

Translation from Russian into English

Approved by
the General Meeting of Shareholders of
PAO "TMK" dated May «24», 2024
(Minutes No. unnumb. dated May «24», 2024)

ARTICLES OF ASSOCIATION
of
PAO TMK
(new version)

Moscow

2024

1. GENERAL

1.1 PAO “TMK” (registered by the Moscow Registration Chamber on 17 April 2001 under the registration number 002.041.016, PSRN 1027739217758, TIN 7710373095) (hereinafter referred to as the “**Company**”) is a commercial organization, incorporated under the Civil Code of the Russian Federation, the Federal Law No. 208-ФЗ “On Joint-Stock Companies” dated December 26, 1995 and other legal instruments of the Russian Federation.

1.2. The Company is a legal entity existing under these Articles of Association (hereinafter referred to as the “**Articles**”) and laws of the Russian Federation.

2. TRADE NAME AND ADDRESS

2.1 The full commercial name of the Company in Russian shall be Публичное акционерное общество «Трубная Металлургическая Компания».

The abbreviated commercial name of the Company in Russian shall be ПАО «TMK».

The full commercial name in English shall be PAO “TMK”.

The abbreviated commercial name in English shall be “TMK”.

Address of the Company: Russian Federation, Moscow.

3. LEGAL STATUS

3.1 The Company shall be a legal entity and possess solitary property recorded in its independent balance sheet. It may in its own name acquire and exercise any property and personal non-property rights, incur obligations and bring or defend any action.

3.2 The Company shall be deemed incorporated as a legal entity from the time of its state registration under the federal law for an unlimited period.

3.3 The Company shall have civil rights and obligations necessary for performing any lawful activities.

3.4 The Company shall be entitled to duly open bank accounts both in the Russian Federation and abroad.

3.5 The Company shall have its round seal with its full commercial name in Russian and English and with its address. The seal may also specify the commercial name of the Company in any foreign language or language of any nation of the Russian Federation.

The Company may have its stamps and letterheads with its name, its emblem, duly registered trademark and any other means of individualization.

4. LIABILITY

4.1. The Company shall be liable for its obligations with all its assets.

4.2. The Company shall not be liable for any obligations of its shareholders.

4.3. The shareholders shall not be liable for any obligations of the Company, and they shall bear the risk of losses in connection with its business to the extent of value of shares held by them.

4.4. Government or its bodies shall not be liable for any obligations of the Company, nor shall the Company be liable for any obligations of the government or its bodies.

5. SUBSIDIARIES AND REPRESENTATIVE OFFICES. AFFILIATED AND ASSOCIATED COMPANIES

5.1. The Company shall be entitled to establish subsidiaries and open representative offices both in the Russian Federation and abroad subject to the applicable legislation of the respective country, in which such subsidiary or representative office is situated, unless otherwise stipulated by an international treaty of the Russian Federation.

No subsidiary or representative office shall be a legal entity. They shall operate under regulations approved by the Company. Any subsidiary or representative office shall be vested with property of the Company, which property may be recorded in both their separate balance sheets and the balance sheet of the Company.

Manager of any subsidiary and head of any representative office shall be appointed by the Company and act on the basis of a power of attorney issued by the Company.

Any subsidiary or representative office shall operate on behalf of the Company. The Company shall be liable for activities of any such subsidiary or representative office.

5.2. The Company may have affiliated and associated companies with the rights of a legal entity both in the Russian Federation and abroad subject to the applicable legislation of the respective country, in which such affiliated or associated company is situated, unless otherwise stipulated by an international treaty.

6. SCOPE AND TYPE OF ACTIVITIES

6.1. The Company shall be established for the purpose of profit making.

6.2. The Company has civil rights and bears the responsibilities necessary to carry out any types of economic activities not prohibited by the legislation of the Russian Federation, including.

- (a) provision of services for the management of legal entities (performance of the functions of the sole executive body);
- (b) realization of wholesale trade in pipe products, ferrous metals and other products;
- (c) receipt of income from holding of securities;
- (d) rendering of marketing, advertising and consulting services;
- (e) implementation of foreign economic activity;
- (f) implementation of scientific and technical activities;
- (g) the implementation of activities related to the disposal of exclusive, as well as non-exclusive rights to the results of intellectual activity or on means of individualization belonging to the Company;
- (h) the activity of an agent in the wholesale trade of pipe products, ferrous metals and other products;
- (l) to carry out any other activities, which are not prohibited by laws of the Russian Federation.

6.3. The Company may perform certain activities listed in the federal legislation subject to special authorization (license). If any special authorization (license) stipulates exclusive engagement in a certain activity, the Company shall not carry out any other activities until expiration of such special authorization (license) except for the activities stipulated in such special authorization (license) and any attachments thereto.

7. AUTHORIZED CAPITAL

7.1. The authorized capital of the Company shall be 10 520 000 000 (Ten billion five hundred twenty million) rubles divided into 1 052 000 000 (One billion fifty two million) ordinary registered shares of 10 (Ten) rubles each (outstanding stock).

7.2. The Company may issue the maximum additional number of 257 501 500 (Two hundred fifty-seven million five hundred one thousand five hundred) ordinary shares with a par value of 10 (Ten) rubles each (authorized shares), providing the same rights as the placed ordinary shares Companies provided for by these Articles of Association.

7.3. The authorized capital of the Company may be increased by way of a share par value increase or issue of additional shares. The authorized capital of the Company may be increased by way of additional shares issue for account of the Company assets. The authorized capital of the Company may be increased by way of a share par value increase for account of the Company assets only.

7.4. The authorized capital of the Company may be reduced by way of a share par value reduction or reduction of the total number of shares, including by way of acquisition and redemption of some shares.

7.5. The authorized capital of the Company may be increased or reduced subject to the legislation of the Russian Federation.

7.6. Shares in the Company may be paid in monies, property, participation interest (shares) in authorized (share) capital of other business partnerships and companies, state and municipal bonds and other exclusive or intellectual rights of monetary value as well as rights stipulated by license agreements if other shall not be specified by law.

7.7. Shareholders have a preemptive right to acquire additional shares and issue-grade securities convertible into shares placed by the Company through open subscription in an amount proportional to the number of shares of this category (type) owned by them.

Shareholders of the Company who voted against or did not participate in voting on the issue of placing shares and issue-grade securities convertible into shares through a closed subscription have a preemptive right to purchase additional shares and issue-grade securities convertible into shares placed through a closed subscription in the amount, proportional to the number of shares of this category (type) owned by them. This right does not apply to the placement of shares and other issue-grade securities convertible into shares, carried out through a closed subscription only among shareholders, if in this case the shareholders have the opportunity to purchase a whole number of placed shares and other issue-grade securities convertible into shares, in proportion to the number of shares owned by them shares of the corresponding category (type).

The preemptive right of the Company's shareholders to purchase additional shares and issue-grade securities convertible into shares is exercised in accordance with Articles 40 and 41 of the Federal Law "On Joint-Stock Companies."

8. ACQUISITION OF ALLOCATED SHARES BY THE COMPANY

8.1. The Company has the right to acquire shares placed by it by decision of the General Meeting to reduce the authorized capital of the Company by purchasing part of the placed shares in order to reduce their total number. A decision to reduce the authorized capital in this manner cannot be made if the par value of the shares remaining in circulation falls below the minimum amount of the authorized capital provided for by the Federal Law "On Joint Stock Companies".

Shares acquired by the Company on the basis of a decision to reduce the authorized capital are redeemed upon their acquisition.

8.2. The Company, by decision of the Board of Directors, has the right to acquire shares placed by it. Shares acquired by the Company in accordance with this paragraph of the Articles of Association must be sold at a price not lower than their market value no later than 1 (one) year from the date of their acquisition. Otherwise, the General Meeting of Shareholders must, within a reasonable period of time, make a decision to reduce the authorized capital of the Company by redeeming the specified shares. The Company does not have the right to make a decision on the acquisition of shares if the par value of the Company's shares in circulation is less than 90 (Ninety) percent of the Company's authorized capital.

Shares acquired by the Company by decision of the Board of Directors do not provide voting rights, they are not taken into account when counting votes, and dividends are not accrued on them.

The resolution on acquisition of shares shall set forth the categories (types) of shares to be purchased, number of shares of each category (type) purchased by the Company, method and terms of payment for the shares, the period during which applications from shareholders for the sale of their shares to the Company or withdrawal must be received such statements.

Shares purchased by the Company shall be paid for in cash.

The period within which applications of shareholders for the sale of shares owned by them or the withdrawal of such applications should be received can't be less than 30 (Thirty) days, and the period for payment by the Company of acquired shares can't be more than 15 (Fifteen) days from the date

expiration of the period provided for the receipt or withdrawal of the said applications.

The sole executive body of the Company (hereinafter referred to as the “**General Director**”) shall give a 20 (twenty) day notice of acquisition of shares to all shareholders holding the categories (types) of shares to be purchased under the resolution.

Such notice shall state the following:

- classes (types) of shares to be purchased,
- number of shares of each category (type) to be purchased by the Company,
- purchase price, method and terms of payment,
- the period within which applications of shareholders for the sale of shares owned by them or the withdrawal of such applications.

The notice shall be brought to the attention of the shareholders - owners of shares of certain categories (types), the decision on acquisition of which is taken, in the manner prescribed for the announcement of the General Meeting of Shareholders.

Each shareholder holding shares of the classes (types), with respect to which the resolution on acquisition has been adopted, may sell such shares, and the Company shall purchase them.

