

APPROVED  
by resolution of the annual General Shareholders'  
Meeting of Public Joint-Stock Company «EL5-  
Energo»  
20.06.2023 (Minutes № 1/23 dd. 20.06.2023)

# **The Charter of Public Joint-Stock Company «EL5-Energo»**

(new version)

Moscow  
2023

## **Article 1. General Provisions**

- 1.1. The Public Joint-Stock Company «EL5-Energo» (hereinafter referred to as the “Company”) was founded on October 25, 2004 by decision of the sole founder – OAO RAO UES Russia (Regulation No. 113r of October 25, 2004) – and shall be deemed to be established by foundation from the time of its state registration on October 27, 2004.
- 1.2. In its activity, the Company is governed by the Civil Code of the Russian Federation, the Federal Law “On Joint-Stock Companies”, the Federal Law “Concerning Electric Power Industry”, and other norm-related legal acts of the Russian Federation and the Charter hereof.
- 1.3. The Company's full name in Russian is Публичное акционерное общество «ЭЛ5-Энерго».  
The Company's full name in English is Public Joint-Stock Company «EL5-Energo».
- 1.4. The Company's abbreviated name in Russian is ПАО «ЭЛ5-Энерго».  
The Company's abbreviated name in English is PJSC «EL5-Energo».  
The Company's previous full names are Open Joint-Stock Company The Fifth Power Generation Company, Open Joint-Stock Company Enel OGK-5, Open Joint-Stock Company Enel Russia, Public Joint-Stock Company Enel Russia.  
The Company's previous abbreviated names are OJSC OGK-5, OJSC Enel OGK-5, OJSC Enel Russia, PJSC Enel Russia.
- 1.5. The Company's place of location is Russian Federation, Yekaterinburg  
The Company's address is ul. Khokhryakova, 10, Yekaterinburg, Sverdlovsk Oblast, Russian Federation 620014.
- 1.6. The Company's activity is not limited to a certain period of time.
- 1.7. The Company is the assignee of OJSC Nevinnomysskaya GRES, OJSC Konakovskaya GRES and OJSC OGK-5 Holding.

## **Article 2. Legal Status of the Company**

- 2.1. The legal status of the Company is determined by the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies", other Russian legal acts and the Charter hereof.
- 2.2. The Company shall be deemed to be a legal entity under the legislation of the Russian Federation.  
The Company shall be a commercial organization whose charter capital is divided into a certain number of shares which certify the rights in personam of the participants in the company (shareholders) with respect to the company.
- 2.3. The Company shall have assets in its exclusive ownership which shall be recorded on its independent balance sheet, and may in its own name acquire and exercise proprietary and private non-proprietary rights, bear liabilities, and act as a plaintiff or a defendant in court.
- 2.4. The Company shall have the right to open bank accounts in the territory of the Russian Federation and outside the Russian Federation in accordance with the established procedure.
- 2.5. The Company shall be liable for its obligations to the extent of all assets

belonging to the Company.

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

The Company's shareholders shall not be liable for the Company's obligations and shall bear the risk of losses which are associated with its activity within the limits of the value of the shares which they hold.

The Company's shareholders which have not fully paid for their shares shall bear joint liability for the Company's obligations within the limits of the unpaid part of the value of the shares which they hold.

If the insolvency (bankruptcy) of the Company was caused by the actions (inaction) of the Company's shareholders or other persons who have the right to give instructions which are binding for the Company or are able in any other way to determine the Company's actions, then those shareholders and other persons may be charged with subsidiary liability for the Company's obligations in the event that the Company's assets are insufficient.

The insolvency (bankruptcy) of the Company shall be considered to have been brought about by the actions (inaction) of its shareholders or other persons who have the right to give instructions which are binding for the Company or are able in any other way to determine the Company's actions only in the event that they used this right and (or) ability in order to cause the Company to act in a particular way, knowing that this would result in the insolvency (bankruptcy) of the Company.

The State and its bodies shall not bear liability for the Company's obligations, just as the Company shall not bear liability for the obligations of the State and its bodies.

- 2.6. The Company has a round stamp containing the company's name in full in Russian and a reference to its location.

The stamp may also show the company's name in any foreign language or language of the peoples of the Russian Federation.

The Company shall have the right to have stamps and letterhead with the company's name, their own emblem, a trademark which has been registered in accordance with the established procedure and other means of visual identification.

- 2.7. The Company shall have civil rights and shall bear obligations as necessary for engaging in any type of activity which is not prohibited by federal laws of the Russian Federation.

- 2.8. The Company may establish branches and open representative offices in and outside the territory of the Russian Federation.

A branch of the Company shall be an economically autonomous subdivision of the Company with a location which differs from the location of the Company, which fulfills all of the Company's functions, including the functions of a representative office, or a part of those functions.

A representative office of the Company shall be an economically autonomous subdivision with a location which differs from the location of the Company, which sole scope is to represent and protect the interests of the Company.

A branch and a representative office shall not be deemed to be legal entities, and shall act on the basis of a statute which has been approved by the Company. Branches and representative offices shall be provided with assets of the Company, and shall act on the basis of a statute approved by it.

The Head of a branch and the Head of a representative office shall be appointed by the Company and shall act on the basis of a power of attorney issued by the Company.

The branch and the representative office of the Company shall carry out activities in the name of the Company.

2.9.

The Company may have subsidiary and dependent companies with the rights of a legal entity in the territory of the Russian Federation.

