APPROVED
Resolution of the Annual General
Meeting of Shareholders of
KAMAZ PTC of 04.06.2021
(Minutes No. 44)

Terms of reference on the Management Board of KAMAZ Publicly Traded Company

1. General

1.1. The Terms of Reference on the Management Board of KAMAZ Publicly Traded Company (hereinafter referred to as the Terms of Reference) shall define the status, the procedure of creating and the competence of the Management Board of KAMAZ Publicly Traded Company (hereinafter referred to as the Company), the rights, obligations, the grounds and scope of liability of its members, the procedure of calling and holding the meetings of the Company's Management Board (hereinafter referred to as the Management Board), the procedure of adopting and executing its decisions.

1.2. The Terms of Reference have been developed pursuant to the law of the Russian Federation, the Charter of the Company and approved by the Company Shareholders' General Meeting.

1.3. In its activities, the Management Board shall be guided by the law of the Russian Federation, the Charter of the Company, the present Terms of Reference and other internal documents of the Company.

The Management Board shall be the collegiate executive body of the Company which carries out the day-to-day running of the Company. The Management Board shall report to the Company Shareholders' General Meeting and the Board of Directors of the Company.

2. Competence of the Management Board

2.1. The Management Board shall carry out the day-to-day running of the Company.

2.2. Referred to the competence of the Management Board shall be the following matters:

2.2.21. Consideration and submission to the Company's Board of Directors of the annual accounts (financial statements) and the Annual Report of the Company.

2.2. Approval of:

- the Rules for preparation and the holding of the Company's Management Board meetings
- Terms of Reference on the committees of the Company's Management Board;
- Terms of Reference on Disclosure of the Company's Information;
- List of the Company's Confidential Information;
- List of critical risks, action plans aimed at reducing these risks and the level of general acceptable risk.
- Procedure for determining the Company controlled organizations which are of essential importance to it;
- Plan of Research and Development as well as Testing and Design Engineering Work;
- Terms of Reference on Arbitration (Court of Arbitration) at the Company;
- Basic Concept of the Quality Program in conformity with the Company's strategy within the range of the amounts of expenditures, foreseen by the Business Plan of KAMAZ PTC Group of Organizations for the current year.

2.2.3. Consideration of the following reports:

– Status report on performance of the Annual Business Plan of KAMAZ PTC Group of Organizations with respect to subsidiaries of KAMAZ OJSC (no less often than once a quarter);

– On assessment of risks and action plans aimed at reducing them;

– On implementation of the compliance program.

2.2.4. Presenting to the Board of Directors for approval the annual and long term Business Plans of KAMAZ PTC Group of Organizations.

2.2.5. Approval of civil and legal transactions including those involving alienation and (or) acquisition of real property whose value accounts for between 5 and 10 percent of the book value of the Company's assets.

2.2.6. Coordination of the Company's activities in terms of risk management.

2.2.7. Assignment of the risk management functions.

2.2.8. Approval of resolutions to issue guarantees and (or) the Company's assumption of the obligations in the amount of between 5 and 10 percent of the book value of the Company's assets.

2.2.9. Other matters put for review before the Company's Management Board.

3. Composition of the Management Board and the Term of Its Members' Powers

3.1. The Management Board shall be formed by the Company's Board of Directors. The quantitative composition of the Management Board shall be determined by the decision of the Board of Directors. The members of the Management Board shall be appointed by the Board of Directors as proposed by the Company's General Director for a period of five years. Upon expiry of the term of office, the existing composition of the Management Board shall continue to discharge its powers until the new composition of the Management Board is appointed.

The decision to terminate the powers of any of the members of the Management Board or all the members of the Management Board and to terminate the relevant employment contract with a member (members) of the Management Board can be taken at any time by the Company's Board of Directors. This provision shall be a mandatory condition of the employment contract to be concluded by the Company with a member of the Management Board.

3.2. Any physical person whose activities in the capacity of a member of the Management Board is not prohibited by the law of the Russian Federation, who has higher education and management experience in working in industry for no less than 3 years can be a member of the Management Board.

Appointed as member of the Management Board can be a person who is an executive (top manager) in the Company.

When establishing the Management Board, the Company's Board of Directors shall be looking to ensure adherence to the principle of representation on the Management Board of executives from key business disciplines as well as key support functional divisions.

3.3. Deputy Chairmen of the Company's Board of Management shall be elected by the members of the Management Board out of their number by majority of votes of the total number of the Management Board members.

