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REGULATIONS ON THE DIVIDEND POLICY OF THE OPEN JOINT STOCK COMPANY “URALKALI”

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1. GENERAL PROVISIONS

These Regulations on the Dividend Policy (hereinafter the Regulations) have been developed in compliance with the legislation of the Russian Federation, the Charter of the Open Joint Stock Company “Uralkali” (hereinafter the Company), the Code of Corporate Governance of the Company and other internal documents of the Company.

These Regulations have been developed in order to establish priorities for the Board of Directors when the Board of Directors develops recommendations on the size of dividends and the procedure of their payment, and the dissemination of information to the shareholders and other interested parties (potential investors and professionals operating in the securities markets) of the dividend policy of the Company.

The dividend policy of the Company is based on the principles of protection of the interests of the Company and its shareholders during the process of establishing the size of dividends, increase of the investment appeal of the Company and its capitalization, and observance of the rights of the shareholders of the Company and their welfare gain.

2. CONCEPT OF DIVIDEND POLICY. DIVIDENDS OF THE COMPANY

2.1. The dividend policy of the Company is established by the Board of Directors and regulates the balance between the net profit of the Company (profit of the Company after taxes) and the profit of the Company which is distributed as dividends.

2.2. Dividends are a portion of the net profit of the Company distributed amongst its shareholders in compliance with the category (type) of shares in their possession.

2.3. At least twice per financial year and upon establishment of the date on which the persons entitled to receive dividends are determined the Board of Directors develops recommendations to the general shareholders meeting on the procedure of profit distribution in the form of dividends, the amount dividends on the shares of the Company and the procedure of their payment.

2.4. The Company has the right to adopt the decision to pay dividends on the placed shares based on the results of the first quarter, six months and nine months of the financial year or based on the results of the entire financial year, unless otherwise stipulated by the Federal Law “On Joint Stock Companies”.

2.5. In compliance with the norms established by the Federal Law “On Joint Stock Companies” and in compliance with other legal acts of the Russian Federation, the Charter of the Company and these Regulations, the Board of Directors develops recommendations to the General shareholders meeting on the size of dividends for a particular period based on the principle that the amount of funds utilized for dividend payment will not be less than fifty (50) percent of the net profit of the Company established on the basis of the financial statements of the Company prepared in compliance with the International Financial Reporting Standards (IFRS) for the relevant period.

2.6. Adoption of a decision to pay (declare) dividends is a right, not an obligation of the Company. The cases when the Company does not have a right to decide to pay dividends (declare dividends) on the shares of the Company are specified by the Federal Law “On Joint Stock Companies”.

2.7. The Company is obliged to pay declared dividends with the exception of the cases specified by the Federal Law “On Joint Stock Companies”. The Company is liable to its shareholders for non-fulfillment of this obligation in compliance with the legislation of the Russian Federation.

2.8. Should any of the issues related to the payment of dividends to the shareholders of the Company not be regulated by the norms of the Federal Law “On Joint Stock Companies”,

other legal acts of the Russian Federation, the Charter of the Company and/or these Regulations, these issues must be settled based on the principle of observance of the rights and interests of the shareholders of the Company.

3. CONDITIONS OF DIVIDEND PAYMENT

3.1. The Company aspires to increase the amount of the dividends paid to the shareholders conditioned upon the amount of net profits of the Company and developmental needs of the Company.

3.2. In order to pay dividends, all of the following conditions must be observed:

- Availability of net profits in the reporting period as established under Clause 4.1. of these Regulations;
- Absence of limitations and restrictions to pay dividends in compliance with the Federal Law “On Joint Stock Companies”’
- Maintenance of stable financial status in order to ensure further development of the Company;
- Availability of recommendation of the Board of Directors of the Company regarding the size of dividends on the shares, the procedure of their payment and the date on which the persons entitled to receive dividends are determined;
- Adoption of the decision to pay (declare) dividends by the General shareholders meeting of the Company.

4. ESTABLISHMENT OF THE SIZE OF DIVIDENDS

4.1. In compliance with the requirements of the legislation of the Russian Federation, the shareholders of the Company receive dividends from the net profits of the Company calculated on the basis of the financial reports of the Company prepared in compliance with the Russian standards of accounting and indicated in the profit and loss report of the Company for the relevant reporting period.