The Company may have subsidiary and dependent companies with the rights of a legal entity outside the territory of the Russian Federation, established in accordance with the legislation of the foreign state where the subsidiary or dependent companies are located, unless otherwise stipulated by an international agreement of the Russian Federation.

A company shall be deemed to be subsidiary if the Company, by virtue of having a predominant share in its charter capital, or in accordance with an agreement concluded between them, or for other reasons, is able to determine the decisions which are taken by that company.

A subsidiary company shall not be liable for the debts of the Company.

If the Company has the right to give instructions to the subsidiary company which are binding for the latter, it shall be jointly liable with the subsidiary company with respect to transactions which are concluded by the latter in order to execute these instructions. The Company shall be considered as having the right to give binding instructions to the subsidiary company only in the event that this right is stipulated in the agreement with the subsidiary company or in the charter of the subsidiary company.

In the event that a subsidiary company becomes insolvent (bankrupt) through the fault of the Company, the latter shall bear subsidiary liability for its debts. The insolvency (bankruptcy) of a subsidiary shall be considered to have occurred through the fault of the Company only in the event that the Company used the aforementioned right and (or) ability to cause the subsidiary company to act, knowing that the action would result in the insolvency (bankruptcy) of the subsidiary company.

The shareholders of a subsidiary company shall have the right to claim compensation from the Company for losses caused to the subsidiary company through its fault. Losses shall be considered to have been caused through the fault of the Company only in the event that the Company used its right and (or) ability to cause the subsidiary company to act, knowing that the subsidiary would incur losses as a result.

A company shall be deemed to be dependent if the Company holds more than 20 per cent of the voting shares in the first company.

If the Company has acquired more than 20 per cent of the voting shares in a commercial company, the Company shall be obliged immediately to publish information on this in accordance with a procedure to be determined by the Bank of Russia and the federal anti-monopoly body.

2.10.

The Company shall have the right to conduct placement of shares and issuance securities which are convertible into its shares through an open subscription..

The Company shall have the right to conduct placement of shares and issuance securities which are convertible into its shares through a closed subscription, except in those cases where the possibility of conducting a closed subscription is

restricted by the requirements of legal acts of the Russian Federation.  
The number of shareholders in the Company shall not be restricted.  
The Company and its shareholders shall have no preferential right to acquire shares alienated by the shareholders of the Company.

### **Article 3. Objective and Scope of Activities of the Company**

- 3.1. The main purpose of the Company's activity is to make profit.  
To make profit, the Company has the right to conduct any type of business permitted by law, including:
- the production of electric and thermal energy;
  - provision (sale) of electric and thermal energy;
  - receipt (purchase) of electric and thermal energy from the wholesale (capacity) market;
  - activities determining the conditions for parallel operation in accordance with the modes of the Unified Energy System of Russia under contractual terms;
  - use of power facilities, which are not on the Company's balance sheet, under agreements with the owners of the facilities;
  - activity relating to nature conservation;
  - activity relating to the effect on the environment, its protection, the use of natural resources, utilization, warehouse storage, and the displacement of industrial wastes;
  - control of the safe use of the power and heat consuming equipment of consumers connected to the grids and heat networks of the Company;
  - organization of the energy-saving modes of operations of the equipment of electric power stations, and maintenance of the regimes of provision of energy under the agreements;
  - maintenance of the operation of energy equipment in accordance with the current norm-related requirements, its timely and high-standard repairs, re-tooling and the reconstruction of energy units;
  - energy provision of consumers, who are connected to the Company's electric and thermal networks, under the agreements signed;
  - learning how to use new equipment and know-how that make the operation of the Company's units effective, secure and environmentally safe;
  - use of thermal networks;
  - development of telecommunications and provision of telecom services;
  - storage of oil and oil refining products;
  - use of highly explosive production facilities;
  - use of highly inflammable production facilities;
  - use and maintenance of objects supervised by the Federal Committee for Mining and Industrial Oversight;
  - use of buildings and installations;
  - metrological assurance;
  - hazardous waste management;
  - use of local gas distribution networks;
  - repair of measurement tools;

- training and tests to see how well the rules, regulations and instructions concerning technical use and occupational, industrial and fire safety are known;
- organization and management of defense programs for mobilization training, civil defense, emergencies and the protection of national security information in accordance with Russian legislation;
- security activities solely in the interests of the Company's security, within the framework of the security service set up by the Company, which is governed by the Federal Law "Concerning Private Investigation and Security Activities in the Russian Federation" and the legislation of the Russian Federation;
- educational activities, including extended educational programs;
- exercising the powers of executive bodies in joint-stock companies and business entities in compliance with the legislation of the Russian Federation and the agreements signed;
- trust management of property;
- the provision of advisory services;
- transactions in securities in accordance with the Russian legislation in force;
- activities under contracts of agency;
- drafting the statements of estimates, surveying, and carrying on research and design work;
- foreign trade;
- forwarding services;
- any other types of activity not prohibited by Russian federal laws.

3.2. Certain types of activity, a list of which shall be determined by federal laws, may be carried out by Company only on the basis of a special permit (licence). If the conditions for granting a special permit (licence) to engage in a certain type of activity stipulate that the activity concerned must be the sole activity carried out by the holder, then the Company shall not have the right to engage in any types of activity other than the types of activity which are envisaged in the special permit (licence) and concomitant types of activity for the duration of the validity of the special permit (licence).