3.4. The Management Board shall be entitled to set up its own working bodies both on permanent basis, i.e. standing committees to be headed, as a rule, by Deputy Chairmen of the Management Board and on temporary basis, i.e. ad hoc working groups.

3.5. The General Director of the Company, when presenting a candidate member of the Management Board, shall be obliged to submit to the Company's Board of Directors a written curriculum vitae on the employment track record of the candidate, his or her previously occupied positions and organizations in which he or she together with his or her affiliates, including spouse, parents, brothers, sisters, owns 20 or more percent of the voting shares (stakes, interest) as well as the candidate's written consent for his or her candidature to be named for membership of the Management Board.

3.6. Co-holding (combined holding) by the members of the Management Board of the positions on the governing bodies of other organizations shall be permitted only with the approval of the Company's Board of Directors.

4. The Chairman of the Management Board

4.1. The functions of the Chairman of the Management Board shall be carried out by the General Director of the Company.

4.2. The General Director of the Company:

- shall organize the operation of the Management Board;
- shall convene the meetings of the Management Board or organize absentee vote;
- shall chair the meetings of the Management Board;
- shall organize the keeping of the minutes of the Management Board meeting as well as perform other functions contemplated by the law, the Charter of the Company and the internal documents which regulate the activities of the Company's bodies.

4.3. For the period of the Company General Director's unavailability the functions of the Chairman of the Management Board shall be carried out by the Deputy Chairman of the Management Board.

The Chairman of the Management Board shall not be entitled to assign performance of his or her functions to another person.

4.4. With the parity of votes cast by the members of the Management Board "in favor" and "against" on the draft resolution under consideration at the meeting of the Management Board, deemed to have been carried shall be the version of the resolution for which the Chairman of the Management Board has voted.

5. Support of the Operation of the Management Board, Remunerations and Compensations To the Members of the Management Board

5.1. To execute the documents and manage the affairs of the Management Board, by recommendation of the Company's Corporate Secretary, the Management Board shall appoint the Secretary of the Management Board.

5.2. The Secretary of the Management Board shall provide logistical support for the operation of the Management Board. The Secretary of the Management Board shall provide the conditions necessary for the members of the Management Board to carry out their functions, shall arrange for premises to be provided for meetings of the Management Board, transportation, accommodations for the members of the Management Board who are not residents of this city, passes to gain access to guarded areas and facilities.

5.3. The Secretary of the Management Board shall ensure that a member of the Management Board who is not an employee of the Company signs the Confidentiality Agreement with the duration of such agreement to be from the time of election of the new composition Management Board.

5.4. The Secretary of the Management Board shall ensure that minutes of the meetings of the Management Board are kept on file and registered.

5.5. The Secretary of the Management Board shall provide informational support for the operation of the Management Board, including but not limited to:

– dissemination of materials in advance of the meeting (absentee vote) of the Management Board;

– briefing the Chairman of the Management Board on availability of the quorum for a meeting of the Management Board to be held;

– formulation of the Work Plan of the Management Board;

– communicating the resolutions taken by the Management Board to the officers of the Company;

– making sure that the minutes of the Management Board meetings and the materials in advance of the meetings (absentee vote) of the Management Board are stored safely and kept on file;

– sending to the members of the Management Board voting ballots if the resolutions of the Management Board are approved by absentee vote;

– summarizing the voting results on the issues the resolutions on which are adopted by way of absentee vote;

– vote count by the members of the Management Board;

– keeping and executing the minutes of the meetings (absentee votes) and managing the files of the Management Board.

5.6. For the period during which the Secretary of the Management Board is away, his or her functions relating to the keeping and execution of the minutes of the meetings (absentee votes) shall be carried out by the person appointed Secretary for the current meeting by the General Director of the Company.

5.7. The Secretary of the Management Board, on a quarterly basis, shall put before the Management Board for its review an update on performance status of the Work Plan of the Management Board and the resolutions taken by the Management Board.

5.8. By the resolution of the Board of Directors of the Company, the members of the Management Board for the period of them discharging their duties can be paid remunerations and (or) the expenses incurred by them in performing their responsibilities can be compensated for. The amount of such remunerations and compensations shall be established by the resolution of the Company's Board of Directors.

5.9. Expenses connected with the operation of the Management Board shall be incurred pursuant to the procedure in place at the Company.

