

RATIFIED:
By the resolution of the Board of Directors
Of OJSC “Uralkali”
Minutes of the meeting N 247 of 21.02.2011

**CORPORATE GOVERNANCE CODE
OF THE OPEN JOINT STOCK COMPANY “URALKALI”**

Berezniki, Perm Territory
2011

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Article I. General provisions

- 1.1. This Corporate Governance Code of the Open Joint Stock Company “Uralkali” (hereinafter the Code) has been developed based on the recommendations adopted by the Federal Commission for the Securities Market and formalized under Order N 421/r of 4 April 2002, in compliance with the legislation of the Russian Federation and with due regard to the established practices of corporate conduct, and with consideration for the needs of the Company and the current business environment in which the Open Joint Stock Company “Uralkali” (hereinafter the Company) conducts its business.
- 1.2. The Company is one of the world’s largest producers of mineral fertilizers. Several thousand individuals and legal entities are the shareholders of the Company. The Company, being aware of its responsibilities to its shareholders and employees, and being aware of the fact that in order to conduct a successful business and to achieve mutual understanding among all the parties interested in the activities of the Company, undertakes to abide by the principles of this Code and to do everything possible to ensure that the Company’s officers and employees abide by the principles of this Code in their day-to-day activities.
- 1.3. The Code is intended to ensure that the shareholders of the Company have a genuine opportunity to exercise their rights concerning their participation in the management of the Company; to ensure that the rights and interests of the shareholders are protected, to ensure transparency of all adopted decisions, professional and ethical responsibility of the members of the Board of Directors, members of other executive bodies of the Company and the shareholders of the Company; to ensure greater transparency of the Company’s operations and more efficient control over the financial and economic activities of the Company.

Article II. Principles of corporate governance

- 2.1. The Company undertakes to develop its corporate governance in compliance with the principles ensuring:
 - (1) that the shareholders of the Company have a real opportunity to exercise and to protect their rights connected with their participation in the Company;
 - (2) strategic management of the Company by the Board of Directors and effective control of all executive bodies of the Company by the Board of Directors, subordination of the Board of Directors to the General Meeting of Shareholders of the Company;
 - (3) that the executive bodies of the Company are required to manage the Company’s day-to-day business reasonably and in good faith; that they are subordinate and report to the Board of Directors and the General Meeting of the Shareholders of the Company;
 - (4) that the information about the Company is properly and timely disclosed, including the information on the Company’s financial status, economic indicators and the structure of its management and assets;
 - (5) efficient control over the financial and economic activities of the Company;
 - (6) that the rights of the employees of the Company established under the legislation of the Russian Federation are protected;
 - (7) Active cooperation of the Company with investors, creditors and other interested parties in order to ensure increment of assets of the Company and increase the share price of the Company.