Should the total number of shares, with respect to which the Company has received applications for sale, exceed the number of shares, which may be purchased by the Company under the laws of the Russian Federation and resolution of the General Meeting, shares shall be purchased from shareholders in proportion with their applications.

The Board of Directors of the Company shall no later than 5 (Five) days after the end of the period during which the shareholders' applications for the sale of their shares or the withdrawal of such applications are received, approve the report on the results of the shareholders' presentation of the sale of their shares in which the information on the number of shares in respect of which applications for their sale have been received and the amount in which they can be acquired by the Company provided.

8.3. The Company, by decision of the Board of Directors, has the right to purchase shares placed by it at organized trading in order to achieve the goal(s) determined by such decision in accordance with the share acquisition program.

The Company does not have the right to simultaneously implement more than one share acquisition program. The period of validity of a new stock purchase plan may begin only after the end of the period of validity of the previous stock purchase plan, and if the shares acquired were not used to achieve the purpose(s) of the previous stock purchase plan, only after the sale or redemption of such shares in accordance with the provisions of these Articles of association.

The Company does not have the right to use shares acquired under the share acquisition program for purposes other than the purposes of the specified program.

8.4. If shares acquired at organized trading under a share acquisition program are not used to achieve the goal(s) of the specified program during the period of its validity, the Company is obliged to ensure the sale of such shares, and if they are not sold within three months from the date of expiration of the specified program, within a reasonable time, make a decision to reduce the authorized capital of the Company by redeeming such shares.

8.5. When making a decision on the acquisition by the Company of outstanding shares, the Company is obliged to be guided by the restrictions established by the legislation of the Russian Federation.

9. REDEMPTION OF ALLOCATED SHARES BY THE COMPANY

9.1. Shareholders holding voting shares may require redemption of all or any part of their shares by the Company in cases established by the legislation of the Russian Federation:

- (a) adoption by the General Meeting of Shareholders of a decision on the reorganization of the

Company, or on consent to the completion or subsequent approval of a major transaction the subject of which is property the value of which is more than 50 percent of the book value of the company's assets determined according to its financial statements as of the last reporting date (including at the same time being a transaction in which there is an interest), if they voted against such resolution on its reorganisation or approval of the said transaction, or failed to vote on those issues;

(b) introduction of modifications of and amendments to these Articles (by taking decision on the General Meeting being cause of making modifications of and amendments to these Articles) or approval of any new version of these Articles if the same restrict their rights if they voted against such resolution or approval of the said transaction, or failed to vote on those issues;

(c) approval by the General Meeting of decision on the treatment of the application for delisting of the shares of the Company and (or) the securities of the Company convertible into its shares if they voted against such resolution or approval of the said transaction, or failed to vote on those issues.

(d) adoption by the General Meeting of a decision on the termination of the public status of the Company if they voted against such resolution or approval of the said transaction, or failed to vote on those issues.

9.2. The list of shareholders entitled to require redemption of their shares by the Company shall be made on the basis of the register of shareholders of the Company as of the date of the list of persons entitled to participate in the General Meeting, the agenda of which contains any issues, the voting on which may involve the right to call for redemption of shares under the Federal Law "On Joint-Stock Companies".

The procedure and timing for shareholders to submit requests to repurchase shares, as well as the procedure and timing for the Company to repurchase shares are determined in accordance with Chapter IX of the Federal Law "On Joint-Stock Companies".

9.3. Shares purchased by the Company are at its disposal. Such shares must be sold at a price not lower than their market value no later than 1 (one) year from the date of transfer of ownership of the redeemed shares to the Company; otherwise, the General Meeting must, within a reasonable period of time, make a decision to reduce the authorized capital of the Company by redeeming the specified shares.

10. REGISTER OF SHAREHOLDERS

10.1. The Company shall cause the register of shareholders of the Company to be maintained and kept under the law of the Russian Federation from the time of state registration of the Company.

10.2. Holder of the register of shareholders of the Company shall be licensed in accordance with the law professional securities market participant engaged in maintaining the register of securities (hereinafter referred to as the "**Registrar**").

10.3. The Registrar is approved by the Board of Directors in accordance with these Articles of association.

10.4. Information on the Registrar of the Company shall be kept in the Unified State Register of Legal Entities.

10.5. The registrar performs the following functions:

- (1) maintaining the register of shareholders of the Company;
- (2) verification of powers and registration of persons participating in the General Meeting;
- (3) determining the quorum of the General Meeting;
- (4) clarification of issues arising in connection with the exercise by shareholders (their representatives) of voting rights at the General Meeting;
- (5) an explanation of the voting procedure on issues put to vote;
- (6) ensuring the established voting procedure and the right of shareholders to participate in voting;

- (7) counting votes and summing up voting results;
- (8) drawing up a protocol on the voting results;
- (9) confirmation of the General Meeting's decision and the composition of the Company's participants present at its adoption;
- (10) transfer of voting ballots to the archive;
- (11) other functions in accordance with the legislation of the Russian Federation.

11. SHAREHOLDERS OF THE COMPANY. RIGHTS AND OBLIGATIONS OF SHAREHOLDERS

11.1. Shareholders of the Company may be both individuals and legal entities, including foreign individuals and legal entities.

11.2. Every ordinary share of the Company shall vest its holder with the same scope of rights.

Shareholders of the Company holding ordinary shares of the Company may:

- (1) participate in the Company management as defined herein and in the legislation of the Russian Federation, including participation in the General Meeting with the right to vote on all matters in its competence;
- (2) receive a share of profits (dividends) declared by the Company;
- (3) receive a part of the Company assets remaining after settlement with creditors in the event of liquidation of the Company;
- (4) make proposals to the agenda of the annual/extraordinary General Meeting and nominate candidates to the management bodies of the Company in accordance with these Articles of association, the Regulations on the General Meeting of Shareholders of the Company and the legislation of the Russian Federation;
- (5) in cases and in the manner provided for by the current legislation of the Russian Federation and these Articles of association, receive information about the activities of the Company;
- (6) appeal against the decisions of the Company, entailing civil consequences in the cases and in the manner provided for by the legislation of the Russian Federation;
- (7) appeal on behalf of the Company the made transactions on the grounds provided for by the legislation of the Russian Federation and require the application of the consequences of their invalidity, as well as the application of consequences of invalidity of void transactions of the Company;
- (8) demand on behalf of the Company a compensation for damages caused to the Company;
- (9) dispose of their shares in favour of any other shareholders and/or third parties without consent of the other shareholders of the Company and the Company itself;
- (10) preferentially acquire additional shares and equity securities convertible into shares placed through open subscription, as well as preferentially acquire additional shares and equity securities placed through private subscription in cases and in the manner provided for by the legislation of the Russian Federation and these Articles of association;
- (11) use a power of attorney or agreement to authorize any third parties for the exercise of all or any rights attached to shares;
- (12) call for redemption of all or any part of their shares in cases and according to the procedure stipulated in the legislation of the Russian Federation.

Shareholders of the Company may also have other rights stipulated herein and in the legislation of the Russian Federation.

11.3. Shareholders shall make proposals to the agenda of the annual General Meeting and nominate candidates to the managerial bodies of the Company in accordance with the following procedure:

Any shareholder(s) holding at least 2 (Two) per cent of voting shares in the Company may make proposals to the agenda of the annual General Meeting and nominate candidates to the managerial bodies of the Company.

Such shareholder(s) may nominate candidates to the Board of Directors of the Company, the number of such candidates shall not exceed the quantitative composition of the respective body.

Proposals on introduction of any items into the agenda of the annual General Meeting and proposals on nomination of candidates shall be received by the Company in writing within 60 (Sixty) days after the end of the financial year and shall state:

- (a) the name(s) of shareholder(s) submitting them;
- (b) the number and category (type) of shares held by such shareholders;
- (c) wording of each item proposed, and the proposal on nomination of candidates, which is the name and details of the identity document (series and/or number of the document, date and place of issue and issuing authority) of each nominated candidate, body, to which he is nominated, and other particulars of such candidate stipulated in these Articles or internal documents of the Company;
- (d) proposals on introduction of any items into the agenda of the annual General Meeting may contain wording of resolution on each item proposed;
- (e) signatures of shareholder(s).

11.4. The Company's shareholders are obliged:

- (1) comply with these Articles;
- (2) keep confidential any information on business of the Company;
- (3) participate in corporate decision-making, without which the Company can't continue to operate in accordance with the legislation of the Russian Federation, if their participation is necessary to make such decisions;
- (4) do no acts, which may affect interests of the Company, as well as actions (inaction), that essentially make it difficult or impossible to achieve the goals for which the Company was formed;
- (5) notify the Company Registrar of any changes in his particulars;
- (6) exercise any other functions stipulated by laws of the Russian Federation.

12. DIVIDENDS

12.1. In accordance with the results of the first quarter, half year, nine months of any financial year and/or in accordance with the results of such financial year, the Company may resolve on (declare) dividends on outstanding shares unless otherwise stipulated in the legislation of the Russian Federation. Resolution on payment (declaration) of dividends in accordance with the results of the first quarter, half year and nine months of any financial year may be adopted within 3 (Three) months upon expiration of the respective period.

The Company shall pay dividends declared with respect to shares of each category (type), unless otherwise provided by the Federal Law "On Joint-Stock Companies". Dividends shall be paid in cash.

