



ITEM № 7  
ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE  
COMPANY IN A NEW EDITION

### Explanatory information on the item

In accordance with Federal Law dated 26.12.1995 № 208-FZ “On Joint-Stock Companies”, approval of internal documents governing the activities of the company's management bodies is within the competence of the General Meeting of Shareholders of the company.

The need to approve the new edition of the Regulation on the Board of Directors of the Company is due to:

- making changes recommended by the Corporate Governance Code of the Bank of Russia;
- matching the current corporate governance practice in the Company.

MAIN CHANGES AND ADDITIONS refer to:

1. Adjustment to the recommendations of the Corporate Governance Code of the Bank of Russia: deadlines for notifying members of the Board of Directors of a meeting.

2. Improving corporate governance practices in the part of:

- clarification of the composition of information to be included in the work plan of the Board of Directors;
- clarification of the decision-making procedure in the event that a meeting of the Board of Directors is declared invalid due to the absence of a quorum.

The new version of the Regulation on the Company's Board of Directors is initiated by the Board of Directors of the Company in connection with the changes in the legislation that have come into force and bringing the Regulation into line with the Articles of Association and the requirements of the current legislation.

The draft of the new edition of the Regulation on the Board of Directors of the Company was preliminarily considered by the Board of Directors on 28.04.2020 (Minutes No. 20/20) and recommended for approval by the Annual General Meeting of Shareholders of the Company.

The current edition of the Regulation on the Board of Directors of the Company, the draft of the new edition of the Regulation on the Board of Directors of the Company, as well as the summary table of amendments to the Regulation on the Board of Directors of the Company, are attached.



ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

**Draft resolution on item № 7**

To approve the Regulation on the Board of Directors of the Company in a new edition.



ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## **Draft of the Regulation on the Board of Directors of the Company in a new edition**

SEE APPENDIX 5



ITEM № 7 «ON APPROVAL OF THE REGULATION ON THE BOARD OF DIRECTORS OF THE COMPANY IN A NEW EDITION»

## **The Regulation on the Board of Directors of the Company in the current edition**

SEE APPENDIX 6

## Summary table of amendments to the Regulation on the Board of Directors of the Company

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Edition of proposed amendments and additions to the Regulation on the Board of Directors of the Company	Comments
<b>Article 3 «Members of the Board of Directors, their Rights, Duties and Responsibility»</b>			
1	<p>Paragraphs 3.2., 3.3. of the Regulation:</p> <p>3.2. A member of the Board of Directors is entitled to demand in written form for documents and information necessary for passing a resolution on problems within competence of the Board of Directors directly from the Company's General Director (other person acting as a sole executive body of the company) or from the Corporate Secretary of the Board of Directors as well.</p> <p>3.3. The documents and information must be presented to the member of the Board of Directors no later than <b>5 (five)</b> working days from the date of the corresponding demand.</p>	<p>To combine in one paragraph 3.2. and state as follows as amended:</p> <p>3.2. A member of the Board of Directors is entitled to demand in written form for documents and information necessary for passing a resolution on problems within competence of the Board of Directors directly from the Company's General Director (other person acting as a sole executive body of the company) or from the Corporate Secretary of the Board of Directors as well.</p> <p>The documents and information must be presented to the member of the Board of Directors no later than <b>2</b> working days from the date of the corresponding demand.</p> <p>Subparagraphs 3.4. – 3.13 of the current edition to consider subparagraphs 3.3. – 3.12</p>	<p>Paragraphs were combined to assign the timing of the provision of information to a specific situation.</p> <p>The term was changed in connection with the adjustment of the term in para. 6.6.1 of the Regulation</p>
2	<p>Clause 5 of paragraph 3.9. of the Regulation:</p> <p>...</p> <p>In the event that the said information is changed, the members of the Board of Directors of the Company are obliged to notify the company about the change of such information within 14 days from the day when they learned or should have learned about their change.</p>	<p>To read in the following edition, subject to changes:</p> <p>...</p> <p>In the event that the said information is changed, the members of the Board of Directors of the Company are obliged to notify the company about the change of such information within <b>14 calendar</b> days from the day when they learned or should have learned about their change.</p>	<p>Editorial changes</p>
<b>Article 5 «Organization of the Board of Directors' Operation»</b>			
3	<p>Paragraph 5.3.2. of the Regulation:</p> <p>5.3.2. Plan of the Board of Directors operation must include:</p> <ol style="list-style-type: none"> <li>1) items or consideration at the Company's Board of Directors meetings in the current year (quarterly);</li> <li>2) <b>timetable of the Board of Directors meetings holding;</b></li> <li>3) list of individuals (management bodies of the Company) responsible for preparation of the items for consideration at the Board of Directors meeting (members of the Board of Directors, General Director of the Company, other individuals);</li> <li>4) the form of the meeting (absentee voting, a meeting in the form of joint attendance - in person).</li> </ol>	<p>It is proposed to read the paragraph in the following edition:</p> <p>5.3.2. Plan of the Board of Directors operation must include:</p> <ol style="list-style-type: none"> <li>1) items or consideration at the Company's Board of Directors meetings in the current year (quarterly);</li> <li>2) list of individuals (management bodies of the Company) responsible for preparation of the items for consideration at the Board of Directors meeting (members of the Board of Directors, General Director of the Company, other individuals);</li> <li>3) the form of the meeting (absentee voting, a meeting in the form of joint attendance - in person).</li> </ol>	<p>Subparagraph 3) was excluded due to indication in subpara.1 para. 5.3.2 to the need to make a plan. No timetable is made.</p>