Article III. Rights of shareholders

- 3.1. The Board of Directors of the Company, the Management Board, the General Director and the employees of the Company ensure that the rights and legal interests of the shareholders of the Company are observed and protected.
- 3.2. The Shareholders must not abuse the rights granted to them. The shareholders may not take any actions intended to harm other shareholders of the Company or the Company itself.
- 3.3. The Company recognizes the irrevocable right of the shareholders to participate in the management of the Company. The shareholders have the right to participate in the management of the Company, primarily by adopting resolutions on the most important issues at the General Meeting of the Shareholders. In order to exercise this right, the Company adopts internal documents that ensure that the shareholders’ rights to request convocation of an extraordinary General Meeting of Shareholders, to propose issues for the agenda of the General Meeting, to properly prepare for participation in the General Meeting of Shareholders and to exercise the shareholders’ right to vote are protected.
- 3.4. The Company establishes the procedure of the General Meeting of the Shareholders so that fair treatment of all shareholders is ensured.
- 3.5. The Company provides the shareholders participating in the General Meeting with information that is necessary in order to adopt deliberated and informed decisions on the agenda of the General Meeting. The amount of the information and materials provided to the shareholders is established under the Charter of the Company and other internal documents of the Company.
- 3.6. The shareholders of the Company have the opportunity to discuss the items of the agenda at the General Meeting.
- 3.7. At the annual General Meeting of the Shareholders the shareholders have the opportunity to listen to the reports of the executive bodies of the Company on the results of the financial and economic activity of the Company in the reporting fiscal year, participate in their discussion and in adoption of resolutions thereon.
- 3.8. The shareholders of the Company have the right to freely dispose of their shares at their own discretion in compliance with the legislation of the Russian Federation.
- 3.9. The rights of the shareholders that are attached to the shares belonging to them must be protected. The Company provides for reliable keeping of shareholding records; the Company also ensures that the shareholders of the Company have an opportunity to quickly dispose of their shares.
- 3.10. When the Company chooses a registrar, the Company primarily evaluates the registrar’s reliability and efficiency.
- 3.11. The shareholders of the Company have the right to receive dividends. The dividend policy of the Company is established under the internal document of the Company ratified by the Board of Directors.

Article IV. General Meeting of Shareholders

- 4.1. The procedure of convocation and holding of the General Meeting of Shareholders is established under the Charter of the Company and the Regulations on the General Meeting of Shareholders of the Open Joint Stock Company “Uralkali”. In compliance with the Charter of the Company, these Regulations are ratified by the supreme governing body of the Company – the General Meeting of Shareholders of OJSC “Uralkali”.
- 4.2. The procedure of the General Meeting of Shareholders is organized in such a way that the participation of the shareholders in the General Meeting will not result in large material expenses nor will be too time consuming for the shareholders of the Company and will ensure equal treatment of all the shareholders. The Company shall abide by the procedure of the General Meeting of Shareholders established under the Regulations on the General Meeting of Shareholders of the Open Joint Stock Company “Uralkali” and by the requirements set hereunder.

- 4.3. The notification of convocation of the General Meeting of Shareholders in presentia must contain the time of opening of registration of the participants of the General Meeting and the place of registration. In cases when the General Meeting is held in absentia (by absentee vote) the Company is obliged to indicate the final date of receipt of voting ballots in the notification.
- 4.4. When the Company decides in which periodical to publish the notification of convocation of the General Meeting in compliance with the requirements of the Charter, the Company must proceed on the basis of the fact that the chosen periodical is accessible/available to the majority of the shareholders of the Company. The Charter of the Company provides for publication of notification of convocation of the General Meeting of Shareholders in at least two periodicals.
- 4.5. In order to provide the shareholders with an opportunity to study the list of persons who have the right to participate in the General Meeting of Shareholders, the Company, upon written request of the shareholders/owners of at least one (1) percent of votes, provides these shareholders with an opportunity to study this list from the date of publication of notification of convocation of the General Meeting of Shareholders in presentia until the date of closing of the General Meeting held in presentia or, in cases when General Meetings are held in absentia, until the final date of receipt of voting ballots.
- 4.6. Upon request of any interested party, the Company must issue an extract containing information on the person requesting the extract from the list of persons who have the right to participate in the General Meeting of Shareholders within three (3) days of receipt of the relevant written request or issue a notice that this person is not on the list of persons who have the right to participate in the General Meeting of Shareholders.
- 4.7. The Company provides its shareholders with an opportunity to study this list as well as to receive extracts from the list at the locations where material and documents of the General Meeting are provided as indicated in the notification of convocation of the General Meeting.
- 4.8. The Company provides its shareholders with information which is necessary for preparation to the General Meeting of Shareholders in compliance with the terms that are adequate for preparation and adoption of informed decisions on the items of the agenda of the General Meeting.
- 4.9. When the Company establishes the agenda of the General Meeting of Shareholders the Company must ensure that the wording of the issues of the agenda of the General Meeting is not subject to misinterpretation of these issues. The Company is obliged to avoid using words such as “miscellaneous” in the wording of the items of the agenda in order to make sure that the shareholders are fully aware of which issue is proposed for discussion.
- 4.10. When the Company establishes the place, date and time of the General Meeting, the Company ensures that the shareholders have a realistic and convenient opportunity to participate in the General Meeting. Thus, the Company holds the General Meeting of Shareholders in the city where the Company is located.
- 4.11. For the convenience of its shareholders, the Company publishes on its website on the Internet the Provisions on the General Meeting of Shareholders of the Company containing the recommended forms of requests to convoke a General Meeting of Shareholders, proposals to include items on the agenda of the annual General Meeting of Shareholders, proposals to nominate candidates for election to the bodies of the Company established by the General Meeting of Shareholders, proposals to nominate candidates to be elected as auditors of the Company, requests to issue extracts from the list of persons who have the right to participate in the General Meeting of Shareholders, requests to provide the list of persons who have the right to participate in the General Meeting of Shareholders for information purposes and the form (blank form) of a power of attorney to participate in the General Meeting of Shareholders with a description of the procedure for its completion. The shareholders are in no way obliged to use these forms.

