

APPROVED

By PJSC Acron Board of Directors

Minutes No. 570 dated 30 September 2016

REGULATION

Acron Corporate Secretary

2016

1. GENERAL PROVISIONS

1.1. This Regulation on Acron's Corporate Secretary (hereinafter "Regulation") was prepared in compliance with current Russian laws, the Charter and bylaws of Public Joint Stock Company Acron (hereinafter "Company"), and in compliance with the securities listing rules of the trade organiser admitting the Company's securities to organised trading (hereinafter "Listing Rules") and the recommendations of the Corporate Governance Code recommended for use at joint stock companies by the Bank of Russia (hereinafter "Corporate Governance Code").

1.2. This Regulation defines the legal status of the Corporate Secretary, the procedure for his/her appointment and termination, his/her functions, powers, obligations and other terms and conditions for performance by the Corporate Secretary of his/her duties.

1.3. The Corporate Secretary is an officer of the Company responsible for compliance with requirements of current Russian laws and the Company's Charter and bylaws, which safeguard rights and legal interests of the Company's shareholders. The Corporate Secretary shall also be focused on improving the Company's management efficiency for the benefit of its shareholders, promoting the Company's investment attractiveness and increasing in its share value.

For the above purposes and in compliance with this Regulation, the Corporate Secretary shall ensure effective day-to-day interaction between the Company and its shareholders, public authorities regulating corporate relations, trade organisers on stock markets of Russian and foreign exchanges, the registrar of the Company's share register and other professional participants of the security market. The Corporate Secretary shall improve the Company's corporate governance system and practices, coordinate the Company's efforts to protect the rights and interests of its shareholders, prevent corporate conflicts and sustain the effective operation of the Board of Directors and the Company's general meetings.

1.4. The Corporate Secretary shall act in compliance with the Company's Charter, this Regulation and other bylaws of the Company.

The Corporate Secretary's activity shall be regulated by provisions of current Russian laws, the Company's Charter and bylaws, resolutions of the Company's general meeting and Board of Directors, the Listing Rules applicable to the Company, and shall comply with the recommendations of the Corporate Governance Code and the best international and Russian practices of corporate governance for public joint stock companies.

The Corporate Secretary shall report to the Board of Directors.

1.5. Information about the Corporate Secretary shall be disclosed on the Company's website and in the annual report to the same extent as information subject to disclosure about members of the Board of Directors and executive bodies of the Company.

This Regulation and information about its compliance or non-compliance with the provisions of the Corporate Governance Code shall be disclosed by the Company on its website.

2. QUALIFICATION REQUIREMENTS FOR THE CORPORATE SECRETARY

2.1. The Corporate Secretary shall have knowledge, skills and qualifications sufficient to discharge his/her obligations and a sterling reputation, and shall have the trust of the Company's shareholders.

The position of Corporate Secretary shall be occupied by a person meeting the following requirements:

- Higher professional education with a degree in economics and management or jurisprudence, or professional training in the above areas, or shall have completed additional professional business educational programmes (Master of Business Administration, Executive Master of Business Administration, Doctor of Business Administration)
- No less than five years of professional experience in corporate governance or legal support for corporate relations in positions requiring higher professional education, including no less than two years in a managerial position
- Knowledge of the civil laws regulating corporate relations, laws on securities and the securities market, regulations governing the activity of professional securities market participants, laws regulating organised trading and the Listing Rules applicable to the Company
- Knowledge of regulatory documents reflecting best Russian and foreign practices of corporate governance, and Russian and international standards for corporate governance at public companies, including the Corporate Governance Code
- Personal qualities such as administrative and analytical ability, sociability, sense of responsibility and the ability to make unbiased and bona fide judgments independent of the influence of the Company's executive bodies, certain groups of shareholders or other interested parties
- No criminal record or record of administrative punishment in the form of continuing disqualification pursuant to the Code of the Russian Federation on Administrative Offenses.

The Nomination and Remuneration Committee of the Board of Directors (hereinafter "Nomination and Remuneration Committee") shall evaluate compliance with the above requirements by candidates for the position of Corporate Secretary.

2.2. The Corporate Secretary may not be a person affiliated with the Company, related to a person controlling the Company or a member of the Company's executive body.

