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APPROVED

Board of Directors

PJSC Uralkali

Minutes No. 376 dated 18 March 2020

**REGULATIONS ON THE SUSTAINABLE DEVELOPMENT COMMITTEE
OF PUBLIC JOINT STOCK COMPANY URALKALI**

Moscow

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Contents

Preamble	3
1. General provisions	3
2. Purpose of the Committee	3
3. Mandate of the Committee	4
4. Composition of the Committee	5
5. Establishment of the Committee	5
6. Meetings of the Committee	5
7. Rights and obligations of Committee members	7
8. Remuneration of Committee members.....	7
9. Interaction with bodies of the Company	8
10. Final provisions.....	8

Preamble

The Sustainable Development Committee of the Board of Directors of PJSC Uralkali is the successor of the Corporate Social Responsibility Committee of the Board of Directors of PJSC Uralkali that was established in 2011.

There are several reasons for the change of the Committee's title: (1) the increasing role of the issues pertaining to environmental protection, social issues and corporate governance in the activities of companies; (2) the significant impact of the indicated aspects on the investment appeal of PJSC Uralkali (hereinafter the Company); and (3) the obvious increase of stakeholders' trust in companies that include such matters on their agenda.

Despite the fact that certain matters which currently comprise the perimeter of sustainable development did not require special commentary or additional justifications from the Company in the recent past (for example, use of forced labor or child labor, matters of climate change), current ethical standards require from companies (if they are interested in increasing their investment appeal and trustworthiness) to articulate their position on these matters. In turn, investors, who use the "responsible investment" approach, decide whether or not to invest partially based on where companies stand on certain issues and what culture is adopted in the company.

By deciding to re-name the Committee, the Board of Directors considered both the increased number of criteria used to assess the Company's position on sustainable development as well as a substantial change of approach in determining parameters regarding the criteria indicated.

The Company understands the importance of sustainable development issues and intends to take all reasonable measures to properly develop the business processes and practices of the company in accordance with the best practices thereof.

1. General provisions

- 1.1. These Regulations on the Sustainable Development Committee of the Board of Directors of PJSC Uralkali (hereinafter the Regulations) constitute the main regulatory document governing the activities of the Committee for Sustainable Development of the Board of Directors of the Public Joint Stock Company Uralkali (hereinafter the Committee) and define the objectives, mandate, functions and establishment procedure of the Committee.
- 1.2. The Committee is an advisory body of the Board of Directors and was established for the purpose of reviewing matters within the mandate of the Committee as per these Regulations. The Committee is not a body of the Company; therefore, the Company does not assume any civil rights or obligations through the Committee.
- 1.3. The activities of the Committee are governed by the current laws of the Russian Federation, the Charter of the Company, resolutions of the Board of Directors and these Regulations.
- 1.4. For the purpose of these Regulations, all references to the Company are references to Public Joint Stock Company Uralkali; all references to the Charter are references to the current edition of the Charter of Public Joint Stock Company Uralkali; all references to the Board of Directors are references to the Board of Directors of Public Joint stock Company Uralkali; and all references to internal documents of the Company are references to the duly approved and current regulations, which are mandatory in Public Joint Stock Company Uralkali.

2. Purpose of the Committee

- 2.1. The main purpose of the Committee is to review matters related to the sustainable development of the Company. The Company is committed to ensuring the highest possible level of management of these issues and strives to determine its key principles, priorities

and business focus areas within the framework of the strategy adopted by the Company in such a way as to achieve the best possible results.

- 2.2. Matters of sustainable development are understood as a variety of aspects of the Company's activities, including:
- Issues related to environmental protection including matters pertaining to climate change, greenhouse gas emissions, condition of natural resources, consumption of resources, waste management;
 - Social issues including labor conditions, use of child labor, non-discrimination, forced labor, gender diversity, etc.;
 - Production safety and ultimately – human health and safety, ensuring uninterrupted operation of industrial facilities in compliance with all applicable requirements;
 - Matters of corporate governance including managing sustainable development, anti-corruption practices and business ethics, engaging women to serve on governance bodies, relationships with stakeholders, and many other issues.
- 2.3. The Committee, acting within the framework of its mandate and in compliance with the purposes of the Committee, shall be committed to implementing, improving and maintaining high standards of ethical and responsible conduct with consideration of the interests of all stakeholders.