- 4.12. The Board of Directors recommends the procedure of the General Meeting of Shareholders for further approval by the General Meeting of Shareholders. The procedure of the General Meeting recommended by the Board of Directors provides the participants with equal opportunities to express their opinions and to ask questions.
- 4.13. The Company invites the General Director, the members of the Management Board, the members of the Board of Directors, the members of the Revision Commission and the representatives of the external auditor of the Company to participate in the General Meeting. As not all members of the executive bodies of the Company and other persons may participate in the General Meeting due to objective reasons, the Presiding Chairperson of the General Meeting will inform the participants on whether the above persons are present at the meeting or not at the beginning of the General Meeting.
- 4.14. The Company registers its shareholders to participate in the General Meeting at the location of the General Meeting or in its close vicinity on the same day as the day of the General Meeting.
- 4.15. The beginning of work of the General Meeting does not interrupt the process of registration of participants. The shareholders who have arrived after the beginning of the General Meeting have the right to participate in the adoption of resolutions of the General Meeting after their registration.
- 4.16. If the General Meeting is held in presentia (joint presence of shareholders), the Company is obliged to summarize and announce the results of voting before the end of the General Meeting.

Article V. Board of Directors

- 5.1. The main functions and tasks of the Board of Directors are the following:
- (1) Establishment of the development strategy of the Company;
 - (2) increase of the market capitalization of the Company;
 - (3) control over the financial and economic activities of the Company, including control over the activities of the executive bodies of the Company;
 - (4) Realization and protection of the rights of the shareholders of the Company;
 - (5) Ensuring proper disclosure of information on the Company to the shareholders and other interested parties.
- 5.2. Members of the Board of Directors must fulfill their obligations reasonably and in good faith and act in the best interest of the Company and its shareholders. The area of competence of the Board of Directors is defined under the Charter of the Company and other internal documents of the Company.
- 5.3. The number of members of the Board of Directors must be adequate to the tasks and functions performed by it. The size of the Board of Directors is established under the Charter of the Company based on the need to ensure its effective work through fruitful and constructive discussion, adoption of informed decisions and organization of efficient work of the Committees of the Board of Directors.
- 5.4. In order to maintain a good balance between control over the actions of the Management Board and participation in the management of the Company, the Board of Directors may include members of the Management Board of the Company. The number of the members of the Management Board of the Company on the Board of Directors may not exceed one quarter of the size of the Board of Directors of the Company.
- 5.5. In order to ensure objectivity of the decision adopted by the Board of Directors, to maintain a balance between the interests of the different members of the Board of Directors and the shareholders of the Company, and in order to enhance confidence of the shareholders of the Company in the Board of Directors, independent directors must serve on the Board of Directors.