The Corporate Secretary may not combine the functions of the Corporate Secretary with other responsibilities (job duties) at the Company, unless such combination is recognised as acceptable and authorised by the Nomination and Remuneration Committee in advance. The Nomination and Remuneration Committee may refuse authorisation to combine functions of the Corporate Secretary with other responsibilities (job duties) at the Company if the Committee believes that such combination is likely to result in a material conflict of interest and improper discharge by the Corporate Secretary of his/her responsibilities.

3. PROCEDURE FOR APPOINTING AND TERMINATING THE CORPORATE SECRETARY , SUBORDINATION AND REMUNERATION

3.1. The Corporate Secretary shall be appointed by the Chief Executive Officer of the Company based on a resolution by the Board of Directors approving a candidate for the position of Corporate Secretary.

A candidate for Corporate Secretary shall be approved by the Board of Directors in response to a proposal by the Chair of the Board of Directors or any other member of the Board of Directors. Proposed candidates for Corporate Secretary shall be introduced in writing, accompanied by an information sheet on each candidate listing the details of his/her compliance with the requirements stipulated by Section 2 of this Regulation.

The Nomination and Remuneration Committee shall conduct preliminary consideration of candidates for Corporate Secretary, including an evaluation of each candidate's compliance with the requirements of this Regulation, and shall make recommendations for the Board of Directors regarding approval of candidates for Corporate Secretary.

3.2. The Corporate Secretary shall be terminated by the Chief Executive Officer based on a resolution by the Board of Directors on termination of the Corporate Secretary.

The Board of Directors may, at any time, resolve to terminate the Corporate Secretary in response to a proposal by the Chair of the Board of Directors or any other member of the Board of Directors.

If it is resolved to terminate the Corporate Secretary, the Board of Directors shall also resolve to approve another candidate for Corporate Secretary or appoint a person to serve as acting Corporate Secretary until a Corporate Secretary is appointed.

3.3 Relations between the Company and the Corporate Secretary shall be governed by this Regulation, other corporate bylaws and labour laws.

The amount, terms and conditions and procedure for paying remuneration to the Corporate Secretary, including additional remuneration following a performance evaluation, shall be determined by the Board of Directors.

Unless otherwise determined by resolution of the Board of Directors, remuneration shall be paid pursuant to the procedure and within time limits stipulated by the Company's bylaws regulating the labour remuneration system.

Pursuant to a resolution of the Board of Directors, the Corporate Secretary may be paid additional remuneration following a performance evaluation for a certain period or in the context of certain corporate actions.

Preliminary consideration and recommendations for the Board of Directors regarding the amount of remuneration and bonuses paid to the Corporate Secretary shall be made by the Nomination and Remuneration Committee.

3.4. If the Corporate Secretary becomes temporarily unable to perform his/her duties, they shall be performed by an acting corporate secretary. The acting corporate secretary shall be appointed by resolution of the Chief Executive Officer in response to a resolution of the Board of Directors selecting the person to serve as acting Corporate Secretary.

3.5. In terms of administration procedure, the Corporate Secretary shall report to the Chief Executive Officer, and in terms of his/her activity functions the Corporate Secretary shall report directly to the Board of Directors (Chairperson of the Board of Directors). The Corporate Secretary shall report on his/her activities to the Board of Directors.

3.5.1. In the context of the Corporate Secretary's functional subordination to the Board of Directors

1) The Company's Board of Directors shall:

- Approve the Regulation on the Corporate Secretary
- Approve a candidate for the position of Corporate Secretary (choose an acting Corporate Secretary) and resolve on his/her termination
- Evaluate the Corporate Secretary's performance and consider (approve) annual reports on his/her performance
- Determine the amount, conditions and procedure for paying remuneration to the Corporate Secretary, including additional remuneration following the results of a performance evaluation.

2) The Strategic Planning and Corporate Governance Committee of the Board of Directors shall:

- Preliminarily consider draft regulation on the Corporate Secretary
- Authorise the annual work plan for the Corporate Secretary
- Consider interim reports on fulfilment of the Corporate Secretary's annual work plan
- Preliminarily consider the final annual report on the Corporate Secretary's work and make recommendations to the Board of Directors on its approval.

