

Approved
on March 13, 2013
by the Board of Directors
of Public Joint Stock Company «Cherkizovo Group»
Minutes No. 13/033d dated March 15, 2013

**REGULATIONS ON
THE INVESTMENTS AND STRATEGIC PLANNING
COMMITTEE
OF THE BOARD OF DIRECTORS OF
Public Joint Stock Company
«Cherkizovo Group»**

(version No. 1)

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Article 1. General provisions

- 1.1. These Regulations on the Investments and Strategic Planning Committee (hereinafter - "the Regulations") of the Board of Directors of PJSC «Cherkizovo Group» (hereinafter - "the Company") have been approved in accordance with the applicable Russian legislation, the Corporate Code of Governance, the Articles of Association (hereinafter – "the Articles") and the Regulations for the Board of Directors.
- 1.2. The Investments and Strategic Planning Committee of the Board of Directors (hereinafter - "the Committee") was established for analysis of the proposals submitted to the Board of Directors and related to determination of business priorities of the Company, development strategy and investment policy of the Company.
- 1.3. The Committee contributes to the long-term improvement of efficiency of the Company's performance and increase of its assets, profitability and investment potentials.
- 1.4. The Committee is accountable to the Board of Directors.
- 1.5. The Committee operates within the powers granted by the Board of Directors in accordance with these Regulations.
- 1.6. The activities of the Committee are regulated by the current legislation of the Russian Federation, the Corporate Code of Governance, the Articles of Association, the Regulations for the Board of Directors of the Company, the resolutions of the Board of Directors, these Regulations and other internal documents of the Company, approved by General meeting of shareholders and the Board of Directors, as well as the resolutions of the Committee.

Article 2. Purposes and aims of the Committee

- 2.1. The primary purpose of the Committee is to draw up and submission of recommendations to the Board of Directors on the issues related to:
 - 2.1.1. determination of business priorities of the Company;
 - 2.1.2. consideration of long-term development strategy, strategic targets and development objectives of the Company as well as annual and long-term investment programs of the Company.
- 2.2. In accordance with the purposes, specified in cl. 2.1, the Committee performs the following tasks:
 - 2.2.1. preliminary consideration and preparation of recommendations to be submitted for approval by the Board of Directors on strategic planning and investment policy of the Company;
 - 2.2.2. assessment of efficiency of interaction of structural subdivisions of the Company, whose competence in accordance with the Company's internal documents covers the issues of strategic planning and management of investment process of the Company jointly with the Board of Directors, and preparation of recommendations to the Board of Directors based on the assessment results;

2.2.3. assessment of efficiency of the long-term performance of the Company and preparation of recommendations to the Board of Directors on adjustment of the existing development strategy and certain business areas of the Company, proceeding from the needs to increase the efficiency of performance of the Company, taking into account the trends in the commodity markets and capital markets, performance of the Company and its competitors, and other factors.

2.3. In the course of its activities in accordance with its competence, the Committee cooperates with Chief Executive Officer of the Company (CEO) (General Director), the Management Board, authorized field-specific units of the Company.

Article 3. Composition of the Committee and its election

3.1. The Committee of the Board of Directors shall be elected by the Board of Directors from the members of the Board of Directors and shall consist of 4 (four) members. The Committee shall be elected for the term until election of the next Board of Directors.

3.2. The resolution on election of members of the Committee shall be made by a simple majority vote of the members present at the meeting of the Board of Directors.

3.3. The Chairman of the Committee shall be elected from among the members of the Committee of the Board of Directors. The Chairman of the Committee shall be elected at the first meeting of the new Board of Directors. The resolution on election of the Chairman of the Committee shall be made by a simple majority of the total number of votes of the members of the Board of Directors. The Board of Directors is entitled to re-elect the Chairman of the Committee by a majority vote of the total number of the members of the Board members at any moment.

3.4. Functions of the Committee Secretary shall be performed by the Corporate Secretary of the Company.

3.5. The Committee operates from the moment of approval of the corresponding resolution of the Board of Directors and terminates its operation by the resolution of the Board of Directors.