5.6. The following members of the Board of Directors of the Company are considered to be independent directors:

(1) those who were not serving as the sole executive body of the Company nor were the Manager of the Company, member of the collegial executive body of the Company or a person holding posts in the management bodies of the Managing Company for at least one year prior to their election to the Board of Directors;

(2) those who are not members of the management bodies of another organization, in which any of the members of the management bodies of the Company is a member of the appointments and remuneration committee of the Board of Directors;

(3) those who are not spouses, parents, children, brothers or sisters of any member of the Board of Directors or of a person performing the functions of the sole executive body of the Company, including its manager, member of the collegial executive body of the Company or a person holding a post in the management bodies of the Managing Company;

(4) Those who are not affiliated persons of the Company, with the exception of the members of the Board of Directors of the Company;

(5) those who are not parties under any agreements with the Company, which may entitle them to receive property (monetary funds) the value of which is 10% or more of the total annual income of the indicated persons, with the exception of the cases of remuneration for participation in the activities of the Board of Directors;

(6) Those who are not representatives of the government;

(7) those who are not tied to the Company by any relationship (labor, contractual) with the exception of service on the Board of Directors and holding of Company shares (directly or indirectly) whose total number does not exceed 1% of the voting shares of the Company;

In cases when the imperative norms of the legislation of the Russian Federation utilize the term “independent director” with a different meaning, in particular, in relation to the norms on interested-party transactions, the provisions of this Clause 5.6 do not apply.

5.7. Members of the Board of Directors must act in the best interest of the Company and perform their duties reasonably and in good faith.

5.8. Members of the Board of Directors must:

(1) Act reasonably, in good faith and with due care regarding the affairs of the Company;

(2) act in the interest of the Company as a whole and not in the interest of individual shareholders and other parties;

(3) act within the competence of the Board of Directors and in compliance with the aims and the objectives of the Board of Directors;

(4) Not disclose any confidential information on the Company;

(5) Initiate meetings of the Board of Directors in order to discuss and solve pressing issues;

(6) attend meetings of the Board of Directors;

(7) participate in the meetings of the Board of Directors by voting on the items of the agenda;

(8) adopt reasonable decisions; evaluate risks and possible negative consequences of these decisions before adopting them;

(9) Provide the Company with an address (postal and/or electronic) to which the Company may send correspondence (notifications, voting ballots, information/materials etc.); notify the Company of any change of address (postal and/or electronic);

(10) inform the Board of Directors, the Revision Commission and the auditor of the Company of the facts/events indicated under Article 82 of the Federal Law “On Joint Stock Companies”; notify the Board of Directors of any changes to the above indicated information;

(11) participate in carrying out expert examinations of the projects and programs proposed by the Board of Directors;

- (12) Participate in the work of the Committees of the Board of Directors in compliance with the Regulations on these Committees.
- 5.9. The Chairman of the Board of Directors is the head of the Board of Directors. The Chairman organizes the work of the Board of Directors and ensures successful fulfillment of tasks of the Board of Directors by its members.
- 5.10. The Chairman of the Board of Directors is responsible for establishment of the agenda of the meetings of the Board of Directors. The Chairman ensures that the most efficient resolutions on the issues of the agenda are adopted and, if necessary, organizes free discussion of these issues. The Chairman is responsible for maintenance of a friendly and constructive atmosphere at the meetings of the Board of Directors.
- 5.11. The Chairman of the Board of Directors provides the members of the Board of Directors with opportunities to express their opinion on the issues discussed and helps the members of the Board of Directors to reach the best decision in the interests of the shareholders of the Company. The Chairman of the Board of Directors must be committed to his principles and act in the best interest of the Company.
- 5.12. The Chairman of the Board of Directors ensures efficient work of the Committees of the Board of Directors, nominates members of the Board of Directors to serve on various Committees based on their professional and personal qualities, considers proposals of the members of the Board of Directors with regard to establishment of the Committees and organizes, if necessary, a discussion of issues reviewed by the Committees by the entire Board of Directors. The meetings of the Board of Directors must be held at least once every two months.
- 5.13. Meetings of the Board of Directors may be held in presentia (joint presence of members) or in absentia (absentee vote).
- 5.14. In cases when the meetings of the Board of Directors are held in presentia, each member of the Board of Directors who is unable to attend the meeting is allowed to express his/her opinion on the issues of the agenda in writing.
- 5.15. The Board of Directors does not have the right to adopt decisions by absentee vote on the following issues:
- (1) Establishment of strategic plans of the Company;
 - (2) Establishment of priority development areas of the Company;
 - (3) Approval of the annual budget of the Company;
 - (4) Preliminary approval of the annual report of the Company;
- 5.16. Members of the Board of Directors are liable to the Company for any losses suffered by the Company through their wrongful acts (failure to act) unless otherwise stipulated under the federal legislation.