3) The Nomination and Remuneration Committee of the Company's Board of Directors shall:

- Preliminarily consider candidates for Corporate Secretary , including evaluation of candidates' compliance with the requirements hereof, and make recommendation to the Board of Directors for approval of a candidate for Corporate Secretary or a resolution on his/her termination
- Develop, consider and present recommendations to the Board of Directors for determining the amount of remuneration and the principles for paying bonuses to the Corporate Secretary, evaluating the Corporate Secretary's performance following annual results and paying bonuses to the Corporate Secretary.

4) The Chair of the Board of Directors shall:

- Directly manage the Corporate Secretary
- Consider information about any conflicts of interest concerning the Corporate Secretary
- Consider matters related to material restrictions of the Corporate Secretary's powers or other encumbrances related to his/her work that may adversely affect the Corporate Secretary's ability to perform his/her functions.

3.5.2. In the context of the Corporate Secretary's administrative subordination to the Company's Chief Executive Officer:

The Chief Executive Officer shall:

- Exercise the powers and discharge the obligations of the Company as an employer in the context of labour relations with the Corporate Secretary, pursuant to the rules of internal labour policy, other corporate bylaws and labour laws
- Ensure allocation of required funds and resources to support the functions of the Corporate Secretary
- Ensure support for interaction between the Corporate Secretary and the Company's business units.

4. FUNCTIONS OF THE CORPORATE SECRETARY

In order to achieve the goals specified in Clause 1.3 hereof, the Corporate Secretary shall perform the following functions:

4.1. Participate in preparing and holding general meetings, including:

- Arrange and monitor preparations and holding of general meetings by the Company's business units pursuant to the requirements of current laws and bylaws of the Company
- Participate in considering requests to hold an extraordinary general meeting, shareholder proposals to include issues on a general meeting agenda and proposals to nominate candidates for election to the Company's bodies

- Participate in determining and preparing information (materials) that shall be provided to persons entitled to attend a general meeting
- Participate in determining the procedure for notifying shareholders of a general meeting and the procedure for providing the information (materials) that shall be provided to persons entitled to attend a general meeting
- Participate in drafting general meeting resolutions
- Participate in drafting Board of Directors resolutions on other matters reserved for the Board of Directors and related to preparing and holding general meetings
- Monitor the counting of completed voting ballots received by the Company and the work performed by the secretary of the general meeting and by the person maintaining the Company's share register and performing the functions of counting committee
- Attend general meetings and, jointly with the person performing the functions of counting committee, provide clarification on issues arising in connection with the exercise by shareholders (their representatives) of voting rights at a general meeting, and clarify the procedure for voting (passing resolutions) on agenda items.

4.2. Support proceedings of the Board of Directors and of the Board' committees, including:

- Arrange and monitor the Board secretary's performance of the requirements of the Regulation on the Board of Directors and the Regulations on the Board of Directors' committees, secure compliance with the procedure for preparing and holding meetings of the Board of Directors and its committees in accordance with these bylaws
- Participate in work planning for the Board of Directors and its committees
- Participate in drafting resolutions of the Board of Directors and its committees
- Participate in determining and preparing the information (materials) to be provided to members of the Board of Directors and persons invited to meetings of the Board of Directors and its committees
- At the invitation of Chair of the Board of Directors and the Chair of the relevant committee of the Board of Directors, attend meetings of the Board of Directors and its committees, clarify the procedure for passing resolutions on agenda items of relevant meetings, including where members of the Board of Directors have conflicts of interest, and clarify the rights, obligations and liability of members of the Board of Directors
- In association with the secretary of the Board of Directors, instruct newly elected members of the Board of Directors regarding the activity of the Company and its bylaws
- In association with the secretary of the Board of Directors, arrange for members of the Board of Directors to be given information (materials) about the Company's activity as necessary for them to discharge their duties

- Participate in arranging for liability insurance for members of the Board of Directors, members of other bodies and officials (employees) of the Company.