12.2. Dividends shall be paid from net profit of the Company.

12.3. Resolutions on payment (declaration) of dividends, including resolutions on the amount of dividend and method of payment thereof on each category (type) of shares, shall be adopted by the General Meeting. The said decision shall determine the amount of dividends on shares of each category (type), form of payment, the date on which the persons entitled to receive dividends shall be defined. In this decision with regard to establishing the date on which the persons entitled to receive dividends shall be defined shall only be accepted upon the proposal of the Board of Directors. The amount of such

dividends shall not exceed the amount recommended by the Board of Directors.

12.4. Terms and conditions of payment of dividends shall be established in accordance with article 42 of the Federal Law “On joint-stock companies”.

12.5. The Company is not entitled to make a decision (announce) on the payment of dividends (including dividends based on the results of the first quarter, six months, nine months of the reporting year) on shares, as well as pay declared dividends on shares in cases provided for by the legislation of the Russian Federation.

13. GENERAL MEETING OF SHAREHOLDERS

13.1. General Meeting of Shareholders (hereinafter referred to as the General Meeting) shall be the superior managerial body of the Company.

The Company shall hold the annual General Meeting. The annual General Meeting shall be held not later than in 2 (Two) months and not later than in 6 (Six) months after the end of every financial year.

Any general meetings held in addition to the annual General Meeting shall be deemed extraordinary. An extraordinary General Meeting shall be convened in accordance with the procedure stipulated in article 55 of the Federal Law “On Joint-Stock Companies”.

13.2. The following shall fall within the terms of reference of the General Meeting:

(1) introduction of amendments and modifications into these Articles of Association of the Company or approval of a new version of these Articles of Association of the Company;

(resolution shall be adopted by a qualified majority in $\frac{3}{4}$ (three quarters) of votes of shareholders owning voting shares of the Company participating in the General Meeting of Shareholders, unless otherwise provided by the Federal Law “On Joint Stock Companies”)

(2) reorganisation of the Company;

(resolutions on reorganization of the Company shall be adopted only on the proposal of the Board of Directors of the Company by a qualified majority in $\frac{3}{4}$ (three quarters) of votes of shareholders owning voting shares of the Company participating in the General Meeting of Shareholders)

(3) liquidation of the Company, appointment of the liquidation committee and approval of intermediate and closing liquidation balance-sheets;

(resolution shall be adopted by a qualified majority in $\frac{3}{4}$ (three quarters) of votes of shareholders owning voting shares of the Company participating in the General Meeting of Shareholders)

(4) fixing the quantitative composition of the Board of Directors, election of its members and early termination of their office;

(decisions on election of members of the Board of Directors of the Company shall be made by cumulative voting.) Decisions on all other issues shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of shareholders owning the Company’s voting shares participating in the General Meeting of Shareholders)

(5) fixing the number, par value, category (type) of authorized shares and rights attached to such shares;

(resolution shall be adopted by a qualified majority in $\frac{3}{4}$ (three quarters) of votes of shareholders owning voting shares of the Company participating in the General Meeting of Shareholders)

(6) increase of the authorized capital of the Company by way of increasing the par value of shares;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company’s voting shares participating in the General Meeting of Shareholders)

(7) increase of the authorized capital of the Company by way of shares issue by private offering or ordinary shares issue by way of public offering exceeding 25 (Twenty-five) per cent of previously issued ordinary shares;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a qualified majority in $\frac{3}{4}$ (three quarters) of the votes of the shareholders owning the Company’s voting shares participating in the General Meeting of Shareholders)

(8) issue of the Company securities convertible into shares, except for public offering of securities convertible into preferred shares or ordinary shares amounting to 25 (Twenty-five) per cent of previously issued ordinary shares or less;

(the decision shall be made by a qualified majority in $\frac{3}{4}$ (three quarters) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(9) reduction of the authorized capital of the Company by way of purchase of a part of shares by the Company for the purpose of reducing the total number thereof and by way of redemption of shares acquired or repurchased by the Company;

(the decision shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(10) reduction of the authorized capital of the Company by way of reducing the par value of shares in the Company;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a qualified majority in $\frac{3}{4}$ (three quarters) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(11) appointment of an audit organization of the Company;

(the decision shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(12) payment (declaration) of dividends in accordance with the results of the first quarter, half year or nine months of any financial year;

(the decision shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(13) profit and loss statements (profit and loss accounts) of the Company and distribution of profit (including payment (declaration) of dividends, except for the profit distributed as dividends in accordance with the results of the first quarter, half year or nine months of the financial year) and losses of the Company in accordance with the results of the financial year;

(the decision shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(14) establishing the procedure of holding the General Meeting;

(the decision shall be made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(15) resolutions on fractioning and consolidation of shares;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(16) making decisions on consent to the conclusion or on the subsequent approval of transactions in which there is an interest, in the cases provided for in Article 83 of the Federal Law "On Joint Stock Companies";

(the decision on consent on the completion or subsequent approval of transactions shall be accepted only on the proposal of the Board of Directors. The resolution on consent shall be accepted only at the request of the General Director of the Company, a member of the Management Board, a member of the Board of Directors of the Company, a shareholder (shareholders) possessing not less than one percent of the voting shares of the Company - by a simple majority (more than $\frac{1}{2}$ (half)) of votes of shareholders - owners of voting shares participating in a meeting and who are not interested in the transaction or controlled by persons interested in its completion);

(17) resolutions on approval of material transactions with respect to any property, the value of which is 25 (Twenty-five) to 50 (Fifty) per cent of the book value of assets of the Company in the cases provided for by Article 79 of the Federal Law "On Joint Stock Companies";

(the decision shall be made only on the proposal of the Board of Directors by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting. In the event that such transaction is at the same time an interested party transaction and in accordance with the XI of the Federal Law "On Joint Stock Companies" the issue of consent to its commission was submitted for consideration by the General Meeting, the decision on consent to a major transaction is taken in the manner provided for in Chapter XI of the Federal Law "On Joint Stock Companies")

(18) resolutions on approval of material transactions with respect to any property, the value of

which exceeds 50 (Fifty) per cent of the book value of assets of the Company;

(the decision shall be made only on the proposal of the Board of Directors by a qualified majority in ³/₄ (three fourths) of the votes of the shareholders owning voting shares participating in the General Meeting. If the transaction is simultaneously an interested party transaction and in accordance with Chapter XI of the Federal of the law "On Joint-Stock Companies", the issue of consent to its commission was submitted to the General Meeting for consideration, the decision is considered to be accepted if it is given for ³/₄ (three fourths) of the votes of the shareholders-owners of voting shares participating in the General Meeting and the majority of votes of all shareholders who are not interested in the execution of transaction - owners of voting shares participating in the General Meeting)

(19) resolutions on membership in any financial industrial groups;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a simple majority (more than ¹/₂ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(20) resolutions on membership in associations and any other unions of commercial organisations;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a simple majority (more than ¹/₂ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(21) approval of internal documents regulating activities of the managerial bodies of the Company;

(the decision shall be made only on the proposal of the Board of Directors of the Company by a simple majority (more than ¹/₂ (half)) of the votes of the shareholders owning the Company's voting shares participating in the General Meeting of Shareholders)

(22) resolutions on the application for delisting of the shares of the Company and (or) the Company's equity securities, convertible into shares of the Company;

(resolution shall be adopted by a qualified majority in ³/₄ (three quarters) of votes of shareholders owning voting shares of the Company participating in the General Meeting of Shareholders)

(23) resolutions on filing an application for the delisting of all the shares of the Company and all equity securities of the Company convertible into its shares (taken simultaneously with the decision to amend the Articles of Association of the Company, excluding the indication that the Company is public and on appeal to the Bank of Russia with a statement to release it from the obligation to disclose information provided for by the legislation of the Russian Federation on securities);

(resolution shall be adopted by only at the proposal of the Board of Directors by a majority of 95 (ninety five) percent of votes of all shareholders - owners of the Company's shares of all class (types))

(24) resolutions on any other matters referred to the exclusive competence of the General Meeting in accordance with the law of the Russian Federation.

13.3. No matters falling within the exclusive competence of the General Meeting shall be referred to the Board of Directors, General Director or Board of the Company, unless otherwise provided by the Federal Law "On Joint Stock Companies".

13.4. Resolution of the General Meeting on any matter put to vote shall be adopted by the majority of votes of shareholders holding voting shares in the Company present at the General Meeting unless otherwise stipulated for adoption of resolutions in the Federal Law "On Joint-Stock Companies".

Resolutions on the matters specified in subparagraphs (4) and (11) of clause 13.2. hereof may only be adopted at the General Meeting held in the form of attendance, unless otherwise provided by the legislation of the Russian Federation.

13.5. The General Meeting shall not consider and adopt resolutions on any matters unless the legislation of the Russian Federation refers them to its competence.

The General Meeting shall not adopt any resolutions on any matters, which have not been included in the agenda of the General Meeting, or change the agenda.

13.6. Resolution of any General Meeting may be adopted without presence of shareholders of the Company (meeting) by absent voting subject to all requirements of article 50 of the Federal Law "On Joint-Stock Companies".

13.7. The procedure of the General Meeting, rules and any other points of order shall be established in the Regulations on the General Meeting, and in the absence of such Regulations they shall be solved as may be necessary in the course of the meeting itself by voting on a show of hands.

13.8. Any shareholder may appeal to a court with respect to any resolution adopted by the General Meeting in contravention of the legislation of the Russian Federation or these Articles of Association unless he did not participate in the respective General Meeting or voted against such resolution, and if the said resolution violates his rights and lawful interests.

13.9. Shareholder contesting the decision of the General Meeting, as well as a shareholder or a member of the Board of Directors who requires compensation for losses caused to the Company or the recognition of the transaction of the Company as invalid or the application of the consequences of the invalidity of the transaction, shall notify other shareholders of the Company in advance of the intention to file a suit with the court in writing, which must be received by the Company no later than 5 (Five) days prior to the day of applying to the court. Documents containing information relevant to the case may be attached to the notice.

