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**Explanatory note
for the Board's meeting item
"Recommendation for the general meeting on participation in a non-profit organisation"**

In accordance with Sub-item 16 of Item 8.5 and Item 8.8 of the Charter of PJSC Uralkali (the Company), decisions related to participation in financial and industrial groups, associations and other unions of commercial organisations are reserved for the general meeting of the Company based on a proposal (recommendation) from the Company's Board of Directors.

The Association of Economic Cooperation with African States (AECAS) is a non-profit organisation that offers a single platform for Russian leading companies, business councils and the expert community of Russia and Africa with the aim of promoting Russian business in Africa. AECAS was established in 2019 following the first Russia-Africa Summit held in Sochi, Russia.

Goals and objectives of AECAS:

- Consolidate common interests of Russian companies to facilitate the government's political support of Russian businesses in African countries;
- Create a platform for productive engagement between Russian and African business communities;
- Promote complex, large-scale investment project focusing on energy, transport, infrastructure, agriculture and education as priority areas for cooperation;
- Establish efficient information and communication channels between Russia and African countries to proactively engage with African business and academic communities, graduates of Russian universities as well as wider public;
- Provide Russian and African companies with up-to-date information on the economic development and opportunities for doing business in Africa and Russia accordingly;
- Promote funding opportunities for Russian companies' projects in Africa by bringing banks and other financial institutions onto the Association's platform;
- Encourage human capital development in Russia and Africa by creating environment conducive to innovation and promoting joint education programs;
- Contribute to improving logistics facilities on the continent by supporting national and transnational infrastructure projects;
- Further humanitarian ties, including cooperation in areas such as science, sport, culture, tourism and education.

The entry fee for new members in 2020 is RUB 5 mln. Members also pay annual membership fees and make additional one-time and/or ad-hoc contributions. The fee procedure is determined by the general meeting of the Association's members.

To ensure fruitful cooperation with African partners and facilitate successful development of the Company's business on the African continent, the Board of Directors is requested to consider joining AECAS and, subject to a positive opinion, recommend to the general meeting to approve the Company's entry into AECAS.

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