3.6. The Member of the Board of Directors, elected into the Committee, if upon occurrence of any circumstances he/she ceases to meet the requirements to independent directors, shall declare the loss of such status to the Board of Directors within 5 (five) business days from the date of loss of status of an independent director.

3.7. The members of the Committee can be re-elected unlimited number of times.

3.8. Upon election of the members of the Committee, preference should be given to the nominees with the higher education in law, economics or management and work experience in financial and management positions.

Article 4. Competence of the Committee

4.1. For the purposes of fair and independent informing of the members of the Board of Directors the Committee in accordance with the tasks assigned to is vested with the following powers:

4.1.1. preliminary review and preparation of recommendations to the Board of Directors on development strategy of the Company, long-term plans and principal business programs of the Company, annual and long-term investment program of the Company and reports on their implementation to be submitted for approval by the

Board of Directors and preparation of recommendations to the Board of Directors on the results of their consideration.

- 4.1.2. assessment of changes, including market conditions, external competitive environment, current legislation, etc., which may influence the development of the Company and the effective management of financial and economic activities of the Company, and preparation of recommendations on modification of business plans of the Company, development strategy of certain business activities of the Company and the Company as a whole; competitiveness analysis of the Company;
- 4.1.3. assessment of investment process management system and strategic planning process of the Company;
- 4.1.4. consideration of issues on establishment by the Company of commercial and non-profit entities and consideration of acquisition, disposal, encumbrance or possibility of asset disposition in the form of stocks, shares, shares of commercial and non-profit entities concluded between the third parties and the Company or companies which financial statements are consolidated with the financial statements of the Company according to international standards;
- 4.1.5. assessment of policy implementation on interaction of the Company with the investors (including the shareholders) and preparation of recommendations to the Board of Directors on its improvement;
- 4.1.6. preparation of recommendations for adoption of the resolution by the Board of Directors on the placement of bonds of the Company;
- 4.1.7. presentation to the Board of Directors of the opinions on the documents on strategic development of the Company, submitted for consideration (approval) by the Board of Directors;
- 4.1.8. presentation of verbal or written conclusions (recommendations) on demand of the Board of Directors and on specific issues within the competence of the Committee - on its own initiative and presentation for consideration by the Board of Directors of the annual performance report of the Committee;
- 4.1.9. by order of the Chairman of the Board of Directors to make a preliminary review of other issues related to investments and strategic planning of the Company and to give recommendations to the Board of Directors.

4.2. The Members of the Committee have the following rights:

- 4.2.1. to monitor and control the fulfillment of the resolutions and orders of the Board of Directors on the issues within the competence of the Committee;
- 4.2.2. to annually hear the reports / receive information on post-investment monitoring of the projects;
- 4.2.3. to hear the reports / receive information on implementation of specific investment projects, including projects at the stage of "Preparation for implementation", "Implementation";

- 4.2.4. to hear information on the program of capital investments of the Company, and the reports on the progress of its implementation;
 - 4.2.5. to hear information on development strategies of the Company's business activities and the reports on the progress of its implementation;
 - 4.2.6. to hear the reports of the directors of the authorized departments of the Company on the implementation of the resolutions of the Board of Directors on the issues within the competence of the Committee; to inquire and receive the necessary information in accordance with the procedures applicable in the Company, from CEO (General Director) of the Company, the Management Board and directors of the authorized departments of the Company;
 - 4.2.7. to prepare proposals on amendments and additions hereto;
 - 4.2.8. if necessary, to develop and submit for approval by the Board of Directors the draft documents regulating the operation of the Committee;
 - 4.2.9. other rights, prescribed by the Articles and internal documents of the Company, necessary for implementation by the Committee of its functions.
- 4.3. The Members of the Committee shall:
- 4.3.1. act in good faith and reasonably in the interests of the Company;
 - 4.3.2. devote sufficient time for effective performance of their duties of members of the Committee;
 - 4.3.3. inform the Chairman of the Committee on the interest in the issue, considered by the Committee, to abstain from voting on such issues;
 - 4.3.4. protect the confidentiality of information made known or available in consequence of work in the Committee