14. PROCEDURE OF PREPARATION AND HOLDING OF GENERAL MEETING

14.1. The Board of Directors shall convene the General Meeting by resolution adopted on its own initiative or at the request of other persons, in cases provided for by the Federal Law "On Joint-Stock Companies" and these Articles.

The General Meeting (when holding a meeting in the form of joint presence of shareholders to discuss the issues on the agenda of the meeting and taking decisions on issues put to the vote) shall be held in Moscow, Ekaterinburg, Chelyabinsk, Pervouralsk, Volzhsky, Kamensk-Uralsky, St. Petersburg, Sochi, Taganrog and Polevskoy.

Information and communication technologies may be used in the form of a meeting in order to ensure the possibility of distance participation in the General Meeting, discussion of issues on the agenda and decision-making on issues put to the vote, without attendance at the venue of the General Meeting.

The possibility of remote participation in the General Meeting, filling out the electronic form of bulletins on the website in the information and telecommunication network "Internet", shall be determined by the Board of Directors when deciding issues related to preparation for the General Meeting. The address of the website in the information and telecommunication network Internet, at which shareholders can be registered for participation in the General Meeting of Shareholders, and the electronic form of the ballots can be filled in, shall be determined by the Board of Directors and indicated in the message on the General Meeting.

If the agenda contains any items, voting on which may create the right of shareholders to claim redemption of their shares by the Company under the Federal Law "On Joint-Stock Companies", the Board of Directors shall determine the price of shares to be redeemed, the procedure and terms of such redemption.

Notice of any General Meeting shall be given at least 30 (Thirty) days in advance, and in cases provided for in paragraphs 2 and 8 of article 53 of the Federal Law "On Joint-Stock Companies" shall be given at least 50 (Fifty) days before the scheduled date of such meeting.

Within the said period, the notice of General Meeting shall be given to each party specified in the list of persons entitled to participate in the General Meeting by registered letter or served to every such person against signature or published on the website of the Company in information and telecommunications network "Internet": www.tmk-group.ru.

Voting on issues on the agenda of the General Meeting is carried out by ballots for voting. The ballot paper must be sent or handed over against signature to each person registered in the register of shareholders of the Company and entitled to participate in the General Meeting, not later than 20 (twenty) days before the General Meeting. The sending of ballots for voting is carried out by registered mail.

Notice of the General Meeting must comply with the requirements of paragraph 2 of Article 52 and paragraph 2 of Article 76 of the Federal Law “On Joint Stock Companies”, as well as the requirements established by the Bank of Russia.

14.2. When preparing the General Meeting, the Board of Directors shall fix:

- (a) the form of holding the General Meeting (attendance or absent voting);
- (b) date, place and time of the General Meeting, including the time for the start of registration of persons participating in the General Meeting, and, where filled-in voting papers may be sent to the Company under clause 4 of article 60 of the Federal Law “On Joint-Stock Companies”, postal address, to which such filled-in voting papers may be sent, or, in the event of holding a General Meeting in the form of absent voting, the final date of voting papers acceptance and postal address, to which such filled-in voting papers shall be sent, as well as the address of the site in the information and telecommunication network “Internet”, on which the electronic form of bulletins can be filled;
- (c) date of determination (fixation) the list of persons entitled to participate in the General Meeting;
- (d) agenda of the General Meeting;
- (e) procedure of notifying shareholders of the General Meeting;
- (f) list of information (materials) to be provided to shareholders during preparation of the General Meeting and procedure of presentation thereof;
- (g) form and text of voting paper in the event of absent voting, the deadline for the receipt of ballots, as well as the wording of decisions on issues on the agenda of the General Meeting, which should be sent electronically (in the form of electronic documents) to nominal holders of shares registered in the register of shareholders of the company;
- (h) the deadline for accepting the proposals of shareholders on the nomination of candidates for election to the Board of Directors of the Company, if the agenda of the extraordinary General Meeting of Shareholders includes the issue of electing members of the Board of Directors of the Company;
- (i) any other information necessary under requirements of the Bank of Russia.

The date of the voting paper issue to shareholders shall be determined not later than 20 (Twenty) days before the General Meeting.

14.3. The list of persons entitled to participate in the General Meeting is drawn up in accordance with the rules of the securities legislation of the Russian Federation in order to compile a list of persons exercising rights in securities.

The date of such list of persons entitled to participate in the General Meeting shall not be earlier than 10 (Ten) days since the date of resolution on the General Meeting and more than 25 (twenty five) days or, in the event stipulated in clause 2 of article 53 of the Federal Law “On Joint-Stock Companies”, not more than 55 (Fifty five) days prior to the date of such General Meeting.

On request of any shareholder included in the list of persons entitled to participate in the General Meeting and holding at least 1 (One) per cent of votes, the Company shall make available for inspection by such shareholder the list of persons entitled to participate in the General Meeting with the exception of information on the will of such persons, if they are included in the list. Such list of persons entitled to participate in the General Meeting shall be available within a period from the date of notice of the General Meeting until the date of closing the General Meeting held in the form of joint attendance of shareholders or, in the event of a General Meeting in the form of a poll, until the deadline of acceptance of voting papers. At the same time, information allowing identification of individuals included in this list, except for the surname, name, patronymic, is provided only with the consent of these persons.

On request of any shareholder, the Company shall provide him within 3 business days with information on including him in the list of persons entitled to participate in the General Meeting.

14.4. The information (materials) to be presented to the persons entitled to participate in the General

Meeting during preparation of the General Meeting shall include annual accounts, including the Company Auditor's opinion, conclusion of the Audit Commission of the Company on the results of annual accounts audit, particulars of candidates to the Board of Directors, Audit Commission of the Company, draft amendments and modifications to be introduced to these Articles of or draft Articles of Association in a new version, draft internal documents of the Company, draft resolutions of the General Meeting in accordance with the Article 32.1 of the Federal Law "On Joint-Stock Companies", information on shareholders' agreements, concluded during the year until the date of the General Meeting of Shareholders, annual reports of the Committee for Appointment and Remuneration at the Board of Directors, Audit Committee at the Board of Directors, and Strategic Development Committee at the Board of Directors, except for confidential information (materials), stipulated by the Bank of Russia.

14.5. The information (materials) mentioned in paragraph 14.4 of these Articles shall within 30 (Thirty) days prior to the General meeting be available for inspection by the persons entitled to participate in the General Meeting in the office of the General Director, Board and other places, of which addresses shall be specified in the notice of General Meeting of Shareholders. The said information (materials) shall be available to the persons participating in the General Meeting of Shareholders during such meeting.

If a person registered in the register of shareholders of the Company is a nominal holder of shares, the notice of the General Meeting and information (materials) to be provided to persons entitled to participate in the General Meeting of Shareholders in preparation for the General Meeting are provided in accordance with the rules legislation of the Russian Federation on securities to provide information and materials to persons exercising rights under securities.

According to the decision of the Board of Directors, the placement of information (materials) to be provided to persons entitled to participate in the General Meeting of Shareholders may also be placed on the website of the Internet information and telecommunications Network: www.tmk-group.ru.

On request of any person entitled to participate in the General Meeting of Shareholders, the Company shall provide it with copies of the said documents.

14.6. Extraordinary General Meetings shall be held by resolution of the Board of Directors adopted on its own initiative or on the initiative of the audit organization of the Company or shareholder (s) representing at least 10 (Ten) per cent of all voting shares of the Company as of the date of the respective demand.

14.7. The procedure of making proposals and approval of the agenda of any General Meeting shall be established by these Articles, the Regulations on the General Meeting of Shareholders of the Company and legislation of the Russian Federation, and such proposals to the agenda of the annual General Meeting and proposals for nominating candidates to the Board of Directors shall be received within 60 (Sixty) days after the end of the financial year.

If the proposed agenda of an extraordinary General Meeting contains an item concerning election of members of the Board of Directors, such proposals shall be received by the Company at least 30 (Thirty) days prior to the date of such extraordinary General Meeting.

14.8. Any shareholder may exercise his right to participate in the General Meeting either in person or by proxy. The shareholder may at any time substitute his proxy at the General Meeting or participate in the General Meeting in person.

Shareholders who have registered to participate in the General Meeting, including by registering on the website indicated in the notice of the General Meeting on the Internet information and telecommunications network, are considered to have taken part in the General Meeting, if such an opportunity is provided for by a decision of the Board of Directors in preparation for the General Meeting (at the same time, the opportunity to vote by filling in the electronic form of ballots on such a website should be provided), as well as shareholders whose ballots were received or the electronic form of ballots of which were filled out on the website indicated in the notice of the General Meeting in the information and telecommunication network "Internet" no later than two days prior to the date of the

General Meeting.

Those who took part in the General Meeting held in the form of absentee voting are shareholders whose ballots are received or the electronic form of ballots is filled out on the website specified in the notice of the General Meeting in the information and telecommunication network "Internet" before the deadline for accepting ballots.

Shareholders who, in accordance with the rules of the legislation of the Russian Federation on securities, have given instructions (instructions) to vote to persons who record their rights to shares, if notifications of their expression of will are received no later than two days before the date of the meeting, are also considered to have taken part in the General Meeting (before the closing date for the acceptance of ballots when holding the General Meeting in the form of absentee voting).

14.9. The General Meeting shall be qualified (have a quorum) if shareholders holding more than a half of votes of outstanding voting shares of the Company participate in it.

