of the request to call a meeting received. A copy of the request shall be sent to the Chairman of the Board of Directors by fax, by e-mail, or by any other means.
- 6.11. In preparing for the meeting of the Board of Directors, the Chairman of the Board of Directors or the person acting as the Chairman of the Board of Directors shall determine:
- form of the meeting;
 - date, place and time of the meeting and opportunity of remote participation in the meeting if the meeting is held in presentia;
 - voting ballot receipt deadline (if the meeting is held in the form of an absentee voting);
 - agenda of the meeting.
- 6.12. After the Chairman of the Company's Board of Directors or the person acting as the Chairman of the Board of Directors has approved the meeting minutes and has determined the meeting date, time and place, the Secretary of the Board of Directors shall give notice (announcement) of the meeting to the members of the Board of Directors and the Chief Executive Officer of the Company specifying:
- form of the meeting;
 - date, place and time of the meeting and opportunity of remote participation in the meeting (if the meeting is held in presentia);
 - voting ballot receipt deadline (if the meeting is held in the form of an absentee voting), and address, to which completed voting ballots must be sent.
- The notice (announcement) shall be accompanied by:
- copy of the agenda of the meeting;
 - explanatory notes stating the basis for the need to pass the resolution proposed and other necessary information materials concerning the items on the agenda;
 - draft resolutions (wordings) on the agenda items put to the vote;
 - voting ballots (if the meeting is held in the form of an absentee voting).
- A voting ballot shall contain the following information:
- full corporate name and location of the Company;
 - form of the meeting;
 - date of the meeting (voting ballot receipt deadline);
 - wording of each agenda item put to the vote;
 - draft resolution on the agenda item put to the vote and voting options expressed by 'for', 'against' and 'abstain' wordings;
 - note stating that a member of the Board of Directors may only select one voting option;
 - note stating that the voting ballot must be manually signed by the member of the Company's Board of Directors;
 - address, to which completed voting ballots must be sent;
 - other necessary information.

6.13. The notice (announcement) of the meeting of the Board of Directors, together with the materials concerning the items on the meeting agenda, shall be sent to each member of the Board of Directors by e-mail, or served on them with signed acknowledgment.

The notice (announcement) of the meeting may also be sent to other persons invited or entitled to attend the meeting, accompanied with the necessary materials as determined by the Chairman of the Board of Directors.

6.14. A notice of convocation of a meeting of the Board of Directors shall be sent to each member of the Board of Directors along with the necessary materials at least 5 business days prior to the meeting.

If in accordance with the applicable laws, a meeting of the Board of Directors is to be held within a shorter time frame, the period for sending a notice along with the required documents shall be reduced.

All the aforesaid time frames may also be reduced if an emergency decision on any issues is required, provided that none of the members of the Board of Directors does not object.

6.15. Materials concerning the items on the agenda of meetings of the Board of Directors that contain any information marked 'confidential' are normally not subject to sending out.

If the members of the Board of Directors need to examine such materials, they shall be given to the members of the Board of Directors for review at the Company's premises, or served on them (with signed acknowledgment), or sent by a courier service.

The Chairman of the Company's Board of Directors or the person acting as the Chairman of the Board of Directors shall decide on providing materials concerning the items on the agenda of meetings of the Board of Directors that contain any information marked 'confidential'.

Each member of the Board of Directors shall be provided with a full document package concerning the items on the agenda of meetings of the Company's Board of Directors directly at such meetings if held in presentia.

However, materials concerning the items on the agenda that contain any information marked 'confidential' shall be returned to the Secretary of the Board of Directors after the meeting of the Board of Directors has been finished.

6.16. A member of the Board of Directors shall be entitled to request from the Company any documents (information, explanations) regarding the substance of the item on the agenda of the meeting of the Board of Directors. Such request shall be submitted to the Secretary of the Board of Directors. The documents (information, explanations) requested shall be provided to the members of the Board of Directors before or during the meeting of the Board of Directors.

6.17. All members of the Board of Directors shall receive the same scope of materials for the meeting of the Board of Directors.

6.18. If circumstances arise that make it impossible or difficult to hold a meeting of the Board of Directors in a place and/or at a time when the members of the Board of Directors have been notified, a meeting on the planned agenda may be held in a different place and/or at a different time.