Item #	# of article (paragraph, subparagraph) of the current edition of the Regulation on the Board of Directors	Edition of proposed amendments and additions to the Regulation on the Board of Directors of the Company	Comments
<b>Article 6 «Convening a meeting of the Board of Directors»</b>			
4	<p>Paragraph 6.6.1. of the Regulation:</p> <p>6.6.1. Notification on convening a Board of Directors meeting must be sent by the Corporate Secretary to every member of the Board of Directors no later than <b>11 (Eleven) working days</b> before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except the case stipulated by these Regulations.</p>	<p>It is proposed to read in the following edition:</p> <p>6.6.1. Notification on convening a Board of Directors meeting must be sent by the Corporate Secretary to every member of the Board of Directors no later than <b>5 calendar days</b> before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except the case stipulated by these Regulations.</p>	<p>The notice deadline was adjusted in accordance with the Regulation on the Board of Directors of a public joint-stock company recommended by the Bank of Russia for application by public joint-stock companies by Letter of the Bank of Russia dated September 15, 2016 No. IN-015-52/66 "On the Regulations on the Board of Directors and on Committees of the Board of Directors of a public joint-stock company".</p>
5	<p>Paragraph 6.6.2. of the Regulation:</p> <p>6.6.2. In case of putting on agenda of the Board of Directors meeting of the items which according to the <b>Regulations on the Management Board and/or</b> Regulations on the Board of directors Committees must be pre-studied by the <b>Management Board and/or</b> by a corresponding Board of Directors Committee (in case of its establishment) <b>and by the moment of sending a notification the resolutions (recommendations) of the Management Board and/or the Board of Directors Committee on the items were not presented, then notification on convening such a meeting of the Board of Directors must be sent by the Corporate Secretary to every member of the Board of Directors in written form no later than 15 (Fifteen) working days before the date of carrying out of the Board of Directors meeting (deadline of collection of the questionnaires for the voting) except cases stipulated by this Regulation.</b></p>	<p>It is proposed to read in the following edition:</p> <p>6.6.2. In case of putting on agenda of a meeting of the Board of Directors items, which according to the Regulations on Committees of the Board of Directors must be pre-studied by), <b>a meeting of the Committee of the Board of Directors on such issues is held within the time periods established by the relevant Regulation on the Committee of the Board of Directors.</b></p>	<p>Paragraph was adjusted with taking into account the deadline for the notification specified in para. 6.6.1 of the Regulation. It is planned to make adjustments to the Regulations on Committees in order to timely consider issues and provide recommendations to members of the Board of Directors.</p>
6	<p>Paragraph 6.9.:</p> <p><b>6.9. In case of putting on the agenda of the Board of Directors meeting of the items which according to the Regulations on the Management Board and/or the Regulations on the Board of Directors Committees must be pre-studied by the Management Board and/or by a corresponding Board of Directors' Committee, notification on the Board of Directors meeting and materials on the stated items must be presented by the Corporate Secretary of the Company's Board of Directors to the Management Board and/or to a corresponding Committee according to the terms and deadlines stipulated by 6.6.2. and 6.8. of this Regulation.</b></p> <p>Resolutions (recommendations) of the Management Board and/or a Board of Directors Committee must be sent by the Corporate Secretary of the Company's Board of Directors to the members of the Board of Directors members in case of their presentation to the Board of Directors no later than <b>3 (three) working days</b> before the date of carrying out of the Board of Directors meeting except the case mentioned in <b>10.18.</b> of this Regulation. In case if the resolutions (recommendations) of the Management Board and/or the corresponding Board of Directors Committee were not presented (or were presented with violation of the fixed terms) – the Board of Directors is entitled to pass a resolution on the problem without consideration of such resolutions (recommendations).</p>	<p>To exclude clause 1 and read in the following edition:</p> <p>6.9. Resolutions (recommendations) of the Management Board and/or a Board of Directors Committee must be sent by the Corporate Secretary of the Company's Board of Directors to the members of the Board of Directors members in case of their presentation to the Board of Directors no later than <b>1 calendar day</b> before the date of carrying out of the Board of Directors meeting except the case mentioned in <b>10.17</b> of this Regulation. In case if the resolutions (recommendations) of the Management Board and/or the corresponding Board of Directors Committee were not presented (or were presented with violation of the fixed terms) – the Board of Directors is entitled to pass a resolution on the problem without consideration of such resolutions (recommendations).</p>	<p>Clause was excluded due to adjustment of para. 6.6.1 regarding the terms of distribution and removal of para. 6.6.2, referred to in this paragraph</p>