14.10. The working bodies of the General Meeting shall be its Chairman and Secretary. The Chairman of the Board of Directors shall act as the Chairman of the General Meeting, and if he is absent, any member of the Board of Directors may act the Chairman by resolution of the Board of Directors.

14.11. Corporate Secretary of the Company shall act as the Secretary of the General Meeting.

14.12. Voting at any General Meeting shall be based on the principle "one share - one vote" except for cumulative voting in the event stipulated in paragraph 4 Article 66 of the Federal Law "On Joint-Stock Companies".

14.13. In accordance with the voting results, the Registrar shall draw up and execute minutes of voting results. Upon executing the minutes of voting results and signing the minutes of the General Meeting, the voting papers shall be put under seal and transferred to the archives of the Company in custody.

14.14. Minutes of voting results shall be executed within 3 (Three) business days upon closing of the General Meeting or the deadline of voting papers acceptance in the event of holding the General Meeting in the form of absent voting.

Minutes of voting results shall be attached to the minutes of the General Meeting and comply with the requirements of the Bank of Russia.

14.15. Resolutions adopted by the General Meeting and voting results shall be announced at the General Meeting, during which the voting took place, and it shall be announced no later than 4 (Four) business days after the General Meeting is closed (or deadline for accepting voting ballots in the event of holding the General Meeting in the form of absent voting) in the form of a report on the voting results made known to the persons entitled to participate in the General Meeting subject to the Federal Law "On Joint-Stock Companies" and pursuant to requirements of the Bank of Russia with respect to notification of a General Meeting.

14.16. Minutes of voting results shall be executed within 3 (Three) business days upon closing of the General Meeting in two copies. Both copies shall be signed by the Chairman of the General Meeting of Shareholders and Secretary of the General Meeting of Shareholders. Minutes of the General Meeting shall comply with requirements set by the law of the Russian Federation and the Bank of Russia.

An extract from the minutes of the General Meeting may be signed by the chairman of the General Meeting and (or) the Secretary of the General Meeting, a person holding the position (performing the functions) of the sole executive body of the Company, or other person (persons) authorized by the Company.

15. BOARD OF DIRECTORS

15.1. The Board of Directors shall perform general management of the Company, except for the matters referred to the terms of reference of the General Meeting by the legislation of the Russian Federation and these Articles.

The Board of Directors shall act on the basis of these Articles and Regulations on the Board of Directors

approved by the General Meeting.

15.2. The following matters shall fall within the terms of reference of the Board of Directors:

(1) to determine business priorities of the Company;

- (the decision is made by a qualified majority of $\frac{3}{4}$ (three quarters) of the votes of the members of the Board of Directors participating in the meeting)

(2) to convene annual and extraordinary General Meetings, except for the cases stipulated in clause 8 of article 55 of the Federal Law “On Joint-Stock Companies”;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(3) to approve agenda of the General Meeting;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(4) to fix the date of making the list of persons entitled to participate in the General Meeting and other matters falling within the terms of reference of the Board of Directors under provisions of chapter VII of the Federal Law “On Joint-Stock Companies” and connected with preparation and holding of the General Meeting;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(5) to present to the General Meeting the matters stipulated in clause 13.2. hereof;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting
Decisions on entering issues on the agenda of the General Meeting, on increasing or decreasing the authorized capital of the Company, determining the price (monetary value) of property paid for in payment the additional shares placed by the Company, amendments to the Company’s Articles of association, reorganization and liquidation of the Company, approval of material transactions of the Company, delisting of the Company’s shares and (or) securities of the Company, conversion in its action taken by a qualified majority of $\frac{3}{4}$ (three quarters) of votes of participating in the meeting of the Board of Directors)

(6) to increase the authorised capital by way of issue of (i) preferred shares or ordinary shares amounting to 25 (Twenty-five) per cent or less of previously issued ordinary shares by public offering or (ii) by way of distribution of shares among shareholders of the Company for account of the Company assets;

- (the decision is taken unanimously by all members of the Board of Directors of the Company, while votes of retired members of the Board of Directors of the Company are not taken into account)

(7) placement of bonds and other equity securities, except shares;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(8) placement by public subscription of bonds or other issue-grade securities convertible into shares that can be converted into preferred shares or into ordinary shares representing 25 (Twenty-five) percent or less of previously placed ordinary shares;

- (the decision is taken unanimously by all members of the Board of Directors of the Company, while votes of retired members of the Board of Directors of the Company are not taken into account)

(9) to fix the price (perform monetary evaluation) of assets, price of allocation and redemption of securities in cases stipulated in the Federal Law “On Joint-Stock Companies” as well as approval of the decision on the issue of the Company’s shares and the Company’s equity securities convertible in its shares, approval of the prospectus of the Company's securities;

- (the decision is taken by a simple majority (over $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting. If the person interested in one or several transactions where the price (monetary value) of the property is determined by the Board of Directors of the Company, the price (monetary value) of the property shall be determined by a majority (more than $\frac{1}{2}$ (half)) of the votes of directors not interested in the transaction and meeting and corresponding to the requirements set forth in paragraph 3 of Article 83 of the Federal Law “On Joint-Stock Companies”. If the number of such directors is less than half of the elected members of the Board of Directors of the Company, the price (monetary valuation) of the property is unanimously determined by all members of the Board of Directors of the Company, and votes of retired members of the

Board of Directors of the Company are not taken into account.

(10) to adopt resolutions on membership (increasing the share) in other organisations, except for financial industrial groups, associations and other unions of commercial organisations, on termination of membership (reduction of the share) in such organisations and resolutions on disposing of shares and/or interests in other organisations held by the Company otherwise, including encumbrance;

- (the decision is made by a simple majority (over ½ (half)) of the votes of the members of the Board of Directors participating in the meeting).

(11) to fix the amount of remuneration of the Company's audit organization;

- (the decision is made by a simple majority (over ½ (half)) of the votes of the members of the Board of Directors participating in the meeting).

(12) to give recommendations on the amount of dividends on shares and payment procedure;

- (the decision is made by a qualified majority of ¾ (three quarters) of the votes of the members of the Board of Directors participating in the meeting)

(13) approval of the dividend policy of the Company;

- (the decision is made by a qualified majority of ¾ (three quarters) of the votes of the members of the Board of Directors participating in the meeting)

(14) to utilise the reserve fund and other funds of the Company;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(15) to establish subsidiaries and open representative offices of the Company, and to approve regulations on subsidiaries and representative offices;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(16) making a decision on consent to the conclusion or subsequent approval of major transactions, the subject of which is property, the price of alienation/acquisition of which or its book value is from 25 (twenty-five) to 50 (fifty) percent of the book value of the Company's assets, in cases, provided for in Article 79 of the Federal Law "On Joint Stock Companies";

- (the decision is taken unanimously by all members of the Board of Directors of the Company, while votes of retired members of the Board of Directors of the Company are not taken into account)

(17) making a decision on consent to the conclusion or subsequent approval of transactions in which there is an interest, in the cases provided for in Article 83 of the Federal Law "On Joint Stock Companies";

- (the decision is made by a simple majority (more than ½ (half)) of all directors not interested in the transaction and corresponding to the requirements of paragraph 3 of Article 83 of the Federal Law "On Joint Stock Companies". In the event that the number of such directors becomes less than two, the decision shall be adopted by the General Meeting of Shareholders of the Company.

(18) to approve the Registrar of the Company and terms and conditions of the agreement with it as well as termination of the agreement with it;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(19) to fix the amounts of remunerations and compensations payable to the General Director and members of the Board, and approve terms and conditions of labour contract concluded with the General Director;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(20) to elect the General Director and establish the collegial executive body of the Company (Board), determine the quantitative compositions of the Board and approve candidate members of the Board proposed by the General Director as well as early terminate the office of the General Director and members of the Board; transfer of powers of the sole executive body of the Company under a contract of a commercial organization (managing organization) or an individual entrepreneur (manager), approval of the terms of the conclusion with the managing organization (manager), and early termination of the powers of the managing organization (manager);

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(21) to approve one or more interconnected transactions made by the Company (except for transactions made in the course of ordinary business, intra-group transactions within the meaning of this term specified in paragraph 15.3 of these Articles of Association, and transactions specified in subparagraphs (22) (23), (28) and (31) of clause 15.2 of these Articles of Association), including acquisition, alienation, encumbrance, lease or other disposal of property, including money, if the amount of transaction or value of property leased amounts more than 10,000,000,000 (ten billion) roubles;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(22) making a decision on issuing loans in the amount of more than 2,400,000,000 (Two billion four hundred million) rubles, with the exception of intra-group transactions within the meaning of this term specified in clause 15.3 of these Articles of Association;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(23) making a decision on obtaining loans and credits in the amount of more than 10,000,000,000 (Ten billion) rubles (for each individual agreement);

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(24) to elect/terminate the powers of the Corporate Secretary;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(25) to approve the schedule of meetings of the Board of Directors of the Company;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(26) to give recommendations to the General Meeting of Shareholders with respect to adoption of resolutions specified in subparagraphs (2), (6), (7), (10), (15)-(23) of clause 13.2. of these Articles;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(27) making a decision on consent to the conclusion or subsequent approval of transactions related to the acquisition, alienation of exclusive (property) rights to the results of intellectual activity and/or means of individualization (except for the acquisition of rights to use programs for electronic computers and/or databases), with the exception of intra-group transactions in the meaning of this term specified in clause 15.3 of these Articles of Association;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(28) to bring or settle any action, arbitration or any other proceedings, which is material for the Company business or to the amount over 2 800 000 000 (two billion eight hundred million) roubles;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(29) approval of any transactions (one or more related transactions) made by the Company (regardless of the amount of the transaction), for the acquisition, alienation, pledge, lease with the right to purchase, other disposal of real estate, with the exception of intra-group transactions in the meaning of this term specified in paragraph 15.3 of these Articles of Association;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(30) to adopt resolutions on the Company's exercising of authorities of a shareholder (member) of any other organisation, including voting at any meetings of shareholders (members) of any organisation and nomination of candidates to their boards of directors (supervisory boards), collegial executive bodies, as well as candidates to the sole executive bodies;