All the members of the Board of Directors shall be notified of changes to the venue and/or time of a meeting of the Board of Directors subject to the normal time required for arrival of the members of the Board of Directors at the meeting. A notice of the aforesaid changes shall be sent to the members of the Board of Directors in any form which guarantees the receipt of the notice by a member of the Board of Directors at his/her location or at the address where he/she receives correspondence.

7. PROCEDURE FOR HOLDING MEETINGS AND PASSING RESOLUTIONS OF THE BOARD OF DIRECTORS MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

- 7.1. The Chairman of the Board of Directors or the person acting as the Chairman of the Board of Directors shall arrange meetings of the Board of Directors in accordance with the meeting agenda.
- 7.2. As may be resolved by the Chairman of the Board of Directors, the members of the Management Board, heads of structural units of the Company, members of the Audit Commission, Head of the Internal Audit Department, as well as persons that prepared the materials and documents concerning the items on the agenda and other persons may be invited to the meeting of the Board of Directors.
- 7.3. At the beginning of the meeting, before proceeding to the items on the agenda, the Board of Directors may resolve to amend the agenda, in particular, to exclude certain items from, or add new items to, the agenda.
- 7.4. Where necessary, the meeting of the Board of Directors may be recessed for five (5) days at the most. The meeting of the Board of Directors shall be resumed within the time limit specified with the same agenda.
- 7.5. The quorum for a meeting of the Board of Directors shall be at least one half of the total number of elected members of the Board of Directors.
- 7.6. In passing resolutions, the members of the Board of Directors attending the meeting normally express their opinions (vote on the items on the meeting agenda) by roll call.
- 7.7. Resolutions of the meeting of the Board of Directors shall be passed by a simple majority vote of the members of the Board of Directors attending the meeting of the Board of Directors, unless the laws of the Russian Federation, the Articles of Association of the Company, or these Regulations specify another number of votes required to pass a resolution.
- 7.8. After all items on the agenda of the meeting of the Board of Directors have been discussed, the Chairman of the Company's Board of Directors shall read out the voting results and announce the resolution passed on the item.
- 7.9. At the meeting of the Board of Directors, every member shall have one vote. No assignment of vote by any member of the Board of Directors to any other person, including any other Board member, shall be allowed.
- 7.10. If the votes fall equally the Chairperson of the Board of Directors shall have a casting vote.
- 7.11. In determining the presence of a quorum and voting results with respect to an agenda item, written votes of absent members of the Board of Directors may be considered, provided that the following conditions have been simultaneously met.
 - the written vote on the agenda item was received before the commencement of the meeting;
 - the member of the Board of Directors unambiguously determined his/her position on the matter by specifying in his/her written vote one of voting options on the draft resolution – 'for', 'against' or 'abstain';
 - the written vote is manually signed by the member of the Board of Directors.
- 7.12. The written vote that contains amendments to and reservations to the proposed draft resolution shall not be considered in determining the presence of a quorum and voting results. If the draft resolution is amended at the meeting of the Board of Directors, the written vote shall also not be considered in determining the presence of a quorum and voting results.
- 7.13. Written votes shall be considered in determining the presence of a quorum and voting results separately with respect to each item on the meeting agenda, which shall be recorded in the minutes of the meeting of the Board of Directors.
- 7.14. The written vote of a member of the Board of Directors may contain the votes of the absent member of the Board of Directors both on all and on certain items on the meeting agenda.
- 7.15. The presiding person shall announce the written opinion of a member of the Board of Directors absent from the meeting of the Board of Directors prior to the commencement of voting on the agenda item for which such opinion has been submitted.
- 7.16. The members of the Board of Directors, ballots of which were received before the voting ballot receipt deadline specified in the voting ballot, in paper form, at the address specified in the

voting ballot, shall be deemed to have attended the meeting of the Board of Directors held in the form of an absentee voting.

7.17. In voting on the items put to the vote, only votes on the items, with respect to which only one voting option – ‘for’, ‘against’ or ‘abstain’ – is left, shall be considered. Inappropriate voting options shall be stricken out.