## **Article 4. Charter Capital of the Company**

- 4.1. The charter capital of the Company shall consist of the nominal value of shares in the Company which has been acquired by shareholders (outstanding shares). All shares of the Company are uncertified shares.  
The charter capital of the Company amounts to 35.371.898.370 (thirty-five billion three hundred seventy-one million eight hundred ninety-eight thousand three hundred seventy) rubles.  
The charter capital of the Company is divided into 35.371.898.370 (thirty-five billion three hundred seventy-one million eight hundred ninety-eight thousand three hundred seventy) ordinary shares.  
The nominal value of each ordinary share of the Company is 1 (one) ruble.
- 4.2. The charter capital of the Company may be increased by means of increasing the nominal value of shares or distributing additional shares.  
The Company's charter capital may be increased by distributing additional shares at the expense of the Company's assets. The Company's charter capital by

increasing the nominal value of shares shall be increased only at the expense of the Company's assets.

The amount by which the Company's charter capital is increased at the expense of the company's assets must not exceed the difference between the value of the Company's net assets and the sum of the Company's charter capital and reserve fund.

Where the Company's charter capital is increased at the expense of its assets by means of distribution of additional shares, those shares shall be distributed among all the shareholders. In this respect, each shareholder shall be allocated shares of the same category (type) as the shares which he already owns, and in proportion to the number of shares owned by him.

It shall not be permitted to increase the Company's charter capital at the expense of its assets by means of distribution of additional shares, which results in the formation of fractional shares.

- 4.3. The Company's charter capital may be reduced by means of reducing the nominal value of shares or reducing the total number thereof, including by means of acquisition of a portion of the shares in cases stipulated by the Federal Law "On Joint-Stock Companies".

The reduction of the Company's charter capital by means of acquisition and cancellation of a portion of shares shall be permitted.

The Company shall not have the right to reduce its charter capital if such reduction would cause the size thereof to fall below the minimum size of the charter capital which is determined in accordance with this Federal Laws of the Russian Federation as at the date of the submission of documents for the State registration of the relevant amendments to the Company's charter, and if the Company is obliged to reduce its charter capital in accordance with the Federal Law "On Joint-Stock Companies" - as at the date of the Company's State registration.

## **Article 5. Shares, Bonds and Other Issuance Securities of the Company**

- 5.1. The issuance security is any paper security, including a non-documentary security, marked by the following features:
- 5.1.1. it records the totality of property and non-property rights subject to certification, assignment, and unconditional exercise with the observance of the form and order established by the Federal Law "On the Securities Market";
- 5.1.2. it is placed by issues;
- 5.1.3. it grants rights equal in time and extent within any one inside issue, regardless of the time of acquiring a security.
- 5.2. The share is an issuance security that fixes the rights of its owner (shareholder) to receive part of the profit of a corporation in the form of dividends, to participate in the management of the corporation, and to receive part of the property that remains after its liquidation. The share is an inscribed security.
- 5.3. The bond is an issuance security that fixes the right of its holder to receive a bond from the issuer at its nominal value, in the period of time provided for by it, or other property equivalent. The bond may likewise provide for the right of its holder to receive the interest or for other property rights established in it. The

- income on a bond is interest or discount.
- 5.4. The Company shall distribute ordinary shares and shall have the right to distribute one or more types of preferred shares. The nominal value of preferred shares distributed must not exceed 25 per cent of the Company's charter capital.
- 5.5. The Company shall have the right to distribute additional shares and other issuance securities by subscription and by conversion.
- 5.6. The Company shall have the right to distribute shares and issuance securities of the company, which are convertible into shares, by open or closed subscription.
- 5.7. Payment for additional shares of the Company which are distributed by subscription shall be made at a price to be determined by or according to the pricing procedure determined by the Board of Directors of the Company (hereinafter – the “Board of Directors”) in accordance with Article 77 of the Federal Law “On Joint-Stock Companies”, but not lower than their nominal value. The placing price of additional shares that are distributed by subscription, or the pricing procedure shall be included into the resolution concerning the increase of the Company's charter capital by means of placement of additional shares, unless such resolution envisages that the price or the pricing procedure will be established by the Company's Board of Directors not later than the beginning of additional shares placement.
- 5.8. In certain cases set by the Federal Law “On Joint-Stock Companies”, the Company's shareholders have the preemptive right (the right to acquire additional shares and equity securities, which are convertible into shares, placed via public offering, in the firm proportionate to the number of shares of the same category already held).
- The price at which additional shares are distributed to persons who exercise the preferential right to acquire such securities may be lower than the price at which they are distributed to other persons, but not by more than 10 per cent.
- 5.9. The size of the fee of an intermediary who participates in the distribution of additional shares of the Company by subscription must not exceed 10 per cent of the distribution price of the shares.
- 5.10. Additional shares and other issuance securities of the Company which are distributed by subscription shall be distributed subject to the condition that they be paid for in full.
- Payment for additional shares which are distributed by subscription may be made in the form of money, securities, other objects or property rights or other rights which have a monetary value. The form of payment for additional shares shall be determined by the decision on the distribution thereof. Payment for other issuance securities may be made only in the form of money.
- Where payment for additional shares is made by non-monetary means, the monetary value of assets which are contributed as payment for shares shall be assessed by the Board of Directors in accordance with Article 77 of the Federal Law “On Joint-Stock Companies”.
- Where payment for shares is made by non-monetary means, a valuer must be engaged to determine the market value of such assets, unless otherwise established by law. The amount of the value assessment of assets made by the Board of Directors may not be greater than the amount of the value assessment made by the valuer.
- 5.11. The Company shall have the right to issue bonds after its charter capital has been



