

APPROVED
By the resolution of the Board of Directors of PJSC Uralkali
Minutes of the meeting N 303 of 23.04.2015

**REGULATIONS ON THE DIVIDEND POLICY OF PUBLIC JOINT STOCK
COMPANY URALKALI**

**Moscow
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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 Public 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, the terms and 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 dividend payments, 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 formulated by the Board of Directors and regulates the balance between the net profit of the Company (profit of the Company after taxes) and the portion of the profits 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. The Board of Directors issues recommendations to the general meeting of shareholders on the procedure of profit distribution in the form of dividends, the amount dividends on the shares of the Company, the procedure of their payment and on the date on which the persons entitled to receive dividends are determined.
- 2.4. The Company has the right to adopt the decision to pay dividends on its outstanding 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. When preparing recommendations to the General shareholders meeting concerning the size of the dividend the Board of Directors relies on the provisions of the Federal Law “On Joint Stock Companies”, other regulations of the Russian Federation, the Charter of the Company and these Regulations and, at its own discretion, takes into account the financial results of the Company in accordance with the financial statements of the Company prepared in compliance with International Financial Reporting Standards (IFRS) for the period in relation to which the recommendation is issued.
- 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 concerning the payment of dividends to the shareholders of the Company not be regulated by the Federal Law “On Joint Stock Companies”, other regulations 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 the 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 Article 43 of the Federal Law “On Joint Stock Companies”
 - Maintenance of a stable financial position in order to ensure further development of the Company;
 - Availability of a recommendation of the Board of Directors of the Company regarding the size of dividend on the shares to be paid, the procedure of its 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 Meeting of Shareholders of the Company.

4. DETERMINATION 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 statements of the Company prepared in compliance with the Russian accounting standards and indicated in the profit and loss statement of the Company for the relevant reporting period.
- 4.2. The Company does not pay dividends on the following shares:
 - 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 payable 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 A DECISION TO PAY (DECLARE) DIVIDENDS

- 5.1. The possibility to pay dividends based on the results of the reporting period is preliminarily reviewed by the Board of Directors, based on the current financial results of the Company.
- 5.2. The Board of Directors reviews the various possibilities of profit distribution and determines the size of the portion of the profits which could be used to pay dividends.
- 5.3. The Board of Directors determines the size of dividends and sets 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 of the Board.
- 5.4. The decision to pay (declare) dividends is adopted by the General Meeting of Shareholders of the Company. Under the indicated decision a determination must be made regarding the size of dividends on the shares of each category (type), the form of their payment and the date on which the persons entitled to receive dividends are determined. The size of dividends may not exceed the amount 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 cash funds utilized to pay dividends.

6. 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 about nominal holders, trust managers and other persons registered in the shareholder register of the 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 from the date of adoption of a decision to pay (declare dividends) and not later than 20 (twenty) days from the date of the indicated decision.
- 6.3. The information about the persons entitled to receive dividends must contain information about 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. Dividends are paid to persons who owned shares of the relevant category (type) or to persons who were authorized to exercise rights attached to these shares in compliance with federal laws as of the end of the banking day on the date which was set as the date of determination of the persons entitled to dividends under the relevant decision.
- 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 held by the Registrar.
- 6.7. In order to protect the rights of the shareholders of the Company to receive income on the shares belonging to them, the Company will make appropriate efforts in order to make sure that the Registrar ensures that they are no discrepancies between the information about the persons entitled to receive dividends on the shares and the information contained in the share register of the Company.

7. PERIOD 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 from the date on which the persons entitled to receive dividends are determined. A shorter term of dividend payment may be prescribed under the decision of the general shareholders meeting of the Company to pay (declare) dividends.
- 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 to receive 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 current legislation of the Russian Federation.
- 8.2. Dividends are paid in cash by bank transfer by the Company or, per instruction 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 responsibility 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 both parties and specifying their liability and the form and procedure of settlements under the agreement.
- 8.4. The Company must inform its shareholders of the fact that the Company is utilizing a Payment agent, of the fact that the Company has changed its Payment agent and of expiration of the term of authority of the Payment agent by publishing an announcement in the periodical “Sol Zemli”.

9. PAYMENT OF DIVIDENDS

- 9.1. The dividends declared by the Company 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 details 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 when the persons entitled to receive dividends are determined.
- 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 employment relations with the Company, the Company has the right to pay dividends to its 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 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 from 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 specified 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.

10. INFORMING THE SHAREHOLDERS OF THE DIVIDEND POLICY

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

11. LIABILITY FOR INCOMPLETE 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 can apply to a court of law seeking payment of due dividends.
- 11.2. If a person entitled to receive dividends has not provided the Registrar (nominal holder) with accurate information including accurate current 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, non-payment and/or untimely payment of dividends.
- 11.3. In cases when an incomplete or untimely payment of dividends is the fault of the Company, the Company is liable in compliance with the legislation of the Russian Federation.