Ballots, in which more than one voting option is left, shall be invalidated.

If more than one voting option is left on one or more items specified in the voting ballot, votes on such items shall not be counted.

If in counting votes two or more completed ballots specifying different voting options on one item are discovered, in terms of voting on such item, the ballots shall be invalidated.

If the voting ballot contains records and amendments to the draft resolutions on one or more items put to the vote, votes on such items shall not be counted.

Invalidation of a voting ballot in terms of voting on one, several, or all items, voting on which is performed using such ballot, shall not constitute grounds for excluding the votes cast by such ballot in determining the presence of a quorum for the meeting of the Board of Directors held in the form of an absentee voting.

The voting ballot shall be manually signed by the member of the Company’s Board of Directors.

7.18. Before taking a decision on an issue which was previously considered by the committees of the Board of Directors, members of the Board of Directors must be able to familiarize themselves with the conclusions (recommendations) of the respective committees in advance.

7.19. If there is a need to receive any professional advice on the matters referred to the competence of the Board of Directors, based on the resolution of the Board of Directors, the Company shall cause, at its own expense, the engagement of advisors in order to receive such advice.

7.20. The Secretary of the Board of Directors shall keep the minutes of the meeting of the Board of Directors.

The minutes of the meeting of the Board of Directors shall be drawn up within 3 days following such meeting, in 2 copies.

The meeting minutes shall specify:

- full corporate name and location of the Company;
- information on the presence of a quorum for the meeting of the Board of Directors and for each item on the agenda;
- information on recommendations of the committees of the Board of Directors with respect to the corresponding item on the meeting agenda (if the availability of such recommendations is provided by the internal documents of the Company);
- members of the Board of Directors that attend the meeting (participated in the absentee voting);
- members of the Board of Directors that did not attend the meeting (did not participate in the absentee voting);
- agenda of the meeting;
- items put to the vote and voting results;
- resolutions passed;
- date of the minutes;
- other necessary information.

The minutes of the meeting of the Board of Directors held in presentia shall also specify:

- date, place and time of the meeting of the Board of Directors;
- members of the Board of Directors that presented written votes;
- list of persons invited to the meeting;
- persons that spoke on the items on the meeting agenda.

If the meeting is held in absentia, the minutes of the meeting of the Board of Directors shall also specify the date of summarizing the absentee voting results (date of the meeting).

The minutes of the meeting of the Board of Directors kept by the Secretary of the Board of Directors shall be accompanied with:

- documents adopted or approved by resolutions of the Board of Directors;
- written votes on the agenda items of absent members of the Board of Directors that were considered in determining the presence of a quorum and voting results with respect to items on the meeting agenda;
- dissenting opinion of a member of the Board of Directors on the agenda item submitted in writing;
- registration list of members of the Board of Directors that attended the meetings held in presentia;
- completed voting ballots;
- other necessary documents and materials.

The minutes of the meeting of the Board of Directors shall be signed by the person chairing the meeting.

7.21. The Company shall keep minutes of meetings of the Board of Directors at the location of its executive body in the procedure and for the periods specified by the laws of the Russian Federation, and if no such periods are specified, the Company shall keep minutes of meetings of the Board of Directors for an indefinite period.

7.22. The Company shall grant access to minutes of meetings of the Board of Directors to its shareholders, as well as the members of the Board of Directors, Audit Commission, and Company's Auditor.

7.23. The Secretary of the Company's Board of Directors shall prepare and send out extracts from minutes of meetings of the Board of Directors to the structural units of the Company responsible for the implementation of resolutions of the Board of Directors.

8. APPROVAL OF THE REGULATION AND AMENDMENT PROCEDURE

8.1. This Regulation is to be approved by the General Meeting of Shareholders by a majority vote of the holders of the Company's voting shares attending the meeting.

8.2. This Regulation may be supplemented and amended by the General Meeting of Shareholders by a majority vote of the holders of the Company's voting shares attending the meeting.

8.3. If, as a result of changes in the legislation of the Russian Federation or the Company's Articles of Association, certain articles of this Regulation come into conflict with it, the Regulation shall be applied to the extent not contradicting the current legislation and the Company's Articles of Association.