4.3. Participate in implementing Company policy related to information disclosure and ensure custody of the Company’s corporate documents, including:

- Participate in developing and monitoring compliance with the Company’s information policy
- Monitor compliance by the Company’s business units and officers (employees) with requirements of current laws and the Listing Rules applicable to the Company as pertaining to disclosure of information about the Company’s activity (the activity of legal entities controlled by the Company), including compliance with restrictions related to illegal usage of insider information
- Participate in developing measures and holding events designed to prevent, identify and preclude the illegal use of insider and other confidential information
- Participate in preparing and disclosing information about the Company’s material corporate actions with explanation of the reasons, terms and conditions and consequences of such actions
- Participate in arrangements for custody of the Company’s documents related to the Company’s corporate relations and control compliance by the Company’s business units with the custody rules for relevant documents.

4.4. Support interaction between the Company and its shareholders and participate in preventing corporate conflicts, including:

- Participate in considering applications from shareholders and other interested persons on matters pertaining to corporate relations in the Company and the exercise of shareholder rights, and in preparing replies to such applications
- Participate in considering applications from shareholders and other interested persons requesting access to Company information and documents, providing of copies of relevant documents, and preparing replies to such applications
- Participate in establishing and maintaining a system for shareholders to ask the Chair of the Board of Directors and independent directors questions within the Board’s scope of authority
- Participate in providing clarification to shareholders on the requirements of current laws and the procedure for material corporate actions of the Company, and providing practical assistance in the exercise of shareholders’ rights
- Participate in preventing and resolving corporate conflicts between the Company’s bodies and its shareholders, and among the Company’s shareholders if such conflicts affect the Company’s interests, participate in extrajudicial conflict resolution proceedings and in lawsuits regarding matters pertaining to corporate relations

- Participate in establishing a system securing control over major transactions and transactions made in circumstances involving conflicts of interest
- Participate in other forms of interaction between the Company's bodies and its shareholders to prevent corporate conflicts.

4.5. Support and monitor the implementation of procedures established under the law and corporate bylaws to safeguard shareholders' ability to exercise their rights and lawful interests, including:

- Monitor compliance by the Company's business units and officers (employees) with the requirements of current laws, the Listing Rules applicable to the Company and the Charter and bylaws of the Company regulating and safeguarding shareholders' rights and lawful interests
- Examine the compliance of resolutions passed by the Company's bodies with the requirements of current laws, the Charter and bylaws
- Monitor compliance with the procedure for passing resolutions on dividend payment and with the procedure for dividend payment established by current laws, the Charter and bylaws
- Monitor compliance with the procedure for maintaining the Company's share register, the procedure for approving major and related-party transactions, the procedure for issuing the Company's securities, and compliance with other procedures designed to safeguard shareholders' rights and lawful interests
- Initiate adoption of, amendments to and cancellation of bylaws and internal regulations of the Company regulating the procedure for preparing and implementing material corporate actions for the purpose of compliance with requirements of laws and improvement of corporate governance practices
- Monitor compliance with the procedure for compiling reports on corporate relations and securities that the Company is required to compile, disclose or submit pursuant to current laws or the Listing Rules applicable to the Company or under voluntary obligations
- At the request of the Company's bodies or on his/her own initiative, provide findings on matters related to the Company's compliance with the requirements of laws governing corporate relations and securities, the Listing Rules applicable to the Company, the Charter and bylaws.

4.6. Support interaction between the Company and regulatory authorities, trade organisers, the registrar, and other professional participants of the securities market within the scope of authority vested in the Corporate Secretary, including:

- Monitor compliance by the Company and its securities with requirements imposed by current laws on corporate relations and securities of a public joint stock company, and with requirements of the Listing Rules applicable to the Company

- Participate in the Company’s interactions with trade organisers regarding compliance with corporate governance requirements imposed by Listing Rules that are mandatory for listing of the Company’s securities on Russian and foreign exchanges
- Participate in interaction between the Company and authorities that regulate, monitor and supervise issuer compliance with the requirements of Russian laws on joint stock companies and securities, and regulate, monitor and supervise corporate relations at joint stock companies (“regulating authorities”)
- Participate in considering requests and instructions from trade organisers and regulating authorities, and compiling reports on corporate relations and securities that must be compiled and submitted to such entities
- Arrange for information exchange between the Company and regulating authorities, trade organisers, the Company’s registrar (holder of share register) and other professional securities market participants
- Participate in interaction between the Company and the Company’s registrar (holder of share register) regarding compliance with the procedure for maintaining the Company’s share register and the exercise by shareholders of their rights and lawful interests during the course of corporate actions
- Participate in interaction between the Company and the central depository and other professional securities market participants that engage in depository activity, regarding recording title to the Company’s securities and mandatory centralised custody of the Company’s securities.