4.2. The Company does not pay dividends on:

- Unplaced shares;
- On the shares of the Company which are owned by the Company (own shares);
- In other cases specified under the legislation of the Russian Federation.

4.3. The amount of dividends due to each shareholder is calculated based on the following formula: number of shares belonging to each shareholder multiplied by the amount of dividend per share.

5. PROCEDURE OF ADOPTION OF DECISION TO PAY DIVIDENDS

5.1. The possibility of dividend payment based on the results of the reporting period is preliminarily reviewed by the Board of Directors, based on the received financial results of the Company.

5.2. The Board of Directors reviews the various possibilities of net profit distribution and determines which portion of the net profits could be used to pay dividends.

5.3. The Board of Directors adopts decisions regarding the size of dividends recommended to the general shareholders meeting, the procedure of their payment and on the date on which the persons entitled to receive dividends are determined in compliance with the Federal Law “On Joint Stock Companies”, the Charter and the Regulations on the Board of Directors of the Company, by the majority vote of the members of the Board of Directors of the Company taking part in the meeting.

5.4. The decision to pay (declare) dividends is adopted by the general shareholders meeting of the Company. Under this decision the size of dividends per shares of each category (type)

the form of payment and the date on which the persons entitled to receive dividends are determined. The size of dividends may not exceed the size recommended by the Board of Directors of the Company. The decision to pay (declare) dividends must specify the amount of dividends per one share and the total amount of funds allocated to pay dividends.

6. LIST OF PERSONS ENTITLED TO RECEIVE DIVIDENDS

6.1. Once the General shareholders meeting has adopted the decision to pay (declare) dividends, the registrar of the Company (Registrar), per instruction of the Company, provides the Company with information on nominal holders, trust managers and other persons registered in the shareholder register oft eh Company who are entitled to receive dividends as of the date on which the persons entitled to dividends are determined.

6.2. the date on which, in compliance with the decision to pay (declare dividends) the persons who are entitled to receive dividends are determined, may not be set earlier than 10 (ten) days of the date of adoption of a decision to pay (declare dividends) and not later than 20 (twenty) days of the date of the indicated decision.

6.3. The information on the persons entitled to receive dividends must contain data on the persons registered in the shareholder register of the Company, which would make it possible to pay dividends by money order or by bank transfer to the banking accounts of the indicated persons (depending on the form of dividend payment indicated in the profile of the persons registered in the shareholder register of the Company).

6.4. The shareholders of the Company are responsible for timely submission of reliable information in order to ensure that all relevant changes to the profile of the persons registered in the shareholder register of the Company are made.

6.5. The list of shareholders – clients of the nominal holders of the shares contains the information on the shareholders whose rights are registered in the accounts of the nominal holders, as well as their banking details for the receipt of dividends. In cases when the dividends are paid into the account of the nominal holder, a reference to a document on the basis of which the nominal holder receives dividends on behalf of the shareholder, must be provided. The nominal holders are responsible for the provision of information on their clients.

6.6. Should the shares be jointly owned, the dividends are distributed amongst the shareholders in proportion to their share, in compliance with the documents of the Registrar.

6.7. In order to protect the rights of the shareholders of the Company to receive income from the shares belonging to them, the Company will make appropriate efforts in order to ensure that the Registrar ensures that they are no discrepancies between the information on the persons who are entitled to receive dividends on shares and the information contained in the share register of the Company.

7. TERM OF DIVIDEND PAYMENT

7.1. The term of payment of dividends to nominal holders who are a professional participants of the securities market and trust managers registered in the shareholder register of the Company may not exceed 10 (ten) business days, to other persons registered in the shareholder register of the Company - 25 (twenty-five) business days of the date on which the persons entitled to receive dividends are determined. Under the decision of the general shareholders meeting of the Company to pay (declare) dividends a shorter term of dividend payment may be determined.

7.2. Persons who have not received declared dividends within the term indicated in Cl. 7.1 of the Regulations due to the fact that the Company or the Registrar do not have accurate addresses or banking details of such persons or due to another type of delay by the creditor may submit a request for payment of such dividends (unclaimed dividends) within a three-year period

following the date of the decision to pay dividends. The term for making a request to have unclaimed dividends paid to entitled shareholders, once expired, may not be extended with the exception of cases when the person entitled to receive dividends made such requests under duress or threat of violence. Once the indicated term has lapsed, the declared and unclaimed dividends are restored into the undistributed profits of the Company and the obligation to pay such dividends ceases.