- fully paid up. In case the decision to distribute the bonds that may be redeemed by the Company's placed shares is made, the rules provided for by the Federal Law shall apply. Acquisition of shares as a result of bonds redeeming does not release the acquirer from his obligations provided for by Federal Laws.
- 5.12. The conversion of ordinary shares into preferred shares, bonds and other securities shall not be permitted.  
The conversion of preferred shares into bonds and other securities, except for ordinary shares and preferred shares of other types, shall not be permitted.  
The conversion of preferred shares into ordinary shares and other preferred shares shall be permitted.
- 5.13. The Company may accomplish consolidation or split of shares.
- 5.14. If it is impossible for a shareholder to acquire a whole number of shares when a preferential right to acquire additional shares is exercised and when shares are consolidated, fractions of shares (hereinafter, "fractional shares") shall be formed.  
A fractional share shall confer on the shareholder owning it the rights which are conferred by a share of the relevant category (type) to an extent that corresponds to the fraction of the whole share which it represents.  
For the purposes of the reflection of distributed shares in a company's charter, all distributed fractional shares shall be totalled. In the event that this results in the formation of a fractional number, the number of distributed shares shall be expressed as a fractional number in the company's charter.  
Fractional shares shall be circulated on the same basis as whole shares. In the event that one person buys two or more fractional shares of the same category (type), those shares shall form one whole share and (or) a fractional share equal to the sum of those fractional shares.
- 5.15. The Company shall have the right to acquire shares which it has distributed on the basis of a decision of the General Shareholders' Meeting of the Company (hereinafter – the "General Shareholders' Meeting") to reduce the charter capital of the Company by means of acquiring a part of distributed shares in order to reduce their overall number.  
The Company shall not have the right to adopt a decision to reduce the charter capital of the Company by means of acquiring a part of distributed shares in order to reduce their overall number if the nominal value of shares remaining in circulation would become lower than the minimum amount of charter capital which is stipulated in the Federal Law of the Russian Federation.  
Shares which are acquired by the Company on the basis of a decision which has been adopted by the General Shareholders' Meeting to reduce the size of the Company's charter capital by means of acquiring shares by the Company in order to reduce their overall number shall be cancelled upon acquisition.
- 5.16. The Company shall have the right to acquire shares distributed by it by decision of the Board of Directors in all other cases not stipulated by Item 5.15 of the present Charter.
- 5.17. The Company shall not have the right to adopt a decision for the Company to acquire shares if the nominal value of shares of the Company in circulation would constitute less than 90 per cent of the company's charter capital.
- 5.18. Payment for shares upon their acquisition shall be made in the form of money. The price at which a company acquires shares shall be determined in accordance

with Article 77 of the Federal Law “On Joint-Stock Companies”.

- 5.19. Shares of the Company come under the Company’s control shall not confer voting rights and shall not be taken into account when counting votes, and dividends shall not accrue on them. Shares of the Company come under the Company’s control must be sold at a price not lower than their market value not later than one year from the day of the transfer of ownership rights on such shares to the Company, otherwise the General Shareholders’ Meeting must adopt a decision to reduce the Company’s charter capital by means of cancelling those shares.

## **Article 6. Rights of Company’s Shareholders**

- 6.1. Each ordinary share of the Company shall confer the same volume and extent of rights on the shareholder who holds it.
- 6.2. Shareholders which hold ordinary shares in the Company may participate in the General Shareholders’ Meeting with the right to vote on all issues within their competence and shall have the right to receive dividends, and, in the event of the Company’s liquidation, the right to receive part of its assets.
- 6.3. Shareholders (a shareholder) possessing in the aggregate no less than 10 per cent of the voting shares of the Company shall have the right to demand that an extraordinary General Shareholders’ Meeting be held.  
Shareholders (a shareholder) possessing in the aggregate no less than 2 per cent of the voting shares in the Company shall have the right to propose issues for the agenda of the annual General Shareholders’ Meeting and to nominate candidates for the Board of Directors , the number of which may not exceed the number of members of the body in question.  
In the event that the proposed agenda of an extraordinary General Shareholders’ Meeting includes an issue concerning the election of members of the Board of Directors, shareholders (a shareholder) possessing in the aggregate no less than 2 per cent of the voting shares in the Company shall have the right to nominate candidates for election to the Board of Directors, the number of which may not exceed the number of members of the Board of Directors.
- 6.4. A shareholder shall have the right to appeal through the courts against a decision which has been made by the General Shareholders’ Meeting in violation of the requirements of the Federal Law On Joint-Stock Companies”, other legal acts of the Russian Federation and the Company’s charter in the event that it did not participate in the General Shareholders’ Meeting or voted against the adoption of that decision, and the decision in question violates its rights and legal interests.
- 6.5. Each shareholder which holds shares of particular categories (types) which it has been decided by the Board of Directors for the Company to acquire shall have the right to sell those shares, and the Company shall be obliged to acquire them. In the event that the total number of shares for which applications for acquisition by the Company have been received exceeds the number of shares which may be acquired by the Company, shares shall be acquired from shareholders in proportion to the requests presented.
- 6.6. Unless otherwise stipulated by the federal law, shareholders which hold voting shares shall have the right to request that all or part of the shares held by them be repurchased by the Company in the event of:

taking a decision by shareholders meeting on Company reorganization or consent to perform or subsequent approval of a major transaction, the subject of which is the property with a cost of more than 50 percent of Company balance sheet assets determined on the basis of its financial statements for the last reporting date (which simultaneously performs an interest), if they voted against the decision on reorganization or against the decision on consent to the perform or to the subsequent approval of the transaction or did not take part in voting on these issues;