5.10. The internal documents of the Company which regulate admission and access regime must provide for company ID documents to be issued to the members of the Management Board who are not employees of the Company granting them rights of access (travel) to the restricted facilities in the scope to be determined by the General Director of the Company. The above mentioned company ID documents shall be executed for use by

the members of the Management Board on the basis of a request after two photographs of approved type have been provided.

6. Meetings of the Management Board

6.1. The meetings of the Management Board shall be held on planned basis. The Work Plan shall be made for a calendar year and provide for the matters in accordance with the law, the Charter of the Company as well as the items proposed by the members of the Management Board and the heads of the Company's structural divisions. The Work Plan of the Management Board shall be approved by the General Director of the Company.

6.2. The meetings of the Management Board shall be scheduled and held, as a rule, at the domicile of the Company's single person executive body or at another venue designated by the General Director of the Company.

6.3. A meeting of the Management Board (absentee vote by the members of the Company's Management Board) shall be called (held) by the General Director of the Company at his own initiative, at the request of a member of the Management Board, the Auditing Board of the Company or the Company's auditors.

6.4. The right to put issues before the Management Board for consideration shall be exercised by the members of the Management Board, the Auditing Board of the Company, the auditors of the Company, the Secretary of the Management Board (on procedural matters).

6.5. The date, place and time of holding the meeting of the Management Board shall be designated by the General Director of the Company.

The list of the items for inclusion into the agenda of the meeting of the Management Board and the list of the persons to be invited to the meeting of the Management Board, shall be put together by the Secretary of the Management Board subject to the Work Plan of the Management Board and the proposals made.

The agenda of the meeting shall be approved by the Company's General Director. The agenda of the meeting of the Management Board must contain a complete list of the items being put before the Management Board for discussion.

6.6. The notice of the meeting of the Management Board being called shall be sent to each member of the Management Board no later than 3 calendar days in advance of the appointed date of the meeting.

The notice must contain details about the date, place and time of the meeting and the list of the items proposed for consideration at the meeting. Attached to the notice shall be the materials necessary for preliminary review by the members of the Management Board and drafts of respective resolutions of the Management Board.

6.7. Participating in the meetings of the Company's Management Board shall be the members of the Management Board, the persons who have initiated the meeting of the Management Board and other persons invited to the meeting of the Management Board on each of the issues under consideration. The invitees shall not participate in the voting.

7. Quorum and the Procedure of Decision Making

7.1. The quorum of the meeting of the Management Board shall be determined when opening the meeting.

7.2. The meeting of the Management Board (absentee vote by the members of the Management Board) shall be deemed to be valid and competent if no less than half the number of the appointed members of the Management Board are taking part in it.

7.3. When resolving the issues at the meeting of the Management Board, each member of the Management Board shall have one vote.

Transfer of the right to vote by a member of the Management Board to another person, including another member of the Management Board, shall not be allowable.

7.4. The members of the Management Board can participate in the proceedings of the meetings of the Management Board by using conferencing facilities (audio or video conferencing systems).

The votes of the members of the Management Board thus taking part in the proceedings of the meeting of the Management Board shall be taken into account when determining the quorum at the meeting and in voting on the agenda items of the meeting.

7.5. Written opinions of the members of the Management Board absent from the meeting of the Management Board, on the agenda items shall be taken into account when determining the quorum and the voting results on the agenda items of the meeting.

7.6. The resolutions of the Management Board shall be passed by the majority of votes of the members of the Management Board attending the meeting or taking part in the absentee vote.

7.7. The resolutions of the Management Board shall be binding on the General Director of the Company and the employees of the Company.

8. Absentee Vote by the Members of the Management Board

8.1. The resolution of the Management Board can be passed by absentee vote.

8.2. Deemed to have taken part in the absentee vote shall be the members of the Management Board whose ballots (facsimile copies of the ballots) were handed over to the Company no later than the set final date for acceptance of the ballots.

8.3. The absentee vote may be completed earlier than the end date for acceptance of the ballots for absentee voting in case all the members of the Management Board have voted before the designated date. The end date of the absentee vote in this case shall be determined by the date of receipt by the Company of the last ballot or its facsimile copy.

9. Minutes of the Meeting of the Management Board

9.1. At the meeting of the Management Board, minutes shall be kept.

9.2. Minutes of the meeting of the Management Board shall be prepared no later than 3 days after it was held. The minutes are to specify:

- the place and the time of holding the meeting;
- the persons attending the meeting;
- the agenda of the meeting;
- the items put to vote and the voting results thereon;
- the decisions taken.

