

**APPROVED**  
**by Resolution of the General Meeting of Shareholders**  
**of Public Joint-Stock Company "PhosAgro"**

**dd. 16.01. 2017**

(Minutes of the Extraordinary General Meeting of Shareholders  
of PJSC "PhosAgro", dd. 19.01.2017)

**AMENDMENTS TO THE CHARTER**  
**of Public Joint-Stock Company**  
**"PhosAgro"**

**Moscow**

1. Subclauses (18) and (19) of clause 12.2 shall be amended to read as follows:  
“(18) consent to or subsequently approve transactions as prescribed by article 17 hereof;  
(19) consent to or subsequently approve major transactions as prescribed by article 16 hereof;”.
2. In clause 12.6 the words “in subclauses (1) – (3), (5), (20) and (26)” shall be substituted for the words “in subclauses (1) – (3), (5), (19), (20) and (26)”.
3. The second sentence in clause 12.26 shall be supplemented with the word “items” after the words “if its agenda includes”.
4. Article 12 shall be supplemented with clause 12.30:  
“12.30. Invalidation of resolutions adopted by the General Meeting of Shareholders on giving consent to or on the subsequent approval of major transactions as well as on giving consent to or on the subsequent approval of interested-party transactions, where such resolutions are appealed apart from challenging the respective transactions of the Company, shall not entail invalidation of such transactions.”.
5. Subclauses (14) and (15) of clause 13.7 shall be amended to read as follows:  
“(14) consent to or subsequently approve transactions as prescribed by the Federal Law *On Joint-Stock Companies* and this Charter;  
(15) consent to or subsequently approve transactions indicated in article 17 hereof;”.
6. Article 13 shall be supplemented with clause 13.23:  
“13.23. Invalidation of the Board’s of Directors resolutions on approving transactions subject to approval by the Board of Directors according to law or this Charter, where such resolutions are appealed apart from challenging the respective transactions of the Company, shall not entail invalidation of such transactions.”.
7. Articles 16 and 17 shall be amended to read as follows:  
“Article 16. Major transactions  
16.1. A major transaction shall be understood to mean a transaction (or several interrelated transactions) beyond the normal scope of business and:
  - 1) involving acquisition, direct or indirect disposal or potential disposal by the Company of assets (including loans and other borrowings, pledge, surety, acquisition of such amount of shares or other issue-grade securities convertible into shares of a public company, which shall entail the Company’s obligation to make a mandatory offer under Section XI.1 of the Federal Law *On Joint-Stock Companies*) with the price or carrying amount equal to or in excess of twenty-five (25) per cent of the carrying amount of the Company's assets determined based on the Company's accounting (financial) statements as at the last reporting date;
  - 2) providing for the Company’s obligation to assign the assets for temporary possession and (or) use or to entitle a third party to apply intellectual property or means of identification under a license, in case their carrying amount is equal to or in excess of twenty-five (25) per cent of the carrying amount of the Company’s assets determined based on the Company’s accounting (financial) statements as at the last reporting date.
    - 16.1.1. In case of disposal or potential disposal of assets, one of the two amounts – whether the carrying amount of such assets or the price of disposal, whichever is the greater, shall be compared against the carrying amount of the Company’s assets. In case of purchase of assets, the purchase price of such assets shall be compared against the carrying amount of the Company’s assets.  
In case of assigning assets for temporary possession and (or) use, the carrying amount of the assets to be assigned for temporary possession and (or) use shall be compared against the carrying amount of the Company’s assets.  
In case the Company performs a transaction or several interrelated transactions for acquisition of shares or other issue-grade securities convertible into shares of a public company, which shall entail the Company’s obligation to purchase shares or other issue-grade securities convertible into shares of a public company, under Section XI.1 of the Federal Law *On Joint-Stock Companies*, the price of all shares or other issue-grade securities convertible into shares, which may be purchased by the Company in such transactions, according to Section XI.1 of the Federal Law *On Joint-Stock Companies*, shall be compared against the carrying amount of the Company’s assets.
- 16.2. For the purpose of a resolution on giving consent to a major transaction to be adopted by the General Meeting of Shareholders, the price of the assets or of the rights to intellectual property, which are the subject matter of such major transaction, shall be determined by the Board of Directors in accordance with article 77 of the Federal Law *On Joint-Stock Companies*.  
The Board of Directors shall approve the opinion on a major transaction, comprising, among other things, information on the supposed effect of the major transaction on the Company’s activities as well as the assessment of such transaction feasibility. The opinion on a major transaction shall be included in the

information (materials) provided to the shareholders while preparing for the General Meeting of Shareholders of the Company, where the issue of giving consent to a major transaction or of approving a major transaction shall be considered.