Article 5. Terms and convocation procedure of meetings of the Committee

- 5.1. Each first meeting of the new Committee shall be held within 30 (thirty) business days from the date of the first meeting of the new Board of Directors in which the members and the Chairman of the Committee are elected.
- 5.2. The meetings of the Committee shall be held according to the plan approved by the Committee in the least five (5) times a year and on demand of the persons, specified in cl. 5.9. herein.
- 5.3. As a rule, the Committee holds its meetings prior to the Board of Directors and reports to the Board of Directors on its findings, conclusions and proposals to the agenda of the Board of Directors within its competence.
- 5.4. The resolution to convene the next meeting of the Committee, the date, time and place of the meeting and the agenda issues shall be made by the Chairman of the Committee in accordance with the schedule of regular meetings of the Committee.
- 5.5. The resolution to convene an extraordinary meeting of the Committee, the date, time and place of the meeting and the agenda issues as well as the list of persons invited to participate in the

meeting, shall be made by the Chairman of the Committee on the basis of proposals of the persons, specified in cl. 5.9. herein.

- 5.6. Notice of a meeting of the Committee is issued by the Committee Secretary and sent to all members of the Board of Directors, including non-members of the Committee, and to the persons participating in the meeting in accordance with the requirements of the Regulations for the Board of Directors to such notifications within five (5) days before the date of the meeting of the Committee.
- 5.7. Materials for consideration on the issues included in the agenda of the meeting of the Committee, and the questionnaire with the wordings of the draft resolutions on the agenda issues (in case of absentee vote) are sent to the Committee Secretary to the members of the Committee by e-mail within 5 (five) days before the date of the meeting of the Committee.
- 5.8. Preparation for the meeting of the Committee shall be made by the Committee Secretary under the supervision of the Chairman of the Committee.
- 5.9. The extraordinary meeting of the Committee shall be held by the resolution of the Chairman of the Committee, on demand of any member of the Committee, the Board of Directors, the Management Board, the Review Commission of the Company, CEO (General Director) and the Auditor of the Company.
- 5.10. The persons entitled to demand convocation of an extraordinary meeting of the Committee in accordance with cl. 5.9. herein, shall send to the Committee Secretary the demand for convocation of a meeting at least fifteen (15) business days before to the expected date of the extraordinary meeting of the Committee. Such demand shall necessarily contain:
 - 5.10.1. name (surname, first name, second name) of the convocation initiator;
 - 5.10.2. the wordings of the issues to be considered by the Committee, specifying the reasons for their consideration;
 - 5.10.3. materials and / or documents necessary for consideration of an issue;
 - 5.10.4. the anticipated date of the meeting of the Committee;
 - 5.10.5. the wording of the draft resolution of the Committee on the issue in the case of an absentee meeting of the Committee.
- 5.11. The Committee Secretary shall inform the Chairman of the Committee on the above requirements on the next business day after its receipt.
- 5.12. Within 5 (five) business days from the date of the demand on convocation of an extraordinary meeting the Chairman of the Committee shall make the resolution to hold an extraordinary meeting of the Committee, shall appoint the date, time and place of the meeting or the date of absentee voting, or make the resolution on refusal to convene an extraordinary meeting of the Committee. The reasoned resolution on refusal to convene an extraordinary meeting of the Committee shall be sent to a person or body of the Company, requiring the convocation of a meeting within two (2) business days from the resolution to refuse to convene the meeting, made by the Chairman of the Committee.
- 5.13. The resolution of the Chairman of the Committee to refuse to convene an extraordinary meeting of the Committee may be made in the following cases:

- 5.13.1. the issue proposed for inclusion in the agenda of the meeting of the Committee is not within the competence of the Committee hereunder;
- 5.13.2. the issue proposed for inclusion in the agenda of the meeting of the Committee has already been included into the agenda of the next regular meeting to be convened in accordance with the resolution of the Chairman of the Committee made before receipt of the above demand, provided that such regular meeting shall be held within twenty (20) business days from the date of the demand to convene an extraordinary meeting of the Committee;
- 5.13.3. the procedure of submission of a demand of convocation of a meeting prescribed hereunder was not observed.