- (the decision is made by a simple majority (more than ½ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(31) to adopt resolutions on approval of transactions with bills of exchange (issue own bills of

exchange of the Company; to use bills of exchange issued by any third parties; avalise bills of exchange of third parties), including the cases where the value of such bill of exchange exceeds 8 000 000 000 (eight billion) roubles. In this case, if the Company effects the said transactions with bills of exchange, the integrated value of which exceeds 2 400 000 000 (two billion four hundred million) roubles, within 30 (Thirty) days, all subsequent transactions with bills of exchange within the said period may be effected on the basis of approval of such transactions by the Board of Directors only;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(32) to adopt resolutions on the Company's entering into depositary agreements (custody account agreements), agreements on modification and amendment of such depositary agreements, approval of documents connected with cancellation or termination of such depositary agreements, under which shares of joint-stock companies held by the Company are accounted;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(33) to approve and introduce amendments and modifications into the Regulations on the Audit Committee at the Board of Directors, Regulations on the Strategic Development Committee at the Board of Directors and Regulations on the Committee for Appointment and Remuneration at the Board of Directors;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(34) to approve and terminate the office of members of the Audit Committee at the Board of Directors, Committee for Appointment and Remuneration at the Board of Directors and Strategic Development Committee at the Board of Directors, as well as the appointment of the Chairmen of the Committees of the Board of Directors and termination of their powers;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(35) decision-making on the acquisition of shares, bonds and other securities placed by the Company that are not convertible into shares of the Company, in cases stipulated by the legislation of the Russian Federation and these Articles of Association; approval of the share acquisition program and amendments to it, approval of the report on the results of the implementation of the share acquisition program;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(36) to approve the annual budget, strategic development plan, financial and economic plan of the Company;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting. The decision on approval of the Company's financial and economic plan is adopted by a qualified majority of $\frac{3}{4}$ (three fourth) of the votes of the members of the Board of Directors participating in the meeting)

(37) to approve the annual report, annual accounting (financial) statements;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(38) to elect/terminate the powers of the head of the structural unit performing internal audit;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(39) to approve a report on transactions entered into by the Company in the reporting year in which there is an interest;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(40) approval of a report on transactions concluded by the Company in the reporting year in which there is an interest;

- (the decision is made by a qualified majority of $\frac{3}{4}$ (three quarters) of the votes of the members of the Board of Directors participating in the meeting)

(41) adoption of recommendations regarding the voluntary or mandatory proposal received by the Company;

- (the decision is made by a qualified majority of $\frac{3}{4}$ (three quarters) of the votes of the members of the Board of Directors participating in the meeting)

(42) determination of principles and approaches to the organization of risk management, internal control and internal audit in the Company;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(43) approval of provisions on the information policy, insider information, the Internal Audit Service the Corporate Secretary, the policy in the field of the internal auditor, the Code of Ethics, as well as other internal documents of the Company, the approval of which is related to the current legislation and Articles of Association of the Company to the competence of the Board of Directors, as well as those not related to the competence of the General Meeting;

- (the decision is made by a simple majority (more than $\frac{1}{2}$ (half)) of the votes of the members of the Board of Directors participating in the meeting)

(44) to resolve any other matters provided for by the legislation of the Russian Federation.

Decisions at a meeting of the Board of Directors are made by a majority vote of the members of the Board of Directors participating in the meeting, unless the Federal Law “On Joint Stock Companies” and these Articles of Association provide for a larger number of votes for making the relevant decisions.

No matters falling within the terms of reference of the Board of Directors shall be referred to the General Director, Board of the Company or General Meeting.

15.3. Intra-group transactions mean transactions in which a party (for guarantees, pledges, independent guarantees and other security transactions - the beneficiary), an intermediary or a representative is a legal entity that is part of the group of persons of PAO “TMK”, determined in accordance with the current legislation of the Russian Federation.

15.4. Members of the Board of Directors shall annually be elected by the annual General Meeting subject to the procedure stipulated in these Articles. Members of the Board of Directors shall be elected by cumulative voting. On cumulative voting, the number of votes held by each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors, and any shareholder may cast such votes for one candidate or distribute them among two or more candidates. Candidates having the biggest number of votes shall be deemed elected to the Board of Directors.

The term of office of members of the Board of Directors shall commence from the time of their election by the annual General Meeting until the time of election of new members of the Board of Directors by the next annual General Meeting.

Persons elected to the Board of Directors may be re-elected for an unlimited number of times. By resolution of the General Meeting, office of all members of the Board of Directors may be terminated ahead of time.

In the event of termination of office of the Board of Directors ahead of time, the office of the newly elected Board of Directors shall remain effective until the time of election (re-election) of new members of the Board of Directors at the nearest annual General Meeting.

15.5. A member of the Board of Directors has the right to voluntarily resign his powers, having previously notified the Company in writing.

15.6. Only an individual may be a member of the Board of Directors. Member of the Board of Directors need not be a shareholder of the Company.

The person holding the post of the General Director and Board members in aggregate can't exceed one quarter of the members of the Board of Directors. The General Director cannot be the Chairman of the Board of Directors.

15.7. The Board of Directors shall have 9 (Nine) members.

15.8. The Chairman of the Board of Directors shall be elected by members of the Board of Directors from their number by a majority of votes of members of the Board of Directors participating in the voting.

The Board of Directors may re-elect its Chairman at any time by a majority of votes of members of the Board of Directors participating in the voting.

The Chairman of the Board of Directors shall organise its work, convene meetings of the Board of Directors and establish their agenda, preside meetings of the Board of Directors, cause minutes to be kept at meetings of the Board of Directors and preside the General Meeting.

15.9. In the absence of the Chairman of the Board of Directors, a member of the Board of Directors shall act as the Chairman by resolution of the Board of Directors adopted by a majority of members of the Board of Directors participating in the voting (presiding officer).

15.10. The Chairman of the Board of Directors may convene the meeting of the Board of Directors on his own initiative, on request of members of the Board of Directors, the audit organization of the Company, an official responsible for organizing and carrying out internal audit, shareholders holding 2 (Two) or more per cent of voting shares in the Company or the Board or General Director. These Articles and Regulations on the Board of Directors shall determine the procedure of convening and holding meetings of the Board of Directors.

Should the Chairman of the Board of Directors be unable to convene a meeting of the Board of Directors due to any objective cause, including illness or business trip, the Secretary of the Board of Directors may convene such meeting of the Board of Directors on request of the persons specified in the first paragraph of clause 15.10 hereof.

By resolution of the Chairman of the Board of Directors, a meeting of the Board of Directors may be held in the form of absent voting (using questionnaires).

The Chairman of the Board of Directors determines the form of decision-making by the Board of Directors, taking into account the substance of the issues proposed for consideration. The Board of Directors strives to consider the most important issues, including those related to significant corporate actions in accordance with paragraphs. 15.16. of these Articles of association, at meetings of the Board of Directors held in person.

15.11. Meetings of the Board of Directors shall be held on a regular basis in accordance with the working schedule approved at a meeting of the Board of Directors but at least once a quarter.

The first meeting of the newly elected Board of Directors after the General Meeting may be held immediately after the end of the General Meeting, if such meeting of the Board of Directors is attended, including by telephone/video conference, by a majority of the elected members of the Board of Directors. Otherwise, the first meeting of the newly elected Board of Directors after the General Meeting shall be convened by the General Director within 5 (Five) business days from the date of holding the General Meeting, at which the members of the Board of Directors were elected.

Should the General Director fail to convene the meeting of the Board of Directors within the said period irrespective of the reasons, any member of the Board of Directors may convene the first meeting of the Board of Directors. The agenda of such meeting shall include the election of the Chairman of the Board of Directors and the Corporate Secretary- Secretary of the Board of Directors. The initiator of the first meeting of the newly elected Board of Directors shall give a written notice of the first meeting of the Board of Directors to all members of the Board of Directors proposing to participate in the meeting on the specified issues.

15.12. At least 14 (Fourteen) days prior to the date of a meeting of the Board of Directors, notice of such meeting of the Board of Directors shall be given to each member of the Board of Directors to the address or number specified by him by registered letter or by any other convenient means of communication according to the contact information indicated by him (including telegraph, teletype, telephone, electronic or other communications).

Every such notice shall *inter alia* state the agenda of the meeting of the Board of Directors with a description of items to be discussed at such meeting. All the materials necessary for preparation for the meeting of the Board of Directors and subject to discussion at such meeting shall be given to every member of the Board of Directors by registered letter or any other convenient means of communication according to the contact information indicated by him (including telegraph, teletype, telephone, electronic or other communications) at least 14 (Fourteen) days prior to the date of the meeting of the Board of Directors.

If any meeting of the Board of Directors shall be held within a shorter period pursuant to the legislation of the Russian Federation, the period of giving the notice together with the necessary materials shall be reduced. The said period shall also be reduced if it is necessary to solve any questions urgently.