introduction of amendments and additions to the Company's charter (making a decision by the General Shareholders' Meeting that is considered as a basis for amending the Company's charter) or the approval of a new version of the Company's charter which restrict their rights, if they voted against the adoption of that decision or did not participate in voting;

making a decision by the General Shareholders' Meeting to introduce amendments to the Company's Charter that exclude the indication of the fact that the company is public simultaneously with the decision to submit an application to the Bank of Russia for release from obligation to disclose the information, as it is provided by the the Russian Federation securities legislation, and the decision to submit an application on delisting of the shares and issuance securities convertible into shares, if they have voted against such resolution or have not participated in the voting;

making a decision by the General Shareholders' Meeting to submit an application on delisting of the Company's shares and (or) issuance securities of the Company convertible into the Company's shares, if they have voted against such resolution or have not participated in the voting

6.7. Shareholders of the Company shall have access to the documents in accordance with the Federal Law "On Joint-Stock Companies".

6.8. Shareholders (a shareholder) possessing in the aggregate no less than 25 per cent of the voting shares of the Company shall have the right of access to accounting documents and minutes of meetings of the Company's Executive board.

6.9. Shareholders of the Company shall have a preferential right to acquire additional shares and issuance securities convertible into shares which are distributed by open subscription in a quantity which is proportional to the number of shares of that category (type) which belong to them.

Shareholders of the Company who voted against or did not take part in the vote on the distribution by closed subscription of shares and issuance securities which are convertible into shares shall have the preferential right to acquire additional shares and issuance securities convertible into shares which are distributed by closed subscription in a quantity which is proportional to the number of shares of that category (type) which belong to them. This right shall not apply to the distribution of shares and other issuance securities convertible into shares which is carried out by closed subscription only among shareholders if, in this respect, the shareholders are able to acquire a whole number of distributed shares and other issuance securities convertible into shares in proportion to the number of shares of the relevant category (type) which belong to them.

6.10. The list of persons who have the right to participate in the General Shareholders' Meeting, excluding information regarding declaration of their intention, shall be made available by the Company upon request from the persons who are in the list

and possess at least 1 per cent of the votes for information.

## **Article 7. Dividends**

- 7.1. The Company shall have the right, on the basis of the results for the first quarter, six months and nine months of a reporting year and (or) on the basis of the results for a reporting year, to adopt decisions concerning (announce) the payment of dividends on distributed shares, unless otherwise provided for by the Federal Law “On Joint-Stock Companies”. A decision concerning the payment (announcement) of dividends on the basis of the results for the first quarter, six months and nine months of a reporting year may be adopted within three months after the period in question has ended.
- The Company shall be obliged to pay dividends announced for shares of each category (type), unless otherwise provided for by the Federal Law “On Joint-Stock Companies”. Dividends shall be paid in cash or by assets upon decision of the General Shareholders’ meeting.
- The source of payment of dividends shall be the profit of the Company after taxation (the net profit of a company). The net profit of the Company shall be determined on the basis of data in the Company’s accounting (finance) reports.
- 7.2. Decision on the payment (announcement) of dividends shall be adopted by the General Shareholders’ Meeting.
- This decision shall determine the amount of dividends on shares of each category (type), form of payment, procedure for dividends payment in non-monetary form, date for which the persons entitled to receive the dividends are determined. Herewith, the decision as related to the establishment of the date on which the persons entitled to receive the dividends are determined shall be adopted upon the Company Board of Director’s proposal only.
- 7.3. The amount of the dividends shall not exceed the amount of dividends recommended by the Company’s Board of Directors.
- 7.4. The date on which the persons entitled to receive the dividends are determined in accordance with the decision on payment (announcement) shall not be established earlier than 10 days after the decision concerning the payment (announcement) of dividends, and shall not be later than 20 days after such decision is made. The period for the dividends payment to the nominal holder and the trust manager being the professional securities market participant that are registered in the register of the Company’s shareholders shall not exceed 10 business days; and to the other persons registered in the register of the Company’s shareholders - 25 business days starting from the date on which the persons entitled to receive the dividends are determined.
- 7.5. Dividends are paid to the persons who were the owners of the shares of the relevant category (type) or the persons exercising the rights on these shares in accordance with Federal Laws, as of the end of the transaction day on which the persons entitled to receive the dividends are determined in accordance with the decision on payment of the dividends.
- 7.6. A person that has not received the announced dividends due to the fact that the Company or the registrar does not have an accurate and necessary address or bank details, or due to any other delay by a creditor, shall have the right to claim these

dividends (unclaimed dividends) within three years after the date when the decision to pay them out is made. The period to claim the unclaimed dividends shall not be recovered after expiry, except for cases when a person entitled to receive the dividends has not claimed them because of being affected by violence or threat.

Upon expiry of the three-year period after the date when the decision concerning the dividends payment is made, announced and non-claimed dividends shall recover into the Company's undistributed profit, and the obligation to pay them shall cease.

## **Article 8. Company's Funds**

- 8.1. The Company shall create a Reserve Fund in the amount of 5 per cent of its charter capital.  
The Reserve Fund shall be formed through compulsory annual allocations in the amount of 5 (five) per cent of the Company's net profit until it reaches the size of 5 (five) per cent of the Company's charter capital.
- 8.2. The Reserve Fund of the Company is intended to cover its losses and to redeem the Company's bonds and repurchase its shares in the event that there are no other resources.  
The Reserve Fund may not be used for other purposes.
- 8.3. The Company shall have the right to form, in accordance with the requirements of Russian legislation, other funds which allow it to carry on business operations as a civil entity.
- 8.4. The value of the Company's net assets shall be determined on the basis of data in the accounting records in accordance with the procedure established by federal executive body authorized by the Government of the Russian Federation.  
The Company shall ensure access to the information concerning the cost of the Company's net assets for any interested party within 7 days in accordance with the procedure established in item 11, article 91 of the Federal Law "On Joint-Stock Companies".

