

# THE COMPANY

## has the Nomination (HR) Committee of the Board of Directors in place

The members of the Nomination (HR) Committee are:

- ▶ Joel Lautier (Independent Director) – Chairman;
- ▶ Vladimir Grubenko (Independent Director);
- ▶ Sergey Dubenok.

### THE COMMITTEE HAS THE FOLLOWING FUNCTIONS:

- ▶ evaluating the current Board of Directors as relates to their specialization, experience, independence, and involvement into the Board of Directors activities, determining the priorities to enhance the Board;
- ▶ interacting with the shareholders not limiting to a range of major shareholders as relates to selection of candidates to the Company's Board of Directors. Interaction shall be aimed at membership of the Board best meeting the goals and the tasks of the Company;
- ▶ analysing skills and independence of all the candidates to the Company's Board of Directors based on all data available to the Committee, as well as making recommendations on voting for the candidates and addressing these recommendations to the shareholders;
- ▶ describing the individual responsibilities of the directors and the Chairman, including defining time to be spent for the Company's issues at meetings and beyond the meetings, as scheduled and unscheduled activities. The description (separate for the members and for the Chairman of the Board of Directors) shall be approved by the Board and handed over for study to each new member of the Board, as well as to a Chairman after election;
- ▶ yearly conducting a detailed formalized self-assessment and external assessment of the Board of Directors and its Committees to evaluate their efficiency and individual contribution of each director to the activities of the Board and the Committees, developing recommendations to the Board regarding improvement of the Board's and the Committees' activities, preparing a report on the results of self-assessment and external assessment to be incorporated in the Annual Report;
- ▶ analysing the current and future needs of the Company as related to professional competence of the Company's executive bodies and other key executives imposed by the Company competitive ability and development, planning continuity of the above-said employees;
- ▶ making recommendations to the Board of Directors as relates to the candidates to the Company's Corporate Secretary position;
- ▶ making recommendations to the Board of Directors as relates to the candidates to the Company's executive bodies and other key executive positions;

- ▶ preparing a report on the results of the Committee activities to be incorporated into the Annual Report and other documents of the Company.

### THE COMMITTEE IS OBLIGED TO IMPLEMENT THE FOLLOWING FUNCTIONS:

- ▶ The Committee shall ensure that the members of the Board of Directors are selected by a transparent procedure considering the entire variety of shareholders' opinions;
- ▶ The Committee shall ensure that the membership of the Board of Directors corresponds to the Russian Federation legislation, to the tasks the Company is faced, as well as to the corporate values of the Company;
- ▶ The Committee shall evaluate the candidates independence and make an appropriate report considering the information submitted by a candidate to the Board of Directors. The Committee shall also regularly analyse correspondence of the independent members of the Board of Directors to independence criteria and immediately disclose any data on revealed circumstances being a reason a particular member of the Board of Directors cannot be independent;
- ▶ The Committee shall preliminary review the methods of the Board of Directors self-assessment and give the recommendations to the Board on approval of the assessment method and selection of an independent consultant to assess the Board's performances;
- ▶ If required, the Committee together with the Chairman of the Board of Directors shall make proposals on improvement of the Board and its Committees performance considering the results of the assessment. Basing on the self-assessment results, the recommendations could be given to improve competence of some members of the Board of Directors and individual trainings could be arranged. The Committee shall supervise these training programs together with the Chairman;
- ▶ The Committee shall inform the Board of Directors on time about its reasonable concerns and any abnormal circumstances of the Company's activities being known to the Committee due to its powers;
- ▶ The Committee is accountable to the Company's Board of Directors and shall report to the Board on each Committee's meeting held.