Article 6. Proceedings of meetings of the Committee

- 6.1. The Chairman of the Committee shall take the chair at the meetings of the Committee. In his/her absence at the meeting the members of the Committee shall elect a chairman of the meeting among the present members of the Committee.
- 6.2. The meeting of the Committee is duly constituted (has a quorum) if it is attended by at least half of all the members of the Committee. The Chairman confirmed the presence of quorum at the opening of the meeting. For determination of quorum at a meeting of the Committee a written opinion of a member absent from the meeting of the Committee is counted. In the absence of quorum for a meeting of the Committee the meeting of the Committee shall be adjourned and held within five (5) business days with the same agenda.

The written opinion submitted by a member of the Committee shall clearly define the opinion of a member of the Committee on the issue and specify "for" or "against" vote of the member of the Committee on the proposed draft resolution or "abstain" from the resolution.

The written opinion containing amendments and reservations on the proposed draft resolution cannot be taken into account for determination of the quorum and counting of the voting results.

The written opinion of a member of the Committee shall be received by the Committee Secretary before the beginning of the meeting of the Committee, considering the issues on which the written opinion was provided.

The member of the Committee is deemed to be present at the meeting if he/she participates in the meeting on the telephone, intercom or via visual communication or in any other way can quickly express their opinions and vote on the discussed issues during the meeting.
- 6.3. The meetings of the Committee can be held in the form of joint presence of members or in the form of absentee voting. Absentee voting is conducted in accordance with the requirements of the Regulations for the Board of Directors related to conduction of absentee voting.
- 6.4. The Committee may hold joint meetings with other committees of the Board of Directors.
- 6.5. During the joint meetings of the Committee with other committees of the Board of Directors of the quorum for the meeting shall be determined separately for each committee in accordance with the provisions of art. 6.2. above.

6.6. Any member of the Board of Directors, including a non-member of the Committee, may participate in the meeting of the Committee and express their opinions on the issues under consideration.

6.7. Upon approval of the Chairman of the Committee the invited experts and specialists may participate in the meetings.

6.8. The following issues can be considered only at the meetings in the form of joint presence:

6.8.1. recommendations to the Board of Directors on the nominees to the position of CEO (General Director);

6.8.2. essential terms of the contract concluded between the Company and the Company's CEO (General Director).

Article 7. Decision making procedure of the Committee

7.1. Upon making resolutions each member of the Committee has one vote.

7.2. Transfer of a voting right by a member of the Committee to other persons, including other members of the Committee, is not allowed.

7.3. Submitted writing opinions of the members of the Committee absent from the meeting of the Committee in the form of joint presence are counted for determination of the quorum and counting of voting results.

7.4. The resolutions of the Committee are made by a majority vote of the members of the Committee attending the meeting.

Article 8. Minutes of the meetings of the Committee

8.1. Within three (3) business days upon conducting of the meeting the Committee Secretary shall execute the minutes of the meeting, signed by the Chairman of the meeting. The Chairman is responsible for the accuracy of the minutes. Minutes along with the materials prepared for the meeting shall be kept in the archives of the Company.

8.2. The minutes of the meetings of the Committee shall specify:

8.2.1. the date, place and time of the meeting (the date of absentee voting);

8.2.2. the form of the meeting (joint presence or absentee voting);

8.2.3. the agenda for the meeting;

8.2.4. the list of persons invited to the meeting;

8.2.5. the list of members of the Committee present at the meeting and the members of the Committee who submitted a written opinion before the appointed date;

8.2.6. the wordings of the issues put to vote;

8.2.7. the results of voting on each issue;

8.2.8. the resolutions made on each issue.