## **Article 9. Company's Management Bodies**

- 9.1. The Company's management bodies shall be:
- the highest management body: the General Shareholders' Meeting;
  - the Board of Directors;
  - the Sole Executive Body: the General Director of the Company (hereinafter – the "General Director");
  - the Collective Executive Body: the Executive Board of the Company (hereinafter – the "Executive Board").

## **Article 10. General Shareholders' Meeting of the Company**

- 10.1. The supreme management body of the Company shall be the General Shareholders' Meeting.
- 10.2. The Competence of the General Shareholders' Meeting comprises the following issues:
  - 10.2.1. Introduction of changes or amendments into the Charter of the Company;
  - 10.2.2. Approval of a new edition of the Charter of the Company;
  - 10.2.3. Reorganization of the Company;
  - 10.2.4. Liquidation of the Company, appointment of a Liquidation Commission
  - 10.2.5. Approval of the interim and final liquidation balance sheets of the Company;
  - 10.2.6. Setting of the quantity, par value, category (type) of declared shares and rights granted by these shares;
  - 10.2.7. Increasing of the share capital of the Company by increasing the par value of the shares;
  - 10.2.8. Increasing of the share capital of the Company by placement of additional shares;
  - 10.2.9. Decreasing of the share capital of the Company by decreasing the par value of the shares;
  - 10.2.10. Decreasing of the share capital of the Company by acquisition by the Company of the shares to reduce their total quantity;
  - 10.2.11. Decreasing of the share capital of the Company by redemption of the shares acquired or purchased by the Company;
  - 10.2.12. Election of the Board of Directors' members;
  - 10.2.13. Early termination of powers of members of the Board of Directors;
  - 10.2.14. Appointment of the Audit company;
  - 10.2.15. Payment (declaration) of dividends based on the results of the first quarter, half, three quarters of the reporting year;
  - 10.2.16. Allocation of profit (including payment (declaration) of dividends on the results of the first quarter, half year, nine months of the reporting year) and losses of the Company based on the results of the reporting year;
  - 10.2.17. Setting of the procedure for the General Shareholders' Meeting;
  - 10.2.18. Split or consolidation of the Company's shares;
  - 10.2.19. Taking decision on consent to perform or subsequent approve transactions in the conclusion of which certain persons have an interest, including the following cases:
    - 10.2.19.1. The value of a transaction or a number of interrelated transactions, or the price or book value of property where the acquisition, disposal or the potential disposal of such property is 2 per cent or exceeds to 2 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date, other than transactions specified in Item 10.2.19.2 and Item 10.2.19.3 of the present Charter;
    - 10.2.19.2. The value of a transaction or a number of interrelated transactions between the Company and its subsidiaries (in which the Company owns 100% shares or is the Sole Participant), or the price or book value of property where the acquisition, disposal or the potential disposal of such property is 10 per cent or exceeds to 10 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date;
    - 10.2.19.3. If a transaction or a number of interrelated transactions is constituted the placement by subscription or sale of common securities (bonds, commercial papers, etc.), convertible into shares, which may be converted into ordinary shares

- accounting for more than 2 per cent of ordinary outstanding shares of the Company and ordinary shares into which outstanding issuance securities, which are convertible into shares, may be converted;
- The Company follows the provisions of the Federal Law “On Joint-Stock Companies”, including Chapter XI of the Federal Law “On Joint-Stock Companies” in all other issues related to the approval of related-party transactions, which are not specified by the present Charter.
- 10.2.19.4. The transactions specified by Item 15.2.17 of this Charter in the case when a number of Directors, which are not interested in transaction and meeting the requirements of clause 18.12 of the Charter is less than two;
  - 10.2.20. Taking a decision on consent to perform or further approve of the major transaction involving assets, value of which amounts to more than 50 per cent of the book value of the Company’s assets;
  - 10.2.21. Taking decisions on consent to perform or subsequently approve a major transaction, the subject of which is asset with a total cost from 25 to 50% of Company balance sheet assets, in case if there is no consensus on consent to perform or subsequently approve major transaction within the Board of Directors and the Board of Directors took a decision to bring the issue on approval of a major transaction to be approved during the General meeting of shareholders;
  - 10.2.22. Participation in financial industrial groups, associations and other unions of commercial companies;
  - 10.2.23. Approval of internal documents regulating the activities of the Company’s bodies;
  - 10.2.24. Placement of bonds, convertible into shares and other issuance securities, convertible into shares by the Company;
  - 10.2.25. Making decision on submission of application on delisting of the Company’s shares and (or) issuance securities of the Company convertible into the Company’s shares;
  - 10.2.26. making scesion to submit an application to the Bank of Russia for release the Company from obligation to disclose the information, as it is provided by the the Russian Federation securities legislation;
  - 10.2.27. Transfer of powers of the Sole Executive Body of the Company to the managing organization (person);
  - 10.2.28. Early termination of powers of the managing organization (person);
  - 10.2.29. Decision on payment of remunerations and/or reimbursement to the members of the Board of Directors and on the amount of such remunerations and/or reimbursement;
  - 10.2.30. Decision to introduce ammendments to the Company’s Charter that exclude the indication of the fact that the company is public made simultaneously with the decision to submit an application to the Bank of Russia for release from obligation to disclose the information, as it is provided by the the Russian Federation securities legislation and the decision to submit an application on delisting of the shares and issuance securities convertible into shares;
  - 10.2.31. Deciding upon other issues stipulated in the Federal Law “On Joint-Stock Companies”.
  - 10.3. Issues within the competence of the General Shareholders’ Meetings according to this Charter cannot be considered by the Board of Directors, Executive Board, or Director General of the Company.