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7	Paragraph 6.11. of the Regulation:  6.11. <b>In cases considered in 5.2. and section 10 of this Regulation</b> the deadline of delivering of a notification on convening a Board of Directors meeting to the Board of Directors' members and presentation of the materials (information) may be reduced by a resolution of the Chairperson of the Board of Directors.	To read in the following edition, subject to changes:  6.11. The deadline of delivering of a notification on convening a Board of Directors meeting to the Board of Directors' members and presentation of the materials (information) may be reduced by a resolution of the Chairperson of the Board of Directors.	The amendment is introduced in order to give variability to the Board of Directors taking into account the possibility of participation of the Board of Directors in meetings without reference to certain paragraphs of the Regulation.
<b>Article 7 «Rules for Carrying out the Board of Directors' Meeting»</b>			
8	Paragraph 7.3. of the Regulation:  7.3. The Corporate Secretary states the quorum for carrying out the Board of Directors meeting. The quorum for carrying out the Board of Directors meeting is no less than a half of the elected members of the Company's Board of Directors.	To supplement and read in the following edition:  7.3. The Corporate Secretary states the quorum for carrying out the Board of Directors meeting. The quorum for carrying out the Board of Directors meeting is no less than a half of the elected members of the Company's Board of Directors, <b>unless another quorum is established by the legislation of the Russian Federation and (or) the Articles of Association of the Company.</b>	Bringing the paragraph in accordance with the law. The quorum for holding a meeting of the Board of Directors is at least half of the number of elected members of the Board of Directors of the Company, and when deciding whether to agree to or subsequently approve transactions provided for in Chapter XI of the Federal Law "On Joint-Stock Companies", at least 2 members of the Board of Directors Companies not related to the transaction.
9	Paragraph 7.5. of the Regulation:  7.5. In case of absence of the quorum the meeting the meeting shall be considered incompetent. Under such circumstances the Board of Directors' Chairperson shall pass one of the following resolutions: 1) by way of consultations with the present Board of Directors members shall set a new time for the beginning of the meeting, <b>but no more than two hours later</b> ; 2) shall set a date <b>for another meeting instead of the cancelled one with the previously approved agenda.</b> <b>A new meeting instead of the cancelled one shall be held no later than 20 days after passing the corresponding resolution by the Board of Directors' Chairperson on the problem.</b> 3) shall put items of the cancelled meeting on the agenda of the coming regular meeting of the Board of Directors.	To read in the following edition, subject to changes:  7.5. In case of absence of the quorum the meeting the meeting shall be considered incompetent. Under such circumstances the Board of Directors' Chairperson shall pass one of the following resolutions: 1) by way of consultations with the present Board of Directors members shall set a new time for the beginning of the meeting; 2) shall set the date, time, form, agenda of the new meeting held in place of the failed one.	Adjustment to provide greater variability in meetings of the Board of Directors taking into account schedules of members of the Board of Directors and the readiness of materials for consideration
<b>Article 8 «Rules for Carrying out the Board of Directors' Meeting in Person-Correspondence Form»</b>			
10	Paragraph 8.8. of the Regulation:  8.8. Filled in questionnaires of the Board of Directors members absent at the Board of Directors meetings, <b>as well as dissenting opinions of members of the Board of Directors on items of the agenda (if any)</b> , shall be attached to the minutes of the Board of Directors meetings.	To read in the following edition, subject to changes:  8.8. Filled in questionnaires of the Board of Directors members absent at the Board of Directors meetings shall be attached to the minutes of the Board of Directors meetings.	The requirement for a dissenting opinion is specified in para. 11.3 of the Regulation. Duplication is excluded.