Article VI. Committees of the Board of Directors

- 6.1. For the purpose of preliminary or additional review of the tasks of the Board of Directors, the Board of Directors has established the following Committees: Investments and Development Committee, Appointments and Remuneration Committee and Audit Committee. If necessary, the Board of Directors may establish other committees.
- 6.2. The Committees of the Board of Directors act in compliance with the Regulations ratified by the Board of Directors. The size and membership of the Committees is established by the Board of Directors.
- 6.3. The Committees of the Board of Directors must meet as often as necessary but at least once every six months. The Committees of the Board of Directors can hold joint meetings.

Article VII. Executive Bodies

- 7.1. The executive bodies of the Company – the collegial executive body (Management Board) and the sole executive body (General Director) – are the most important bodies of the corporate governance structure.
- 7.2. The Company’s executive bodies are responsible for day-to-day management of the Company, which means that they are responsible for realization of the goals, strategies and policies of the Company.
- 7.3. The Company’s executive bodies must serve the interests of the Company, which means that they must manage the operations of the Company in a way that ensures that the shareholders of the Company receive dividends and the Company continues to develop.
- 7.4. In order to achieve the above aims, the executive bodies of the Company are responsible for the following tasks: they are responsible for the daily work of the Company and its compliance with the financial and economic plan of the Company; they implement and realize the resolutions of the Board of Directors and the General Meeting of Shareholders of the Company promptly, efficiently and in good faith.
- 7.5. In order to fulfill their responsibilities, the executive bodies of the Company have broad powers relating to management of the assets of the Company. For this reason, the organization of the executive bodies of the Company, the requirement for high personal and professional qualities of its members and the current procedures of effective control on the part of the shareholders of the Company have been implemented to engender trust by the shareholders.
- 7.6. The Management Board of the Company is responsible for the most complex issues of the current operations of the Company such as: establishment of short-term goals of the Company, preliminary approval of the annual budget of the Company for further approval by the Board of Directors of the Company, establishment of the accounting policies and procedures of the Company, control over proper budget implementation, control over execution and performance under civil agreements, establishment of numerous internal documents of the Company, development of recommendations to the Board of Directors in regard to coordination with the Company’s subsidiaries and dependent companies.
- 7.7. The General Director of the Company is responsible for the management of the current operations of the Company. The General Director of the Company is also the Chairman of the Management Board.
- 7.8. The membership of the executive bodies of the Company ensures the most efficient fulfillment of functions for which the members of the executive bodies of the Company are responsible. In order to perform the functions of the General Director and a member of the Management Board of the Company a person must be duly qualified. The Company exerts every effort in trying to ensure that the Management Board of the Company consists of the people who are specially qualified in the field of work of the Company.
- 7.9. The person appointed General Director of the Company usually has experience in the field of work of the Company as well as managerial experience.
- 7.10. The General Director of the Company and the members of the Management Board must act in the best interests of the Company. The professional qualities of the General Director and the members of the Management Board unquestionably must act in the best interests of the Company; accordingly, only people with impeccable reputations are appointed to these posts. No person who has been convicted of financial crimes or crimes against the government, has committed administrative felonies, especially in the sphere of entrepreneurship, finance, taxes or securities markets or has otherwise been administratively disqualified in compliance with the legislation of the Russian Federation may be a member of the Management Board or the General Director of the Company.
- 7.11. The General Director of the Company and the members of the Management Board of the Company may concurrently combine working for the Company with gainful employment in other organizations only if the Board of Directors of the Company gives its consent.