- The General Shareholders' Meeting is not entitled to consider issues and make decisions upon the given issues not within its competence as set in the Federal Law "On Joint-Stock Companies".
- 10.4. Decision of a General Shareholders' Meeting on a voting issue is made by a majority of votes of the shareholders, which own the Company's voting shares and take part in the meeting, unless otherwise set by the Federal Law "On Joint-Stock Companies".
  - 10.5. Decisions are made by the General Shareholders' Meeting by a three-quarters majority of votes of the shareholders, who have voting shares and take part in a General Shareholders' Meeting, on the following issues:
    - 10.5.1. Introduction of changes or amendments into the Charter;
    - 10.5.2. Approval of a new edition of the Charter;
    - 10.5.3. Reorganization of the Company;
    - 10.5.4. Liquidation of the Company, appointment of a Liquidation Commission;
    - 10.5.5. Approval of the interim and final liquidation balance sheets of the Company;
    - 10.5.6. Setting of the quantity, par value, category (type) of declared shares and rights granted by these shares;
    - 10.5.7. Increase of the charter capital of the Company by placement of shares by closed subscription;
    - 10.5.8. Increase of the charter capital of the Company by placement by open subscription of ordinary shares which amount to more than 25 per cent of outstanding ordinary shares;
    - 10.5.9. Placement of issuance securities of the Company, convertible into shares, by closed subscription;
    - 10.5.10. Placement by open subscription of issuance securities convertible into ordinary shares, which may be converted into ordinary shares amounting to more than 25 per cent of outstanding ordinary shares;
    - 10.5.11. Making decision to submit application on delisting of the Company's shares and (or) issuance securities of the Company convertible into the Company's shares;
    - 10.5.12. Taking decisions on consent to perform or subsequently approve the major transaction involving assets, value of which amounts to more than 50 per cent of the book value of the Company's assets;
    - 10.5.13. Decrease of the share capital of the Company through the decrease of the par value of shares;
    - 10.5.14. In other cases stipulated by the Federal Law "On Joint-Stock Companies".
  - 10.6. Decision is made by the General Shareholders' Meeting by majority of 95 per cent of the votes of all shareholders owning the shares on the following matters:
    - 10.6.1. Submitting an application to the Bank of Russia for release from obligation to disclose the information, as it is provided by the the Russian Federation securities legislation;
    - 10.6.2. Introducing ammendments to the Company's Charter that exclude the indication of the fact that the company is public made simultaneously with the decision to submit an application to the Bank of Russia for release from obligation to disclose the information, as it is provided by the the Russian Federation securities legislation and the decision to submit an application on delisting of the shares and issuance securities convertible into shares.
  - 10.7. Decision is made by the General Shareholder' Meeting only upon proposal from the Board of Directors regarding the following matters:



- 10.7.1. Company reorganization;
- 10.7.2. Increasing of the Company's charter capital by means of increasing the nominal value of shares;
- 10.7.3. Increasing of the share capital of the Company by placement of additional shares;
- 10.7.4. Split or consolidation of the Company's shares;
- 10.7.5. On consent to perform or subsequent approve of transactions in the conclusion of which certain persons have an interest in following cases:
  - 10.7.5.1. The value of a transaction or a number of interrelated transactions, or the price or book value of property where the acquisition, disposal or the potential disposal of such property is 2 per cent or exceeds to 2 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date, other than transactions specified in Item 10.7.5.2 and Item 10.7.5.3 of the present Charter;
  - 10.7.5.2. The value of a transaction or a number of interrelated transactions between the Company and its subsidiaries (in which the Company owns 100% shares or is the Sole Participant), or the price or book value of property where the acquisition, disposal or the potential disposal of such property is 10 per cent or exceeds to 10 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date;
  - 10.7.5.3. The transaction or a number of interrelated transactions constitute sale of ordinary shares accounting for more than 2 per cent of ordinary outstanding shares of the Company and ordinary shares into which outstanding issuance securities, which are convertible into shares, may be converted;
  - 10.7.5.4. The transactions specified by Item 15.2.17 of this Charter in the case when a number of the members of the Board of Directors are not interested in the transaction and meeting the requirements set in the clause 18.12 of the Charter is less than two.
- 10.7.6. On consent to perform or consequently approve the major transaction involving assets, value of which amounts to more than 50 per cent of the book value of the Company's assets;
- 10.7.7. On consent to perform or consequently approve the major transaction involving assets, which value is from 25 to 50 per cent of the book value of a Company's assets, if unanimous consent of the Board of Directors regarding the issue of consent to perform or consequently approve such major transaction is not obtained and the Board of Directors made a decision to introduce the question on approval of such major transaction for the General Shareholders' Meeting decision;
- 10.7.8. Participation in financial industrial groups, associations and other unions of commercial entities;
- 10.7.9. Approval of internal documents regulating the activities of the Company's bodies;
- 10.7.10. Transfer of powers of the sole executive body of the Company to the managing organization (person);
- 10.7.11. Decrease of the share capital of the Company through the decrease of the par value of shares;
- 10.7.12. Allocation of profit (including payment (declaration) of dividends) (except for payment (declaration) of dividends based as of the end of the first quarter, half