16.3. For the purposes of this Charter, the Company's transactions within the normal scope of business shall mean any transactions made in the course of the Company's activities, irrespective of whether the Company has made such transactions before, in case such transactions do not result in the Company's winding up or changing its core business, or material changes in the scope of its business.

16.4. The Company's Board of Directors or the General Meeting of Shareholders shall give consent to a major transaction, as stipulated by this article.

16.5. A resolution on giving consent to or on subsequent approval of a major transaction with assets whose value is twenty-five (25) to fifty (50) per cent of the carrying amount of the Company's assets shall be passed unanimously by all Directors, save for former Directors of the Company.

Should there be no unanimous opinion of the Company's Board of Directors as to giving consent to or subsequent approval of a major transaction, the Board of Directors shall have the right to escalate the issue of giving consent to or subsequent approval of a major transaction to the General Meeting of Shareholders. In such case the resolution on giving consent to or on subsequent approval of a major transaction shall be adopted by a majority vote of shareholders holding voting shares of the Company and attending the General Meeting of Shareholders.

16.6. A resolution on giving consent to or on subsequent approval of a major transaction with assets whose value exceeds fifty (50) per cent of the carrying amount of the Company's assets shall be passed by three quarters of the holders of voting shares attending the General Meeting of Shareholders.

16.7. Adopting resolutions on giving consent to or on subsequent approval of a major transaction with assets whose value exceeds fifty (50) per cent of the carrying amount of the Company's assets determined based on the Company's accounting (financial) statements as at the last reporting date, shall fall within the exclusive competence of the General Meeting of Shareholders.

A resolution on giving consent to or on subsequent approval of a major transaction shall indicate the person (persons), being the party (parties) to such transaction, its beneficiary (beneficiaries), price, subject matter and other material terms as well as the procedure for determining such terms.

A resolution on giving consent to a major transaction may not indicate the party to the transaction and the beneficiary, in case such transaction is made by tender as well as in other circumstances, where the party to the transaction and the beneficiary may not be determined by the time consent to such transaction is given.

A resolution on giving consent to a major transaction may also indicate the minimum and maximum criteria of the transaction terms (the upper limit of the assets' purchase price and the minimum level of the sale price) or the procedure for determining such terms, consent to performing several similar transactions, alternative terms of such transaction, which requires consent to its performance, as well as the consent to perform a major transaction in case of making several simultaneous transactions.

A resolution on giving consent to a major transaction may indicate the validity period of such resolution. If the validity period is not indicated, the consent shall be deemed valid within one (1) year from the date when such consent was given, except for cases where another period follows from the essence and terms and conditions of the agreed major transaction, or from the circumstances under which the consent to it was given.

A major transaction may be performed subject to its subsequent approval under the procedure stipulated by the Federal Law *On Joint-Stock Companies*.

16.8. In case a major transaction with assets whose value exceeds fifty (50) per cent of the carrying amount of the Company's assets determined based on the Company's accounting (financial) statements as at the last reporting date, is also an interested-party transaction, and under the Federal Law *On Joint-Stock Companies* and this Charter, the issue of giving consent to the major transaction has been included in the agenda of the General Meeting of Shareholders (section XI of the Federal Law *On Joint-Stock Companies* and article 17 hereof), the resolution on giving consent to the major transaction shall be deemed adopted, in case as many votes as required under clause 12.6. hereof, as well as the majority vote of all holders of voting shares disinterested in the transaction and attending the General Meeting of Shareholders, have been given for such resolution. In case a major transaction with assets whose value is twenty-five (25) to fifty (50) per cent of the carrying amount of the Company's assets determined based on the Company's accounting (financial) statements as at the last reporting date, is also an interested-party transaction, and under the Federal Law *On Joint-Stock Companies* and this Charter, the issue of giving consent to the major transaction has been included in the agenda of the General Meeting of Shareholders (section XI of the

Federal Law *On Joint-Stock Companies* and article 17 hereof), the resolution on giving consent to the major transaction shall be adopted under the procedure stipulated by article 17 hereof.

16.9. A major transaction made in contravention of the procedure for receiving consent to its performance may be invalidated (article 173.1 of the Russian Civil Code) following a lawsuit filed by the Company, a member of the Company's Board of Directors or its shareholders (shareholder), holding in total at least one (1) per cent of the Company's voting shares. In case the limitation period of a claim for a major transaction invalidation is omitted, it shall not be reset.

16.9.1. The Court shall reject the claim of invalidation of a major transaction, performed without due consent to its performance, if at least one of the following circumstances is available:

- 1) evidence of the subsequent approval of such transaction had been filed by the time the legal proceedings started;
- 2) it has not been proved in court that the other party to the transaction knew or ought to have known that the transaction was a major transaction for the Company, and (or) that due consent to its performance was not given.

16.10. The provisions of this article shall not apply to cases (transactions, relations), stipulated by clause 3 of article 78 of the Federal Law *On Joint-Stock Companies*.