15.13. The quorum for holding a meeting of the Board of Directors shall constitute at least 5 (Five) elected members of the Board of Directors. The Chairman of the Board of Directors shall determine the quorum prior to the commencement of such meeting. When determining the quorum and voting results, the written opinion of any member of the Board of Directors absent at the meeting on the items on the agenda shall be taken into account. No meeting of the Board of Directors may be held in the absence of a quorum.

Should the number of members of the Board of Directors become less than the number forming the said quorum, the Board of Directors shall resolve on holding an extraordinary General Meeting for the purpose of election of new Board of Directors. The remaining members of the Board of Directors may only adopt the resolution on convening such extraordinary General Meeting.

15.14. The agenda of any meeting of the Board of Directors shall contain items proposed for consideration by members of the Board of Directors, the audit organization of the Company, shareholders holding 2 (Two) or more per cent of voting shares in the Company, General Director or Board.

15.15. Meetings of the Board of Directors may be held by way of attendance of members of the Board of Directors or, in exceptional cases, by means of a conference call between members of the Board of Directors, some or all of whom are in different places, provided that each participant of such conference call can hear all the other participants and (or) through their remote participation using electronic or other technical means to make decisions on issues within its competence.

The place of the meeting of the Board of Directors held by means of such conference call shall be the place, where most of members of the Board of Directors are present. If any meeting of the Board of Directors is held by means of a conference call, within 1 (One) day after such meeting each member of the Board of Directors shall send his filled-in questionnaire with the voting results to the Chairman of the Board of Directors or to the person, who presided the meeting under clause 15.9. hereof to the fax number specified in the notice of such meeting of the Board of Directors.

In this case, resolutions of the Board of Directors shall be adopted by voting using such questionnaires, and the quorum and voting results of the meeting of the Board of Directors shall be determined on the basis of the questionnaires so received.

When holding meetings of the Board of Directors of the Company in person, any member of the Board of Directors who is not present at the meeting or does not participate in the telephone/video conference has the right to send to the Company a written opinion on the agenda items of the meeting of the Board of Directors. Such written opinion shall be counted in determining the presence of a quorum and the voting results at any meeting of the Board of Directors, if received in a registered letter with delivery confirmation (by an international delivery service with serving against signature) to the postal address of the Company (addressed to the Chairman of the Board of Directors) or to the fax number specified in the notice of such meeting of the Board of Directors or by transmitting a written opinion to the Secretary of the Board of Directors in person against signature or in another way that ensures proper identification of the person who sent it, before the corresponding meeting of the Board of Directors.

15.16. Resolutions of the meeting of the Board of Directors shall be adopted by a majority of votes of members of the Board of Directors present at the meeting unless the Federal Law "On Joint-Stock

Companies”, these Articles stipulate otherwise. Decisions on matters relating to significant corporate actions (subparagraphs (1), (5), (6), (7), (8), (12), (13), (16), (36), (40) and (41) of paragraph 15.2 of the Articles of association) are accepted in accordance with the requirements of such items. Each member of the Board of Directors shall have one vote when solving any questions at the meeting of the Board of Directors.

The decision on preliminary consent for the conclusion of interested party transactions shall be made by the Board of Directors only upon the request of the General Director of the Company, a member of the Management Board, a member of the Board of Directors of the Company or a shareholder (shareholders) holding at least one per cent of the Company’s voting shares.

No transfer of the voting right by a member of the Board of Directors to any other person, including the other members of the Board of Directors, shall be allowed.

In the event of equality of votes, the Chairman of the Board of Directors shall have the casting vote. If any member of the Board of Directors acts as the Chairman of the Board of Directors under clause 15.9. hereof, such member shall not have the casting vote in voting.

15.17. Minutes shall be kept at any meeting of the Board of Directors. Such minutes shall be executed within 3 (Three) days after such meeting (following the last day of acceptance of questionnaires in the event of absent voting), and comply with requirements of the legislation of the Russian Federation.

Minutes of any meeting of the Board of Directors shall be signed by the chairman of such meeting, who shall be responsible for the correctness of such minutes, and the Secretary of the Board of Directors.

The functions of the Secretary of the Board of Directors are performed by the Corporate Secretary.

Extracts from the minutes of the meeting of the Board of Directors are signed by the Chairman and (or) Secretary of the Board of Directors.

The minutes of a meeting of the Board of Directors can be drawn up in the form of an electronic document (signed with an electronic digital signature) using a specialized information system that ensures remote conduct of corporate procedures in electronic form.

16. CORPORATE SECRETARY

16.1. In order to ensure compliance by the management bodies and officials of the Company with procedural requirements guaranteeing the implementation of rights and protection of the interests of shareholders, including in order to create effective and transparent mechanisms for ensuring such rights, the Company has a Corporate Secretary, who performs the functions of the Secretary of the Board of Directors of the Company.

16.2. The Corporate Secretary is accountable to the Board of Directors, appointed and dismissed by the General Director of the Company based on a decision of the Board of Directors. The requirements for the candidacy of the Corporate Secretary and his duties shall be determined by the Regulations on the Corporate Secretary of the Company.

16.3. The Corporate Secretary ensures the process of communication between the parties to corporate relations, including the preparation and holding of the General Meeting of Shareholders and meetings of the Board of Directors of the Company, storage and provision of information about the Company, consideration of requests from shareholders, maintenance and development of the corporate governance system in the Company.

17. EXECUTIVE BODIES OF THE COMPANY

17.1 The sole executive body of the Company - the General Director - and collegial executive body of the Company - the Board - shall manage the day-to-day operations of the Company.

The number of members of the Board shall be determined by the Board of Directors but it shall not be less than 7 (Seven) and more than 15 (Fifteen) members. Members of the Board shall be approved by the Board of Directors for a period of 1 (One) year, unless otherwise provided by a decision of the Board of Directors..

The General Director shall present the candidatures of the Board members to the Board of Directors within 5 (five) days upon his election by the Board of Directors. The Board of Directors may reject any specific candidatures of the Board members.

Members of the Board need not be employees of the Company.

The executive bodies shall be accountable to the Board of Directors and General Meeting.

The General Director shall also act as the Chairman of the Board.

The Board shall be established, and its authorities may be early terminated by resolution of the Board of Directors.

The General Director shall be elected by the Board of Directors for a period of 1 (One) year. The Board of Directors may adopt a resolution on early termination of the office of the General Director.

If the resolution to elect a new General Director has not been made upon the expiry of 1 (One) year, the powers of the General Director shall be valid pending such resolution.

17.2 The terms of reference of the executive bodies of the Company shall include all the matters of management of day-to-day operations of the Company, except for the matters falling within the terms of reference of the General Meeting or Board of Directors.

The executive bodies of the Company shall organise implementation of resolutions of the General Meeting and Board of Directors.

The Board shall act on the basis of these Articles and Regulations on the Board approved by the General Meeting.

The following matters shall fall within the terms of reference of the Board:

(1) to adopt resolutions on approval of transactions with bills of exchange (issue own bills of exchange of the Company; to use bills of exchange issued by any third parties; avalise bills of exchange of third parties), if the value of such bill of exchange exceeds 240 000 000 (two hundred forty million) roubles. In this case, if the Company effects the said transactions with bills of exchange, the aggregate value of which exceeds 1 200 000 000 (one billion two hundred million) roubles, within 30 (Thirty) days, all subsequent transactions with bills of exchange within the said period may be effected on the basis of approval of such transactions by the Board only, and if the Company effects the said transactions with bills of exchange, the aggregate value of which exceeds 2,400,000,000 (Two billion four hundred million), all subsequent transactions with bills of exchange within the said period may be effected on the basis of approval of such transactions by the Board of Directors only in accordance with subparagraph (31) of clause 15.2. hereof;

(2) to develop and implement the general strategy of development of the Company subsidiaries, including establishing a unified production, technical, financial, pricing, sales, social and personnel policy and coordination of operations of the Company subsidiaries;

(3) to organise efficient management of day-to-day operations of the Company, including:

3.1. development of a consolidated opinion of the Company management, development and implementation of current economic policy of the Company with respect to the primary activities of the Company: marketing and sales, manufacturing, investment and innovation activities, economy and finance, personnel and social schemes;

3.2. approval and control of monthly and quarterly manufacturing and shipping programmes (in the context of annual control figures approved by the Board of Directors within the framework of the annual budget of the Company) for the Company, subsidiaries and associated companies of the Company;

3.3. control over the implementation of the Company's quarterly budget indicators (within the framework of annual benchmarks approved by the Board of Directors within the framework of the Company's annual budget);

3.4. control over the execution of budgets of subsidiaries of the Company;

- (4) to regularly inform the Board of Directors on the financial status of the Company, priority programmes implementation, transactions and resolutions, which may materially influence the Company progress;
- (5) to carry out the necessary financing, administrative and technical support of the General Meeting, Board of Directors;
- (6) to analyse and summarise the results of operations of specific organisation departments of the Company and develop recommendations on improvement of operations of both such organisation departments of the Company and the Company as a whole;
- (7) to prepare proposals on the basic parameters and conditions for the placement of securities issue and dividend policy;
- (8) making decisions on other issues of the financial and economic activities of the Company submitted to the decision of the Management Board by the General Director;

The quorum for the Board meetings shall constitute at least a half of the elected members of the Board. Resolutions of the Board meetings shall be adopted by a majority of votes of the Board members participating in the meeting. When resolving on any matter, each member of the Board shall have one vote.

Should the number of the Board members become less than the number constituting the quorum, the Board of Directors shall resolve on election of new members of the Board.