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<b>Article 9 «Rules for Passing Resolutions by the Absentee Ballot»</b>			
11	<p>Paragraph 9.10 of the Regulation:</p> <p>9.10. Any member of the Board of Directors has the right to propose alternative formulations of draft decisions on agenda items by sending them to the Corporate Secretary in writing, by facsimile, or by email with a cover letter no later than <b>two</b> calendar days before the date of the meeting of the Board of Directors of the Company, and in case of consideration in the shortened time - no later than <b>one</b> day before the date of the meeting of the Board of Directors of the Company.</p>	<p>To read in the following edition, subject to changes:</p> <p>9.10. Any member of the Board of Directors has the right to propose alternative formulations of draft decisions on agenda items by sending them to the Corporate Secretary in writing, by facsimile, or by email with a cover letter no later than <b>2</b> calendar days before the date of the meeting of the Board of Directors of the Company, and in case of consideration in the shortened time - no later than <b>1 calendar</b> day before the date of the meeting of the Board of Directors of the Company.</p>	Editorial changes
<b>Article 10 «Convening and Carrying out the Board of Directors' Meetings Connected with the Establishment of the Governing Bodies of the Company»</b>			
12	<p>Paragraph 10.6. of the Regulation:</p> <p>10.6. Notification on Convening a Board of Directors meeting with the agenda containing the items fixed in 10.2. of this Regulation shall be sent to the Board of Directors' members no later than <b>3 (Three)</b> days before the date of carrying out the Board of Directors meeting.</p>	<p>To read in the following edition:</p> <p>10.6. Notification on Convening a Board of Directors meeting with the agenda containing the items fixed in 10.2. of this Regulation shall be sent to the Board of Directors' members no later than <b>3 calendar</b> days before the date of carrying out the Board of Directors meeting.</p>	Editorial changes
13	<p>Paragraph 10.7. of the Regulation:</p> <p><b>10.7. In case if the stated items according to the Regulations on the Board of Directors Committees shall be pre-studied by a corresponding Board of Directors committee of the Company, a notification on carrying out a Board of Directors meeting, which agenda contains the stated problems shall be delivered to the Board of Directors' members no later than 5 (Five) days before the date of carrying out the Board of Directors meeting.</b></p>	<p>To exclude.</p> <p>Paragraphs 10.8. – 10.20 of the current edition to consider paragraphs 10.7 – 10.19</p>	The provision of materials is carried out within general terms in accordance with para. 6.6.1. before the meeting of the Board of Directors.
14	<p>Paragraph 10.10 of the Regulation:</p> <p>10.10. A proposal on nominating a candidate (<b>10.8 and 10.9</b> of this Regulation) shall be presented in written form and signed by the member of the Board of Directors, nominating the candidate.</p>	<p>To read in the following edition, subject to changes:</p> <p>10.9. A proposal on nominating a candidate (<b>10.7 and 10.8</b> of this Regulation) shall be presented in written form and signed by the member of the Board of Directors, nominating the candidate.</p>	Adjustment is due to the change in the numbering of paragraphs in article 10 of the Regulation
15	<p>Paragraph 10.13. of the Regulation:</p> <p>10.13. A proposal on nominating a candidature of a manager shall contain the information stipulated by <b>10.11.</b> of this Regulation and the information on presence of a certificate of the state registration as an individual businessman.</p>	<p>To read in the following edition, subject to changes:</p> <p>10.12. A proposal on nominating a candidature of a manager shall contain the information stipulated by <b>10.10.</b> of this Regulation and the information on presence of a certificate of the state registration as an individual businessman.</p>	Adjustment is due to the change in the numbering of paragraphs in article 10 of the Regulation