The minutes of the meeting of the Management Board shall be signed by the General Director of the Company and the Secretary of the Management Board who shall be liable for the correctness of the minutes prepared.

9.3. Opinions of the members of the Management Board expressed in written form and signed in their own hand as well as the ballots for voting in case absentee voting by the members of the Management Board is conducted, shall be joined to the minutes.

9.4. The Company shall be obliged to provide the minutes of the meetings of the Management Board for perusal at the request of the Company's Auditing Board, the Company's auditors and the Company shareholders who own cumulatively no less than 25 percent of the Company's voting shares as well as copies of the minutes to the Company shareholders who own cumulatively no less than 25% of the Company's voting shares, at their request for a charge not exceeding the amount of expenses incurred in producing the copies and postal charges.

The minutes of the Management Board must be provided to the shareholders within 7 days from the day of service of the respective request for perusal on the premises of the Company's executive body.

10. Rights, Obligations and Liability of the Members of the Management Board

10.1. A member of the Management Board shall be entitled to put issues for review before the meeting of the Management Board, to participate in discussion and voting on all the agenda items.

10.2. The members of the Management Board shall be obliged to attend the Company Shareholders' General Meeting.

10.3. A member of the Management Board shall be obliged, in written form, to inform the Company's Board of Directors of owning securities of the Company and (or) its subsidiary (dependent) companies, of the intention to execute transactions involving securities of the Company and (or) its subsidiary (dependent) companies as well as disclose the information about the transactions consummated by him or her involving such securities.

10.4. Within two months from the day that a Member of the Management Board got to know or must have gotten to know about the onset of the circumstances due to which he or she may be recognized to be interested in the Company's executing the transaction, shall be obliged to send the Company a notification:

– of the legal entities with respect to whom he or she, their spouse, parents, children, full and half siblings, adopted parents and adopted children and (or) the organizations under their control are controlling persons or entitled to give mandatory instructions;

– about the legal entities on whose governing bodies he or she, their spouse, parents, children, full and half siblings, adopted parents and adopted children and (or) persons under their control occupy positions;

- about the transactions known to him or her as being executed or anticipated in which he or she can be recognized to be an interested person.

10.5. A member of the Management Board in the case of changes in the particulars given in clause 10.4 of the present Terms of Reference shall be obliged to inform of change in such particulars within 14 days from the day that he or she found out

or must have found out about their change.

10.6. The members of the Management Board shall refrain from actions which will lead to or potentially are capable of resulting in a conflict between their interests and those of the Company and in case such a conflict arises, they shall be obliged to notify the Company's Board of Directors of same.

10.7. A member of the Management Board, in the exercise of his or her rights and in the performance of his or her obligations must act in the interests of the Company, shall exercise his or her rights and perform his or her obligations diligently and reasonably.

10.8. The members of the Management Board shall be liable and responsible to the Company for the losses caused to the Company through the actions they are to blame for (inaction) unless other grounds and amount of responsibility are established by the Federal laws.

The members of the Management Board shall bear liability to the Company or the shareholders for the losses caused by the actions they are to blame for (inaction) which contravene the procedure of acquiring the Company's shares foreseen by Chapter XI.I of the Federal law "On Joint Stock Companies".

At the same time, however, no liability shall be borne by the members of the Management Board who had voted against the resolution which resulted in causing the Company or the shareholder the losses or who had not taken part in the voting.

When determining the grounds and the amount of liability of the members of the Management Board, regular conditions and business practices as well as other circumstances which are of significance for the matter are to be taken into consideration. In case liability is borne by several members of the Management Board, their liability to the Company or the shareholder shall be joint and several.

10.9. The Company or the shareholder (shareholders) of the Company who own cumulatively no less than one percent of the placed ordinary shares in the Company shall be entitled to bring a lawsuit against the member of the Management Board seeking reimbursement for damages caused to the Company or the shareholder in the cases foreseen by Item 2 Article 71 of the Federal law "On Joint Stock Companies".

11. Operation of the Terms of Reference. Procedure of Introducing Amendments and Addenda To the Terms of Reference

11.1. Amendments and addenda to the present Terms of Reference can be introduced by resolution of the Company Shareholders' General Meeting.

The Company Shareholders' General Meeting can terminate the operation of the present Terms of Reference and approve new Terms of Reference on the Company's Management Board.

11.2. In the case of a contradiction between the norms of the law of the Russian Federation and the present Terms of Reference the norms of the existing law of the Russian Federation shall apply.