17.3 The General Director shall convene meetings of the Board on his own initiative as defined by the General Director but at least once a month. The General Director shall preside the Board meetings, and, in his absence, any Board member elected by a majority of the participating Board members may preside the meeting (presiding officer).

Notice of the Board meeting shall be given to each member of the Board. Such notice shall state, *inter alia*, the agenda of the Board meeting with a description of matters to be discussed at such meeting. All the materials necessary for preparation for the Board meeting and subject to the discussion at such meeting shall be presented to each member of the Board.

No transfer of the voting right by a member of the Board to any other person, including the other members of the Board, shall be allowed.

The General Director of the Company shall represent the Board at General Meetings and meetings of the Board of Directors.

The General Director may act on behalf of the Company without proxy in accordance with resolutions of the Board and do the following acts and things on behalf of the Company:

- (1) represent the Company before any third parties (individuals and legal entities of any form of incorporation, institutions, organisations, governmental and municipal authorities, local authorities, courts, arbitration courts and tribunals, etc.);
- (2) issue powers of attorney for presentation of the Company interests before any third parties. The transfer of all or part of their powers to another person can be carried out in the manner prescribed by the current legislation of the Russian Federation, including by issuing an appropriate order by the General Director, approving a local regulatory act;
- (3) enter into transactions on behalf of the Company under the law of the Russian Federation and these Articles;
- (4) have the right of first signature on financial documents;
- (5) adopt resolutions and issue orders on operational matters of the Company activities;
- (6) approve the staffing table, approves the staffing, claim and (or) change the Company's by-laws (regulations, rules, procedures and other internal documents) within its competence, engage (enter into agreements) and dismiss employees of the Company, hires decisions on business trips of the Company's

employees, encourage and impose penalties on them in accordance with the procedure established by the Russian Federation legislation and these Articles;

- (7) organise accounting and bookkeeping of the Company;
- (8) submit the annual statement and balance sheet of the Company for approval by the Board of Directors and General Meeting;
- (9) organise disclosure of information by the Company pursuant to the securities market legislation, publish in mass media the data stipulated in the legislation of the Russian Federation and other legal instruments;
- (10) dispose of the Company property for maintenance of its day-to-day operations within the limits set by the legislation of the Russian Federation and these Articles;
- (11) submit the personal composition of the Board members to the Board of Directors for approval;
- (12) adopt resolutions on any other matters connected with the Company administration and business;
- (13) do any other acts and things stipulated in these Articles and applicable legislation of the Russian Federation.

17.4 Rights and obligations of the General Director and Board members shall be fixed by the legislation of the Russian Federation, other legal instruments of the Russian Federation and the agreement concluded by each of them with the Company. The Chairman of the Board of Directors or any person authorised by the Board of Directors shall sign such agreement on behalf of the Company.

Neither the General Director nor the Board members may hold an office in any other organisation without consent of the Board of Directors.

17.5 No person being a member, officer or employee of a legal entity competing with the Company may be the General Director or a member of the Board. The powers of the sole executive body of the Company may be transferred under an agreement to a commercial organization (managing organization) or individual entrepreneur (manager).

17.6 The board of directors has the right to decide to suspend the powers of the management organization or manager in cases and in the manner established by law.

18. LIABILITY OF MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE BOARD AND GENERAL DIRECTOR (MANAGING ORGANISATION OR MANAGER)

18.1 When exercising their rights and performing their duties, members of the Board of Directors, General Director, members of the Board, temporary sole executive body and managing company or manager as well as a person who has the ability to determine the actual activities of the Company, including the ability to give instructions to other persons listed in this paragraph of these Articles, shall act in the best interests of the Company, exercise their rights and perform their duties with respect to the Company reasonably and in good faith.

18.2 The persons specified in clause 18.1 of these Articles are liable to the Company for losses caused to the Company by their guilty actions (inactions), unless other grounds for liability are established by law.

Members of the Board of Directors and members of the Board who voted against the decision that caused losses to the Company or, in good faith, did not participate in the vote shall not be liable in accordance with this paragraph.

In the case of a loss caused jointly to the Company, the persons referred to in this paragraph shall be obliged to pay damages jointly and severally.

Agreement on the elimination or limitation of liability of the Board of Directors, General Director, members of the Board, temporary sole executive body, as well as managing organization or manager for committing unfair and unreasonable actions shall be void.

19. CONTROL OVER THE COMPANY OPERATIONS

19.1 The Company's auditing organization conducts an audit of the Company's annual accounting (financial) statements in accordance with the legislation of the Russian Federation on the basis of an agreement concluded with it.

The General Meeting approves the Company's audit organization. The amount of payment for the services of the audit organization is determined by the Board of Directors.

19.2 Based on the results of the audit of the financial and economic activities of the Company, the audit organization of the Company draws up a conclusion.

20. RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

20.1 The Company has organized risk management and internal control. The Board of Directors approves internal documents defining the Company's policy in the field of risk management and internal control.

20.2 To assess the reliability and efficiency of risk management and internal control, the Company carries out an internal audit. The Board of Directors approves the internal documents of the Company defining the Company's policy in the field of organization and implementation of internal audit. The official responsible for the organization and implementation of the internal audit shall be appointed and dismissed based on the decision of the Board of Directors. The terms of the employment contract with the specified persons shall be approved by the Board of Directors.

21. FUNDS AND NET ASSETS

21.1 The Company shall establish a reserve fund of 5 (Five) per cent of its authorised capital.

The reserve fund of the Company shall be formed by way of obligatory annual deductions of at least 5 (Five) per cent of the net profit until it amounts to 5 (Five) per cent of the authorised capital of the Company.

The reserve fund of the Company shall be used to cover its losses, redeem bonds of the Company and repurchase shares of the Company in the event of absence of any other funds. The reserve fund shall not be used for any other purpose.

21.2 The Board of Directors may determine the procedure of forming any other funds of the Company, amounts of deductions thereto and the procedure of utilisation thereof.

21.3 The net asset value of the Company shall be determined on the basis of accounting figures subject to the procedure established by the Federal executive body authorised by the Government of the Russian Federation, and as provided by applicable Federal law – by the Central Bank of the Russian Federation.

22 FINANCIAL ACCOUNTING AND REPORTING

22.1 The Company may maintain accounting and present financial statements subject to the procedure established by the legislation of the Russian Federation and other legal instruments of the Russian Federation.

The General Director shall be responsible for organisation, status and reliability of accounting in the Company, due presentation of the annual report and other financial statements to the relevant authorities as well as for information on the Company operations to be presented to shareholders, creditors and mass media subject to the Federal Law "On Joint-Stock Companies", other legal instruments of the Russian Federation and these Articles.

The financial year of the Company shall be from January 1 through December 31.

22.2 The company is obliged to engage an audit organization to audit the annual accounting (financial) statements.

22.3 The Company's annual report and annual accounting (financial) statements with the conclusion of the Company's audit organization are submitted for approval by the Board of Directors.

22.4 The Company keeps the documents stipulated by the Federal Law "On Joint-Stock Companies",

the Company's Articles of association, internal documents of the Company, decisions of the General Meeting of Shareholders, the Board of Directors, Management Board, General Director, as well as documents provided for by regulatory legal acts of the Russian Federation at the location of its executive body in procedure and within the time limits established by the Bank of Russia.

22.5 The Company is obliged to provide shareholders with access to documents provided for by the Federal Law "On Joint-Stock Companies".

At the request of shareholders who have the right of access to the Company's documents in the cases and in the manner provided for by the Federal Law "On Joint Stock Companies," the Company is obliged to provide them with copies of these documents.

22.6 The fee charged by the Company for the provision of these copies cannot exceed the costs of their production and, if the request indicates the need to send them to the address specified by the shareholder, the corresponding shipping costs.

22.7 The term for the performance of the obligation to provide the documents containing confidential information shall be calculated not earlier than from the date of signing between the Company and the shareholder requested for access to documents of the agreement on non-distribution of information (confidentiality agreement). The terms of the agreement on non-distribution of information (confidentiality agreements) are posted on the website in the information and telecommunication network "Internet": www.tmk-group.ru.

23 REORGANISATION AND LIQUIDATION OF THE COMPANY

23.1 The Company may be voluntarily reorganised subject to the procedure set forth in the laws of the Russian Federation.

The laws of the Russian Federation shall determine other grounds and procedure of reorganisation of the Company.

23.2 The Company may be reorganised in the form of a merger, takeover, separation, split-off or transformation. Reorganization of the Company is permitted with a combination of its various forms, and with the participation of two or more legal entities.

The property of companies established as a result of reorganisation shall be formed for the account of property of the reorganised companies.

The Company shall be deemed reorganised from the time of state registration of newly emerging legal entities, except for the case of reorganisation in the form of a takeover.

The Company shall be reorganised by resolution of the General Meeting.

23.3 The Company may be liquidated on a voluntary basis in accordance with the procedure set forth in the Civil Code of the Russian Federation subject to the requirements of the Federal Law "On Joint-Stock Companies" and these Articles. The Company may be liquidated by resolution of the court on the grounds stipulated in the Civil Code of the Russian Federation.

Liquidation of the Company shall involve its termination without any transfer of rights and obligations to any third parties by way of succession.

23.4 In the event of the Company reorganisation, all its documents (administrative, financial, economic, personnel and other documents) shall be transferred in accordance with the established rules to the successor organization.

In the event of the Company liquidation and in the absence of any legal successor, documents whose temporary storage periods have not expired are transferred for storage to the appropriate state or municipal archive in the manner established by the current legislation of the Russian Federation.