4.7. Participate in improving the Company’s corporate governance system and practices, including:

- Participate in drafting resolutions of the Board of Directors and its committees on improving the Company’s corporate governance practices and monitor implementation of such resolutions
- Participate in evaluating corporate governance practices and analysing how the corporate governance system meets the Company’s tasks and objectives, preparing reports following such evaluation and analysis, and proposals to improve corporate governance practices, including proposals to make relevant amendments to the Company’s Charter and bylaws
- Participate in performing an evaluation (self-evaluation) of the effectiveness of the Board of Directors and its committees, participate in preparing a report with the findings of such evaluation (self-evaluation), participate in drafting recommendations for the Board of Directors to improve its work and the work of its committees
- Analyse and integrate the recommendations of the national Corporate Governance Code and best international standards in the area of corporate governance

- Participate in evaluating the Company’s compliance with the principles and recommendations of the Corporate Governance Code, preparing a report following such evaluation and listing planned actions and events to improve the Company’s corporate governance practices and models
- Analyse and integrate the corporate governance practices of other public joint stock companies and make recommendations to improve the Company’s corporate governance system in order to augment its competitiveness, and prepare proposals for the Company to take part in corporate governance rating programmes
- Inform members of the Board of Directors of material changes in civil laws regulating corporate relations, laws on securities and securities market, and the Listing Rules applicable to the Company
- Participate in determining key (priority) activities to prevent corruption and evaluate the effectiveness of such activities.

4.8. Participate in regulating corporate relations with legal entities controlled by the Company, including:

- Participate in drafting resolutions on the establishment, reorganisation and liquidation of legal entities controlled by the Company, and on the acquisition and disposal by the Company of equity interests in such entities
- Participate in the formation of a corporate governance system, including defining the structure, composition and scope of authority of bodies of legal entities controlled by the Company
- Participate in drafting the Company’s bylaws regulating corporate governance at legal entities controlled by the Company, and participate in drafting constituent documents and bylaws for such legal entities
- Participate in improving corporate governance systems and practices at legal entities controlled by the Company, and in developing and introducing a unified methodology of corporate governance at legal entities controlled by the Company
- Arrange for the provision to members of the Board of Directors of information (materials) related to the activity of legal entities controlled by the Company when Board members need such information (materials) in order to fulfil their obligations
- Provide procedural support and coordinate the activity of board secretaries and other persons responsible for maintaining corporate relations at legal entities controlled by the Company.

4.9. Immediately inform the Company’s Board of Directors regarding any identified violations of current law and Listing Rules applicable to the Company involving corporate governance requirements, and regarding any identified violations of the Company’s Charter and bylaws for which monitoring and compliance is the responsibility of the Corporate Secretary, including:

- Immediately inform the Chair of the Board of Directors of all identified and potential violations and propose appropriate remedies
- Include details of all identified and potential violations and measures taken to remedy them in the annual report on his/her activity that shall be submitted to the Board of Directors.

5. POWERS AND OBLIGATIONS OF THE CORPORATE SECRETARY, PROCEDURE FOR INTERACTING WITH THE COMPANY’S GOVERNANCE BODIES AND BUSINESS UNITS

5.1. For the purpose of discharging his/her duties, the Corporate Secretary shall be granted the following powers and assume the obligations provided for hereby:

5.1.1. The Corporate Secretary may:

- Conduct inspections and monitor the observance by Company officers (employees) of shareholders’ rights and lawful interests , current laws, and the Company’s Charter and bylaws to the extent they concern the duties of the Corporate Secretary
- Monitor the implementation of resolutions adopted by the Board of Directors and the general meeting
- Make proposals for the Company’s bodies and officials (employees) to adopt resolutions and other measures designed to respect shareholders’ rights and lawful interests, current laws, and the Company’s Charter and bylaws to the extent they concern the duties of the Corporate Secretary
- Request and receive from the Company’s bodies and officials (employees) oral and written explanations of identified violations of shareholders’ rights and lawful interests, current laws, and the Company’s Charter and bylaws to the extent they concern the duties of the Corporate Secretary
- Request and receive from the Company’s bodies and officials (employees) information and documents related to the activity of the Company and legal entities controlled by the Company and necessary for the Corporate Secretary to discharge his/her duties
- Directly interact with the Chair of the Board of Directors, the chairs of its committees, and independent directors
- Issue minutes of meetings of the Company’s bodies and certify copies and excerpts thereof
- In consultation with the heads of relevant business units, engage officials (employees) of the Company to draft bylaws and resolutions of the Company’s bodies related to corporate governance
- Request and receive through the Company’s authorised officers (employees) information contained in the Company’s share register