7.3. Unclaimed dividends do not accrue interest.

8. ORGANIZATION OF DIVIDEND PAYMENT

8.1. The Company informs all its shareholders of the place, time and procedure of dividend payment by disclosing information in compliance with the procedure specified by the laws of the Russian Federation.

8.2. Dividends are paid by the Company in cash form by bank transfer or, per instructions of the Company, by the Registrar or a credit organization (hereinafter “Payment agents”). The fact that the Company has hired a Payment agent for the payment of dividends does not relieve the Company of the obligation to pay dividends to its shareholders.

8.3. If the Company decides to hire a Payment agent, the Company shall be obliged to conclude an agreement with the Payment agent, indicating the rights and obligations of parties, their liability and the form and procedure of settlements under the agreement.

8.4. The Company is obliged to inform its shareholders of the fact that the Company is utilizing a Payment agent, of the change of the Payment agent and of the term of the authority of the Payment agent by publishing the relevant information in the “Sol Zemli” periodical.

9. PAYMENT OF DIVIDENDS

9.1. The declared dividends are paid to natural persons (individuals) whose rights to the shares of the Company are registered in the shareholder register of the Company, by money order or by bank transfer per request of such shareholders. Dividends to other persons whose rights to the shares are registered in the shareholder register of the Company are paid to their banking accounts. The obligation of the Company to pay dividends is considered fulfilled on the date when the transferred cash funds are accepted by a federal postal organization or on the date when the indicated cash funds are received by a credit organization where the persons entitled to receive dividends have banking accounts.

9.2. In order to receive dividends in a non-cash (bank transfer) form, persons who are entitled to receive dividends must provide accurate and complete banking detail to the Registrar (nominal holder). These banking details are contained in the register of shareholders (deponent profiles), which must be up-to-date as of the date of preparation of the list of persons who are entitled to dividends.

9.3. Shareholders must inform the Registrar (nominal holder) of the method of dividend receipt and of any changes to their personal information in a timely manner, provide accurate and relevant new passport details and addresses as well as banking details.

9.4. If the shareholder is an employee of the Company, i.e. a person who has labor relations with the Company, the Company has the right to pay dividends to the shareholders-employees to the banking account indicated by these persons in their salary application.

9.5. Persons who are entitled to receive dividends and whose rights to the shares are registered by a nominal holder of the shares, receive dividends in cash form in compliance with the procedure specified by the laws of the Russian Federation on securities. Nominal holders, to whom dividends were transferred and who did not fulfill their obligation to transfer the dividends in compliance with the laws of the Russian Federation on securities due to circumstances beyond their control must return the dividends to the Company within 10

(ten) days of the date of expiration of a one-month period of the date of expiration of the term of dividend payment.

9.6. In cases specified by the laws of the Russian Federation during the process of dividend payment the Company acts as a tax agent. Accordingly, the Company withholds the relevant amount of tax from the amount of dividends in favor of the state budget in compliance with the procedure and terms provided by the legislation of the Russian Federation. In this case dividends are paid minus the withheld taxes in compliance with the laws of the Russian Federation.

9.7. Dividends are paid to the persons who have the right to receive dividends after deduction of the taxes due in compliance with the legislation of the Russian Federation.

10. INFORMING THE SHAREHOLDERS OF DIVIDEND POLICY

10.1. The Company publishes these Regulations on the official website of the Company on the Internet.

11. LIABILITY FOR NON-FULFULLMENT OR UNTIMELY PAYMENT OF DIVIDENDS

11.1. . If the Company fails to fulfill its obligations specified in Cl. 2.7 hereinabove, the shareholders of the Company may demand payment of dividends through court action.

11.2. If a person entitled to receive dividends has not provided the Registrar (nominal holder) with accurate information including accurate and relevant passport details, addresses or banking details required for payment (Transfer) of dividends which are up-to-date as of the date on which the persons entitled to receive dividends are determined or has provided inaccurate information, the Company and the Registrar are not liable for any losses or non-payment and/or untimely payment of dividends.

11.3. In cases when non-full or untimely payment of dividends is the fault of the Company, the Company is liable in compliance with the legislation of the Russian Federation.