3. Mandate of the Committee

- 3.1. The mandate of the Committee extends to the following:
- 1) Participation in the development of a strategy of the Company in the area of sustainable development;
 - 2) Monitoring the Company's compliance with the requirements of the law and the applicable reporting standards and/or standards for sustainable development selected by the Company, regular monitoring of such standards;
 - 3) Periodic analysis of compliance of the Company's policies, practices and procedures in the area of sustainable development in terms of their compliance with the interests of shareholders and investors, strategy of the Company, needs of the business, regulatory requirements, preparation of recommendations for the Board of Directors and/or management of the Company concerning the improvement of such policies and procedures;
 - 4) Review of significant risks in sustainable development and plans to minimize any negative consequences of the indicated risks;
 - 5) Review of matters related to significant accidents and incidents for further analysis and implementation of measures to prevent such situations from happening again;
 - 6) Recommendations concerning the Company's participation in social projects;
 - 7) Review of social projects and programs of the Company and provision of information thereon to investors, regulatory authorities, government representatives, the media and other communities; supporting the promotion of such projects;
 - 8) Recommendations concerning the preparation of the Company's internal documents on sustainable development;
 - 9) Supervision of the preparation and publication of the sustainability report and the annual report of the Company in terms of sustainable development, provision of recommendations concerning the approval of the sustainability report;
 - 10) Participation in the process of independent auditor selection to verify the sustainability report and preparation of recommendations for the company concerning the engagement of such an auditor;
 - 11) Preparation of recommendations for the Board of Directors and management of the Company in relation to decisions on matters that are in the purview of the Committee;
 - 12) Regular review of management reports on health, safety and environmental protection, matters of ethical compliance and anti-corruption practices of the Company, staff-related issues and other matters pertaining to sustainable development.

- 3.2. The Board of Directors may ask the Committee to review other matters. Certain matters related to sustainable development may only be reviewed at joint meetings of the Board Committees of the Company depending on the competence of such committees and the significance of the matters at hand.
- 3.3. The Committee as a whole as well as individual members of the Committee shall collaborate with management of the Company on matters related to sustainable development on a regular basis.
- 3.4. If under these Regulations an issue does directly fall under the mandate of the Committee, members of the Committee may reasonably interpret the provisions of these Regulations, giving due consideration to the goals and objectives of the Committee and the specifics of the issue in question in order to quickly and efficiently review this issue and to make appropriate recommendations.

4. Composition of the Committee

- 4.1. The Committee shall be comprised of at least three members.
- 4.2. The Chairman of the Board of Directors of the Company may not chair the Committee.
- 4.3. Experts, who are not members of the Company, but who possess the necessary skills, knowledge and experience, may be engaged by the Committee.
- 4.4. The Chairperson and any member of the Committee have the right to apply on behalf of the Committee to the General Director with a request to engage / appoint an existing specialist of the Company as an expert on issues being reviewed by the Committee. Members of the Committee are prohibited from having a personal interest in engaging any particular specialist of the Company.
- 4.5. The General Director of the Company, members of the Board of Directors of the Company who are not members of the Committee, members of the Management Board of the Company, other employees of the Company, members of the Revision Commission of the Company, the auditor of the Company and any other employees of the Company may be invited to attend meetings of the Committee.

5. Establishment of the Committee

- 5.1. The decision to establish the Committee, as well as the decision on its membership and personal composition is adopted by the Board of Directors.
- 5.2. The Board of Directors may introduce changes to the personal composition of the Committee at any time.
- 5.3. The level of education, professional training and work experience in areas within the mandate of the Committee, as well as any other special knowledge which is necessary for the Committee members in order to execute their duties, must be taken into account when electing the Chairperson and members of the Committee.

6. Meetings of the Committee

- 6.1. The meetings of the Committee must be held at least once a year.
- 6.2. The agenda of the meetings is determined by the Chairperson of the Committee. Any member of the Committee as well as the General Director of the Company have the right to propose additional agenda items provided that the proposed matters are within the mandate of the Committee. The agenda of the meeting may be amended only if the meeting is attended by all members of the Committee. Any item may be removed from the agenda upon mutual agreement of the members of the Committee present at the meeting.
- 6.3. The members of the Board of Directors who are not members of the Committee, the General Director of the Company, the members of the Revision Commission, and the auditor of the Company may formally request the Chairperson of the Committee to review any matter within the mandate of the Committee. The proposed matter may be reviewed either at the nearest scheduled meeting of the Committee or, if the matter is especially important and urgent, at an ad hoc meeting of the Committee. The Secretary of the