#### Article 17. Interested-party transactions

17.1. An interested-party transaction shall be understood to mean a transaction involving interest of a member of the Company's Board of Directors, the sole executive body of the Company (Chief Executive Officer), a member of the collective executive body of the Company (Management Board) or a person controlling the Company, or a person authorized to give binding instructions to the Company.

Such persons are classed as interested parties if they, their spouse, parents, children, full- or half-siblings, adoptive parents or adoptive children and/or individuals (companies) under their control:

- are a party to or a beneficiary, intermediary or representative in the transaction;
- are a person controlling the legal entity, which is a party to or a beneficiary, intermediary or representative in the transaction;
- hold positions in governing bodies of a legal entity acting as a party to or a beneficiary, intermediary or representative in the transaction, or positions in governing bodies of a management company of such a legal entity.

For the purposes of this article a controlling person shall be understood to mean a person entitled to dispose directly or indirectly (through persons under his control) of more than fifty (50) per cent of votes in the supreme governing body of the controlled company by virtue of participation in the controlled company and (or) under a trust agreement, and (or) a partnership agreement, and (or) an instruction, and (or) a shareholder's agreement, and (or) another agreement which the subject matter is implementation of rights attached to shares of (interest in) the controlled company, or a person entitled to appoint (elect) the sole executive body and (or) more than fifty (50) per cent of members of the controlled company's collective executive body. A controlled person (company) shall be understood to mean a legal entity under direct or indirect control of a controlling person.

17.1.1. The Company shall notify of an interested-party transaction by e-mail the Company's Directors and the members of the collective executive body of the Company (Management Board). In case such transaction involves interest of all Directors, the Company shall notify thereof the shareholders under the procedure provided for notices regarding holding General Meetings of Shareholders.

The notice shall be sent at least five (5) days prior to the date of the interested-party transaction, and it shall indicate the party (parties) to such transaction, its beneficiary (beneficiaries), price, subject matter and other material terms as well as the procedure for determining such terms, and also the person (persons) interested in the transaction and the grounds under which the interested party (each interested party) is classed as an interested party.

While preparing for the Annual General Meeting of Shareholders, a report on the interested-party transactions made by the Company in the financial year shall be submitted to the persons entitled to take part in the Company's Annual General Meeting of Shareholders. Such report shall be signed by the sole executive body of the Company (Chief Executive Officer) and shall be approved by the Company's Board of Directors. Accuracy of information contained in such report shall be confirmed by the Company's Review Committee (Review Officer).

17.2. The persons listed in paragraph 1 of clause 17.1 hereof are required to inform the Company within two (2) months from the date when they became or should have become aware of circumstances under which they may be classed as interested parties, about the following:

- (1) legal entities controlled or instructed by their spouse, parents, children, full- or half-siblings,

adoptive parents or adoptive children and/or companies under their control;

(2) legal entities where their spouse, parents, children, full- or half-siblings, adoptive parents or adoptive children and/or individuals under their control hold positions in governing bodies;

(3) the existing or contemplated transactions they are aware of in which they could be deemed interested.

17.3. In case of any changes in information indicated in subclauses 1 and 2 of clause 17.2. hereof, after the Company has received the notice stipulated by clause 17.2 hereof the persons listed in paragraph one of clause 17.1. hereof shall notify the Company about such changes within fourteen (14) days from the date when they became or should have become aware of the changes.

17.4. The Company shall inform the Company's Board of Directors, the Review Committee (Review Officer) and the Company's auditor at his request about the data included in the notices, stipulated by clauses 17.2 and 17.3 hereof which they have received.

17.5. An interested-party transaction does not require obligatory prior consent to be performed.

An interested-party transaction may be given consent to prior to its performance by the Board of Directors or the General Meeting of Shareholders according to this article at request of the sole executive body of the Company (Chief Executive Officer), a member of the collective executive body of the Company (Management Board), a member of the Company's Board of Directors or a shareholder (shareholders) holding in total at least one (1) per cent of the Company's voting shares.

The request to hold the General Meeting of Shareholders or a meeting of the Company's Board of Directors for considering the issue of giving consent to an interested-party transaction shall be sent and considered as stipulated by article 55 of the Federal Law *On Joint-Stock Companies*. The Company's Board of Directors may reject the request to hold the General Meeting of Shareholders or a meeting of the Company's Board of Directors on the grounds indicated in article 55 of the Federal Law *On Joint-Stock Companies*, as well as in case a resolution on giving or denying consent to the respective transaction has been passed by the time the request is considered. Subsequent request may be filed no earlier than in three (3) months.