8.3. The minutes, signed by the Chairman of the meeting and the Committee Secretary shall be sent by e-mail to all the members of the Committee and the members of the Board of Directors who are not members of the Committee, but were present at the meeting of the Committee. Upon written request, of the members of the Board of Directors who are not members of the Committee and were not present at the meeting, the Committee Secretary shall send a copy of the Minutes of the meeting of the Committee. Extracts from the minutes of the Committee are sent by the Committee Secretary to the persons, against whom the resolutions and recommendations contained in the Minutes are made.

Article 9. Accountability of the Committee to the Board of Directors

9.1. The Committee shall submit to the Board of Directors the report on its annual performance results at least 30 (thirty) business days before the date of the Annual general meeting of shareholders of the Company.

9.2. The report of the Committee shall contain information on the activities of the Committee, in particular:

9.2.1. the list of recommendations submitted to the Board of Directors on issues related to the competence of the Committee;

9.2.2. the information on compliance with the approved schedule of meetings of the Committee and the information on conducted extraordinary meetings;

The report of the Committee shall contain other material information at the discretion of the Chairman of the Committee.

9.3. The Board of Directors is entitled to instruct the Committee to provide an opinion on certain issues. In this case the Board of Directors shall state in its order the reasonable period of its execution by the Committee.

9.4. At its discretion the Committee may send to the Board of Directors the recommendations on any matter related to the scope of its activities and in cases prescribed herein shall be obliged to prepare a report for the Board of Directors.

9.5. The Board of Directors is entitled at any time during the year to demand from the Committee to provide a report on the current activities of the Committee. Terms of preparation and submission of such report shall be determined by the Board of Directors.

Article 10. Interaction with the bodies of the Company and other parties

10.1. The members of the Committee shall have access to the necessary information. CEO (General Director), directors of the authorized departments of the Company at the request of the Committee within the reasonable period determined by it in accordance with the existing internal procedures shall provide to the Committee through the Committee Secretary the complete and reliable information and documents on the subject matters of the activities of the Committee. The demand to provide information and documents shall be executed in writing and signed by the Chairman of the Committee.

10.2. If necessary and upon approval of the Board of Directors the Committee may engage experts and specialists with the necessary skills for consideration of specific issues of the activities of the Committee.

Article 11. Liability

11.1. The members of the Committee shall be held accountable in accordance with applicable Russian legislation, the Articles and the Regulations for the Board of Directors of the Company.

Article 12. Insider information

12.1. The members of the Committee, the Committee Secretary, CEO (General Director), employees of the Company may use insider, confidential information and trade secrets which may significantly influence the activities of the Company and the value of its securities only in the interests of Company in accordance with applicable law, the Articles and other internal documents of the Company.

12.2. The Company shall take necessary measures to conclude the non-disclosure agreements with the third parties who participate in the meetings of the Committee.

Article 13. Support of the Committee

13.1. The costs related to preparation and conduction of meetings of the Committee and participation of members of the Committee shall be included in the overall budget of the Board of Directors, approved by the Board of Directors in accordance with the Regulations for the Board of Directors of the Company.

Article 14. Information on operation of the Committee

14.1. Information on the operation of the Committee, including the present Regulations, the information on the personal composition of the Committee, information on the issues (excluding the confidential issues or trade secrets), discussed at the meeting of the Committee, may be published on the page of the internal network of the Company (intranet) subject to the provisions of internal documents of the Company, approved by the General meeting of shareholders and the Board of Directors and the applicable legislation of the Russian Federation.

Article 15. Approval and amendment of these Regulations

15.1. These Regulations and any amendments and supplements hereto shall be approved by the Board of Directors by a majority vote of all the total number of members of the Board of Directors.

15.2. All the issues not regulated herein shall be governed by the Articles, the Regulations for the Board of Directors and other internal documents of the Company and the applicable legislation of the Russian Federation.

15.3. If upon changes in legislation and regulatory acts of the Russian Federation certain articles of these Regulations contradict them, these articles become void and until amendments hereto the members of the Committee are guided by the current legislation of the Russian Federation.