- Committee is the Secretary of the Board of Directors unless another person is appointed to this position by the Committee.
- 6.4. Committee meetings are called by the Chairperson of the Committee at his/her own initiative or upon a request from a member of the Committee or from the General Director of the Company. If the request involves a matter within the mandate of the Committee and requires, as may be deemed by the Chairperson of the Committee, a prompt review, the Chairperson of the Committee must call a Committee meeting within five business days. If the Chairperson of the Committee renders the issue not urgent, it will be included in the agenda of the next scheduled meeting of the Committee.
- 6.5. Members of the Committee must be notified that a meeting has been called and receive all relevant information materials by e-mail at least three business days prior to the scheduled date of the meeting. If the majority of the members of the Committee agree, the indicated date may be changed. The Chairperson of the Committee must take all necessary action to ensure that members of the Committee have been notified in a proper and timely manner. Invitations to the General Director of the Company, to members of the Management Board of the Company, to members of the Revision Commission of the Company and to other employees of the Company as well as invitations to experts must allow the invitees a reasonable amount of preparation time for the meeting in question. Committee meetings are held in the form of a joint presence of the members (in presentia) or by a poll in writing (in absentia). Meetings in presentia also include meetings where participants connect by video or in another way that makes it possible to identify the remotely connecting members of the Committee and to have real time discussions.
- 6.5.1. The content of information (materials) required by members of the Committee to form an informed decision on agenda items, the form of the information (verbal or written) and the persons responsible for provision of this information (materials) are determined by the General Director of the Company.
- 6.5.2. The Secretary of the Committee must inform in advance the persons responsible for provision of information (materials) which is required by members of the Committee in order to make informed decisions on agenda items of the proposed date and agenda of the meeting.
- 6.5.3. The information (materials) which must be provided to members of the Committee in order to make informed decisions on agenda items must be approved by the General Director for the Company. If the internal documents of the Company provide for a special approval procedure for certain information (materials), then this information (materials) may be provided to the Committee only after the special approval procedure has been properly completed.
- 6.5.4. The duly approved information (materials) which must be provided to Committee members in order to make informed decisions on agenda items must be provided by the responsible person to the Secretary of the Committee at least three (3) business days prior to the date of the meeting in Russian and English. If the information (materials) is provided only in English or Russian, this information (materials) must be provided to the Secretary of the Committee at least five (5) business days prior to the scheduled date of the meeting to give sufficient time to arrange for translation of the information.
- 6.6. The persons invited to participate in a meeting as well as the members of the Committee may submit their written opinions on the proposed agenda items in writing, including by e-mail.
- 6.7. The quorum for a Committee meeting is at least half of the elected members of the Committee. Written opinions of the members of the Committee who are absent at the meeting are taken into account during the counting of votes and determining the presence of the quorum.
- 6.8. All decisions of the Committee are adopted by a majority vote of the members of the Committee taking part in the meeting; each member of the Committee has one vote. Should there be a tie in the vote, the Chairperson of the Committee shall have the deciding vote.

- 6.9. At a meeting of the Committee, all members of the Committee must declare their personal interest (if any) in the matters to be discussed at the meeting.
- 6.10. The Committee may instruct its members to conduct a detailed review a specific matter within the mandate of the Committee and to inform the Committee of the results of such detailed review.
- 6.11. Meetings of the Committee are conducted by the Chairperson who organizes the keeping of the minutes and signs the minutes of the meeting. During a meeting, opinions from members of the Committee and invitees are heard and reflected in the minutes of the meeting (or are attached to the minutes).
- 6.12. The minutes of the meeting are prepared in on copy and are kept by the Secretary of the Board of Directors who must provide access to the minutes and the materials reviewed at the meeting to members of the Board of Directors.
- 6.13. The minutes of the meeting shall be compiled within three (3) days after the meeting.
- 6.14. The minutes of the meeting must contain:
 - the time and venue of the meeting (the date and time of receipt of voting ballots, if the meeting was held in absentia);
 - the list of persons present at the meeting including the invitees (persons who have mailed in their voting ballots);
 - the list of persons providing written opinions on items of the agenda;
 - the agenda of the meeting;
 - items put to the vote and the results of voting on these items;
 - resolutions passed by the Committee.
- 6.15. Following the meeting, the Committee may issue its recommendation (hereinafter, the Recommendation). The Recommendation on a particular item is submitted at the meeting of the Board of Directors reviewing this particular item. The Recommendation reflects the opinion of the Committee as a whole. If the opinions of the members of the Committee differ, individual opinions of the Committee members may be separately indicated in the Recommendation.
- 6.16. The Recommendation is signed by the Chairperson of the Committee. The materials that were reviewed by the Committee at the meeting may be attached to the Recommendation. The Chairperson of the Committee is responsible for submitting the Recommendation to the Board of Directors in a timely fashion. Recommendations reviewed by the Board of Directors (if prepared as a separate annex) may be attached to the minutes of the relevant meetings of the Committee and the Board of Directors.

7. Rights and obligations of Committee members

- 7.1. Members of the Committee must:
 - Fully participate in the work of the Committee;
 - Study the documents provided in preparation for the meetings of the Committee and at the meetings of the Committee;
 - Promptly inform the Committee of any personal interest in any decision to be taken by the Committee;
 - Avoid actions that may compromise the integrity of the Committee or question the professionalism of its members;
 - Act in the best interest of the Company and its shareholders reasonably and in good faith.
- 7.2. Members of the Committee have the right:
 - To request information and documents within the mandate of the Committee from the Board of Directors, the Management Board, the General Director, the Revision Commission, and the Auditor of the Company;
 - Initiate including certain matters on the agenda of a Committee meeting.

8. Remuneration of Committee members

- 8.1. Members of the Committee may receive remuneration for their service on the Committee, if this is stipulated by the Regulations on Remuneration and Compensation Paid to the

Members of the Board of Directors of PJSC Uralkali which is approved by the general shareholders meeting of the Company.

9. Interaction with bodies of the Company

- 9.1. The Chairperson of the Committee is responsible for technical and procedural aspects of the Committee's relations with other bodies of the Company.
- 9.2. Executive bodies of the Company must inform the Committee of all significant changes concerning the terms of reference of the Committee.
- 9.3. The Chairperson of the Committee must inform the Board of Directors of the work/performance of the Committee.

10. Final provisions

- 10.1. These Regulations are approved by the Board of Directors. Any and all amendments and addenda to these Regulations must be made on the basis of a respective resolution of the Board of Directors.