- 7.12. The members of the Management Board of the Company are responsible for the management of the current operations of the Company. In order to efficiently fulfill this task, they must have sufficient information on the current problems of the Company and work in close contact with the heads of structural subdivisions of the Company.
- 7.13. In order to establish the size and membership of the Management Board of the Company, the Board of Directors of the Company must proceed on the basis that the number of members of the Management Board must be optimal for productive and constructive discussion of issues and for adoption of timely and well-weighted decisions.
- 7.14. The General Director of the Company and the members of the Management Board of the Company must act in the best interest of the Company reasonably and in good faith, i.e., act with due care and caution which are to be expected from any good manager in similar circumstances.
- 7.15. The Management Board of the Company adopts decisions at its meetings. The meetings of the Management Board may be scheduled or extraordinary. The scheduled meetings of the Management Board must be held at least once a month. Upon request of the Board of Directors, Chairman of the Board of Directors or member of the Management Board, the Chairman of the Management Board must call an extraordinary meeting of the Management Board.
- 7.16. The meetings of the Management Board must be planned in such a way that all members of the Management Board receive notifications of the forthcoming meeting of the Management Board, the agenda of the meeting and the information (materials) necessary for the meeting well in advance in order to have the opportunity to prepare for the meeting and all the issues on its agenda.
- 7.17. Members of the Management Board are not permitted to transfer their rights to vote to any other person, including another member of the Management Board.
- 7.18. The remuneration paid to the General Director and the members of the Management Board of the Company must be commensurate to their qualifications and include their real contribution to the business of the Company.
- 7.19. The remuneration paid to the General Director and the members of the Management Board must be established so that it is competitive as compared to the remuneration paid by other similar companies to its executive management.
- 7.20. The General Director of the Company and the members of the Management Board must act reasonably, in good faith and with due care for the affairs of the Company. The General Director, the members of the management Board are considered as acting reasonably and in good faith if they are not personally interested in adoption of a specific decision and have studied all information that is necessary for adoption of the decision.
- 7.21. The members of the Management Board and the General Director are liable to the Company for any losses suffered by the Company through their wrongful acts (failure to act) unless otherwise stipulated by the federal legislation.

Article VIII. Corporate Secretary

- 8.1. In order to protect the rights and interests of the shareholders of the Company, the bodies and the employees of the Company must strictly abide by the procedures established by the Russian legislations, the Charter and other internal documents of the Company. It is especially important to properly observe the procedures concerning the preparation and holding of the General Meeting of Shareholders and the meetings of the Board of Directors as well as the procedures of proper disclosure of information on the Company. In order to implement the above procedures effectively, the Board of Directors appoints a Corporate Secretary.
- 8.2. The Corporate Secretary performs the following functions:

- ensures observation of proper procedures of preparation and holding of the General Meeting of Shareholders in compliance with the requirements of the Russian Federation, the Charter of the Company and other internal documents of the Company;
 - takes measures to settle conflicts should any conflicts occur during preparation for the General Meeting of Shareholders;
 - controls and ensures timely review of the applications of the shareholders of the Company by the authorized bodies of the Company;
 - ensures that preparation and holding of meetings of the Board of Directors of the Company are in compliance with the requirements of the Russian Federation, the Charter of the Company and other internal documents of the Company;
 - provides support to the members of the Board of Directors of the Company;
 - Provides the members of the Board of Directors of the Company with clarifications and explanations of the requirements of the legislation of the Russian Federation, the requirements of the Charter of the Company and other internal documents of the Company related to procedures of preparation and holding of the General Meeting of Shareholders, meetings of the Board of Directors, disclosure and provision of information on the Company;
 - Ensures proper disclosure and provision of information on the Company.
- 8.3. The Corporate Secretary of the Company must possess the knowledge necessary to perform his/her functions and must be considered trustworthy by the shareholders and the members of the Board of Directors of the Company.

Article IX. Disclosure of information

- 9.1. The main parameters of information disclosure of the Company are the regularity and timeliness of its provision, availability of information to the majority of the shareholders of the Company and to other interested parties, reliability and completeness of this information, maintenance of a balance between the openness of the Company and protection of its commercial secrets.
- 9.2. The information disclosed by the Company, including the Company’s annual and quarterly reports, the Charter of the Company and the amendments thereto, this Code, notifications of significant facts and the list of affiliated persons are published on the website of the Company on the Internet as this source of information is the most accessible and least expensive means to obtain information by the persons interested in the Company.
- 9.3. The Company ensures timely and full disclosure of information on the most significant issues of its business by observing the relevant requirements of the Russian legislation and by voluntarily disclosing additional information.
- 9.4. When necessary, the Company determines which information is confidential and establishes the procedures of use of such information.

Article X. Control over financial and economic activity

- 10.1. The system of control over financial and economic activity of the Company implemented in the Company aims to ensure that the investors of the Company trust the Company and its executive bodies. The main objective of this control is protection of the capital investments of the shareholders of the Company and protection of the assets of the Company.
- 10.2. The Board of Directors of the Company, the Revision Commission of the Company, the Department of internal control of the Company and the independent auditor of the Company exercise control over the financial and economic activity of the Company.
- 10.3. In order to ensure control over the financial and economic activity of the Company, the Company establishes a permanent Revision Commission and engages an independent auditing organization (auditor). Auditing of the Company must be conducted in such a way that, as the result of auditing, objective and complete information on the business of the

Company may be obtained. Thus, the Company engages an auditor who is not tied to the Company and/or its shareholders by property interests for inspection of its annual financial reports.

- 10.4. In order to test its system of internal control, the Company has a Department of internal audit – a structural subdivision of the Company which is responsible for regular evaluation of the system of internal control. The competence and the size of the Department of internal audit and the requirements pertaining to the employees of the Department are established by internal documents of the Company.

Article XI. Dividend policy

- 11.1. The dividend policy of the Company significantly affects the interests of the shareholders. Accordingly, the Company establishes a dividend policy on which the Board of Directors relies when developing its recommendations on the payment of dividends for the General Meeting of Shareholders. The dividend policy of the Company is detailed under the Regulations on the Dividend Policy – an internal document of the Company approved by the Board of Directors.
- 11.2. The Company shall inform its shareholders and other interested parties of its dividend policy due to the fact that it plays a significant role for adoption of investment decisions. For this purpose the Provisions on the Dividend Policy of the Company and all amendments thereto will be published on the website of the Company on the Internet.
- 11.3. The decision to pay dividends must allow the shareholder to receive full information related to the amount of dividends. Accordingly, the decision to pay dividends must specify the amount of dividends on each category (type) of shares and the form of dividend payment.
- 11.4. The procedure of establishment of the amount of dividends must be clear and must eliminate the possibility that the shareholder might be misled in any way.
- 11.5. The procedure of dividend payment must ensure the right of the shareholders to receive dividends in the most suitable manner. The dividends are therefore paid in monetary form due to the fact that if dividends are paid in any other property form it makes it difficult to establish the real value of the paid dividends; in addition, the receipt of any other property by the shareholders as dividends may result in occurrence of additional obligations for the shareholders.