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16	<p>Paragraph 10.14. of the Regulation:</p> <p>10.14. Proposals on nominating a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original via fax (with the following presentation of the original at the meeting) or by e-mail within the term no later than <b>1 (One)</b> day before the meeting of the Board of Directors.</p> <p><b>In cases stipulated by 10.7., suggestions on nominating a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original via fax (with the following presentation of the original at the meeting) or by e-mail within the term no later than 3 (Three) working days before the meeting of the Board of Directors.</b></p>	<p>To read in the following edition, subject to changes:</p> <p>10.13. Proposals on nominating a candidate for the position of General Director (acting General Director, managing organization (manager)), must be sent to the Company in the original via fax (with the following presentation of the original at the meeting) or by e-mail within the term no later than <b>2 calendar days</b> before the meeting of the Board of Directors.</p>	<p>Adjustment is due to the change in the timing of mailing in para. 6.6.1. Clause 2 was deleted due to the fact that the terms and procedure are specified in para. 10.13.</p>
17	<p>Paragraph 10.16. of the Regulation:</p> <p>10.16. In case if on results of the vote (votes) on the item of election of a General Director, no candidature has the necessary number of votes the Board of Directors is entitled to appoint an acting General Director - the vote is carried out with the candidatures for the position of acting General Director, run by the Board of Directors members according to <b>10.8.</b> of this part. In case if no member has run a candidate for the position of acting General Director according to <b>10.8.</b> of this part, the vote is carried out with the candidatures which Board of Directors members are entitled to run in the process of the Board of Directors meeting.</p>	<p>To read in the following edition, subject to changes:</p> <p>10.15. In case if on results of the vote (votes) on the item of election of a General Director, no candidature has the necessary number of votes the Board of Directors is entitled to appoint an acting General Director - the vote is carried out with the candidatures for the position of acting General Director, run by the Board of Directors members according to <b>10.7.</b> of this part. In case if no member has run a candidate for the position of acting General Director according to <b>10.7.</b> of this part, the vote is carried out with the candidatures which Board of Directors members are entitled to run in the process of the Board of Directors meeting.</p>	<p>Adjustment is due to the change in the numbering of paragraphs in article 10 of the Regulation</p>
18	<p>Clause 1 of paragraph 10.18 of the Regulation:</p> <p><b>10.18. In case if the problems, stipulated by 10.2. of this Regulation according to the Regulations on the Board of Directors Committees (in case of their establishment) must be pre-studied by a corresponding Board of Directors Committee, a notification on carrying out a meeting of the Board of Directors on the stated problems shall be sent by the Board of Directors Secretary to the corresponding committee within the terms stipulated by 10.7. of this Regulation.</b></p> <p>Suggestions on nominating a candidate for the position of a General Director (acting General Director) or a managing organization of the Company and information on them, received from the members of the Board of Directors,</p>	<p>To read in the following edition, subject to changes:</p> <p>10.17. Suggestions on nominating a candidate for the position of a General Director (acting General Director) or a managing organization of the Company and information on them, received from the members of the Board of Directors, shall be sent by the Board of Directors Secretary to the corresponding Board of Directors Committee immediately on their reception according to the procedure and terms providing their soonest delivery to the committee (via fax, e-mail, etc.).</p>	<p>Deleted due to adjustment of the paragraphs above.</p>

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	shall be sent by the Board of Directors Secretary to the corresponding Board of Directors Committee immediately on their reception according to the procedure and terms providing their soonest delivery to the committee (via fax, e-mail, etc.).		
<b>Article 11 «Minutes of a Board of Directors' Meeting»</b>			
19	Paragraph 11.2. of the Regulation:  11.2. Minutes of a Board of Directors' meeting shall be drawn up no later than 3 <b>(three)</b> days after its carrying out (summing up the results of postal, open-postal vote).	To read in the following edition, subject to changes:  11.2. Minutes of a Board of Directors' meeting shall be drawn up no later than 3 <b>calendar</b> days after its carrying out (summing up the results of correspondence, in person-correspondence vote).	Editorial changes
20	Paragraph 11.4. of the Regulation:  11.4. Resolutions passed by the Board of Directors are announced to the Board of Directors' members through their delivery by the Corporate Secretary of a copy of the Minutes of the Board of Directors' meeting by e-mail, facsimile or with the automated information system within the term no later than 3 <b>(Three)</b> days from the moment of signing of the Minutes of the Board of Directors' meeting.	To read in the following edition, subject to changes:  11.4. Resolutions passed by the Board of Directors are announced to the Board of Directors' members through their delivery by the Corporate Secretary of a copy of the Minutes of the Board of Directors' meeting by e-mail, facsimile or with the automated information system within the term no later than 3 <b>calendar</b> days from the moment of signing of the Minutes of the Board of Directors' meeting.	Editorial changes