- Make proposals related to the adoption, amending and cancellation of bylaws and internal regulations regulating the procedure for preparing and conducting material corporate acts of the Company, and within his/her scope of authority make proposals on other matters for consideration by the Company's bodies
- Exercise other powers provided for by the Charter and bylaws.

5.1.2. The Corporate Secretary shall be obliged to:

- Observe provisions of the Company's Charter, this Regulation and other bylaws, execute instructions of the Chairperson of the Board of Directors and submit an annual report on his/her activity to the Board of Directors
- Act reasonably and in good faith in the best interests of the Company and its shareholders, secure the protection of the rights and lawful interests of all shareholders irrespective of the number of Company shares held by them
- Take appropriate measures in a timely fashion to prevent potential corporate conflicts and reconcile existing conflicts, securing a reasonable balance between the interests of shareholders and the Company
- Take measures to prevent abuse of rights by any party to corporate relations
- In the event of a conflict of interest, promptly notify the Chair of the Board of Directors of the conflict of interest and the reasons for its occurrence
- Refrain from actions resulting in his/her inability to comply with the requirements for Corporate Secretary provided for by Section 2 hereof, and, in the event of non-compliance, promptly notify the Chair of the Board of Directors
- Assist in providing members of the Board of Directors with information (materials) required for them to discharge their duties
- Immediately notify the Chair of the Board of Directors of all identified and potential violations of current laws and the Listing Rules applicable to the Company with regard to their corporate governance requirements and provisions of the Company's Charter and bylaws for which the Corporate Secretary is responsible for monitoring compliance
- Systematically improve his/her qualifications, maintain interaction with professional communities regarding corporate governance matters
- Observe the Company's trade secrets, not disclose other confidential information, including inside information of the Company, and without the Company's consent not use such information for personal and other purposes that are not related to the Corporate Secretary's functions
- Discharge other obligations provided for by the Company's Charter and bylaws.

5.2. The Corporate Secretary shall interact with the Company's bodies, business units and officers (employees) pursuant to the procedure provided for hereby to the extent necessary for appropriate discharge by him/her of his/her functions.

The Company's bodies, business units and officers (employees) of the Company shall assist the Corporate Secretary in the discharge by him/her of his/her functions, including the provision upon his/her request of information and documents required for the Corporate Secretary to discharge his/her functions.

Within his/her scope of authority, the Corporate Secretary shall assist the Company's bodies, business units and officers (employees) in securing the protection of shareholders' rights and lawful interests, and in other matters related to corporate governance.

6. LIABILITY OF THE CORPORATE SECRETARY

6.1. Failure to discharge or improper discharge by the Corporate Secretary of his/her functions (official duties), including illegal disclosure of information constituting the Company's trade secret, inside information and other confidential information of the Company, shall result in disciplinary, civil law, administrative or criminal liability of the Corporate Secretary pursuant to Russian laws.

6.2. In cases stipulated by Russian laws, the Company may claim damages incurred by it due to the Corporate Secretary's failure to discharge or improper discharge of his/her functions (official duties).

7. FINAL PROVISIONS

7.1. Approval of this Regulation, amendments and addenda hereto, and cancellation hereof shall be subject to a resolution of the Board of Directors.

7.2. This Regulation shall enter into effect upon approval by the Board of Directors and shall be permanently valid until its cancellation or restatement.

7.3. If any clauses of this Regulation for any reason come into contradiction with requirements mandatory for the Company and stipulated by Russian laws (imperative provisions), such clauses hereof shall become null and void, the Company shall be governed by regulations of current Russian laws until relevant amendments are made hereto.