17.6. In circumstances indicated in clause 17.5 hereof, the resolution on giving consent to an interested-party transaction shall be passed by the Company's Board of Directors, by a majority vote of disinterested members, who are not and during one (1) year preceding the resolution have not been:

1) a person acting as the sole executive body of the Company, including the Company's manager, a member of the collective executive body of the Company (Management Board), a person holding positions in the governing bodies of the Company's management company;

2) a person whose spouse, parents, children, full- or half-siblings, adoptive parents or adoptive children are persons holding positions in the governing bodies of the Company's management company or one of them is a person performing the functions of the Company's manager;

3) a person controlling the Company or the management company (manager), which has received the functions of the Company's sole executive body or a person entitled to give instructions to the Company.

17.6.1. In case the number of disinterested Directors who meet the requirements set by clause 17.6 hereof becomes less than two (2), such transaction shall require consent of the General Meeting of Shareholders for its performance, under the procedure stipulated by clause 17.7 hereof.

17.7. The resolution on giving consent to an interested-party transaction shall be adopted by the General Meeting of Shareholders, by a majority vote of all holders of the Company's voting shares disinterested in the transaction and participating in the voting, in the following cases:

if the subject matter of the transaction or several interrelated transactions are assets, which the price (the offer price of the assets to be purchased) is equal to or in excess of ten (10) per cent of the carrying amount of the Company's assets determined based on the Company's accounting (financial) statements as at the last reporting date, except for transactions, indicated in paragraphs three and four of this clause;

if the transaction or several interrelated transactions seek to sell ordinary shares comprising more than two (2) per cent of the ordinary shares previously placed by the Company and the ordinary shares into which previously placed convertible issue-grade securities may be converted;

if the transaction or several interrelated transactions seek to sell privileged shares comprising more than two (2) per cent of the shares previously placed by the Company and the shares into which previously placed convertible issue-grade securities may be converted.

17.8. If all shareholders holding the Company's voting shares are classed as interested parties in a transaction which requires consent for its performance according to clause 17.7. hereof, and where another person (other persons) is (are) interested in such transaction, as stipulated by clause 17.1 hereof, the

consent to such transaction shall be given by a majority vote of holders of the Company`s voting shares participating in the voting.

17.9. Resolutions on giving consent to interested-party transactions shall be regulated by the rules indicated in clause 16.7 hereof. Besides, a resolution on giving consent to a transaction shall indicate the person (persons) interested in the transaction, the grounds on which a person (each of the persons) interested in the transaction is classed as an interested party.

17.10. For the purpose of a resolution to be adopted by the Board of Directors or the General Meeting of Shareholders to approve an interested-party transaction, the price of the assets or services to be disposed of or purchased shall be determined by the Board of Directors in accordance with article 77 of the Federal Law *On Joint-Stock Companies*.

17.11. In case an interested-party transaction is made without consent to its performance, a member of the Company`s Board of Directors or its shareholders (shareholder) holding in total at least one (1) per cent of the Company`s voting shares, shall be entitled to apply to the Company with request to provide to him information on the transaction, including the documents or other data, confirming that the transaction does not violate the Company`s interests (and among other things it has been made on conditions which are not different in material aspects from the market conditions). Such information shall be provided to the person who has requested it within the term not exceeding twenty (20) days from the date when such request was received.

An interested-party transaction may be invalidated (clause 2 of article 174 of the Civil Code of the Russian Federation) following a lawsuit filed by the Company, a member of the Company`s Board of Directors or its shareholders (shareholder) holding in total at least one (1) per cent of the Company`s voting shares, if it has been made to the detriment of the Company, and it has been proved that the other party to the transaction knew or ought to have known that the transaction was an interested-party transaction for the Company and (or) that there was no consent to it. The mere fact of consent absence shall not be deemed as the ground for such transaction invalidation.

In case the limitation period of a claim for an interested-party transaction invalidation is omitted, it shall not be reset.

17.11.1. An interested-party transaction is deemed detrimental to the Company, unless the contrary is proved, in case all the conditions stated below are met:

- 1) there is no consent to the transaction or its subsequent approval;
- 2) the person who filed an action for the transaction invalidation was not provided at his request with information regarding the challenged transaction, according to clause 17.11 hereof.

17.12. Following a lawsuit filed by the Company or its shareholder an interested party shall be liable to the Company to the extent of the losses caused by the interested party to the Company, irrespective of whether the transaction has been invalidated or not. Should there be several liable persons, their liability to the Company shall be joint and several.

17.13. In case as of the date of the interested-party transaction the person indicated in paragraph one of clause 17.1 hereof has not performed his obligation to notify the Company on circumstances, under which such person may be classed as an interested party, according to clauses 17.2 and 17.3 hereof, such person shall be deemed liable for the losses incurred by the Company.

17.14. The provisions of this article shall not apply to cases (transactions, relations), stipulated by clause 2 of article 81 of the Federal Law *On Joint-Stock Companies*.