- year, nine months of the reporting year) and losses of the Company based on the results of the reporting year;
- 10.7.13. Decision concerning establishment of the date on which the persons entitled to receive the dividends are determined;
- 10.7.14. In other cases stipulated by the Federal Law “On Joint-Stock Companies” and by this Charter.
- 10.8. A General Shareholders’ Meeting is not entitled to decide upon issues not included into the agenda of the General Shareholders’ Meeting, or modify the agenda.
- 10.9. Voting at a General Shareholders’ Meeting is based on the “one voting share of the Company – one vote” principle except for cumulative voting on election of the members of the Company’s Board of Directors.
- 10.10. Elections of members of the Board of Directors shall be carried out by cumulative voting.  
During cumulative voting, the number of votes that belong to each shareholder is multiplied by the number of persons that must be elected to the Board of Directors, and thus a shareholder has the right to give all votes to one candidate, or distribute them among two or more candidates.  
Those candidates who have received most votes shall be deemed elected to the Board of Directors.
- 10.11. A General Shareholders’ Meeting can be held at the legal address of the Company, or at the addresses of its branches, or in the city of Moscow.  
The exact address for holding of a General Shareholders’ Meeting shall be set by the Board of Directors during preparation for holding of the General Shareholders’ Meeting.
- 10.12. The functions of the Chairman of the General Shareholders’ Meeting are performed by the Chairman of the Board of Directors.  
If the Chairman of the Board of Directors is absent at a General Shareholders’ Meeting, functions of the Chairman of the General Shareholders’ Meeting are performed by the Deputy Chairman of the Board of Directors.  
If both the Chairman and Deputy Chairman of the Board of Directors are absent, functions of the Chairman of the General Shareholders’ Meeting are performed by any member of the Board of Directors as decided by the members of the Board of Directors, which are present at the General Shareholders’ Meeting.
- 10.13. The functions of the Secretary of the General Shareholders’ Meeting are performed by the Corporate Secretary of the Company, if otherwise is stipulated by the separate resolution of the Board of Directors.
- 10.14. The Company is obliged to hold an annual General Shareholders’ Meeting on an annual basis.  
The General Shareholders’ Meeting is shall be held not earlier than two months and not later than six months after the end of the reporting year.
- 10.15. At the annual General Shareholders’ Meeting the following issues shall be decided:
- 10.15.1. Election of the Board of Directors;
- 10.15.2. Appointment of the Audit company.
- 10.16. At the General Shareholders’ Meeting also may be decided other issues, which have been placed within the authority of the General Shareholders’ Meeting.

- 10.17. General Shareholders' Meeting which are held in addition to the annual General Shareholders' Meeting shall be deemed extraordinary Meetings.
- 10.18. The functions of the Counting Commission at the General Shareholders' Meeting (hereinafter – the “Counting Commission”) shall be performed by a professional equity market participant, which holds the register of the Company's shareholders (hereinafter – the “Company's Registrar”).  
When performing Counting Commission's functions the Company's Registrar shall verify powers and register persons attending the General Shareholders' Meeting, determine the quorum of the General Shareholders' Meeting, explain matters arising from shareholders' (or their representatives') implementing the right to vote at a General Shareholders' Meeting, explain the voting procedure regarding the issues proposed for voting, ensure the established voting procedure and shareholders' rights to participate in the voting, count votes, and total up the results of the voting, draw up minutes on the results of the voting, and submit voting ballots to the archives as well as perform other activities prescribed by the legal acts of the Russian Federation and by the agreement with the Company.
- 10.19. The list of persons entitled to participate in the General Shareholders' Meeting shall be compiled in compliance with the rules of securities legislation of the Russian Federation regarding compilation of the list of persons who exercise the rights over securities.
- 10.20. Information about the date of compilation of the list of persons are determined (recorded) entitled to participate in the General Shareholders' Meeting shall be disclosed by the Company at least 7 days before this date by means established in the regulatory acts of the Russian Federation.
- 10.21. At the request of any person concerned, within three days the Company shall provide an extract from the list of persons entitled to attend the General Shareholders' Meeting, comprising information on this person, or a statement to the effect that this person is not on the list of persons entitled to attend the General Shareholders' Meeting.
- 10.22. The notice of holding of a General Shareholders' Meeting shall be placed at the Company's website at the address [www.el5-energo.ru](http://www.el5-energo.ru).
- 10.23. Provided that a person registered in the shareholders register of the Company is a nominal holder, the notice of holding of the General Shareholders' Meeting, and the information (materials) to be provided to the persons entitled to participate in the General Shareholders' Meeting while preparing for the General Shareholders Meeting shall be provided in compliance with the rules securities legislation of the Russian Federation concerning information and materials provision to the persons exercising the rights over securities.
- 10.24. Voting on the Company's agenda issues shall be performed by voting ballots. Voting by ballots equals with receiving by the Company's registrar communications of intentions declaration from persons entitled to participate in the General Shareholders Meeting, not registered in the register of Company's shareholders and in compliance with the securities legislation of the Russian Federation provided the persons exercising the rights on account of the shares with the indications (instructions) on the voting.
- 10.25. The Company shall send to each person registered in the shareholders register of the Company and entitled to participate in the General Shareholders' Meeting voting ballots on all issues on the agenda of the General Shareholders' Meeting

in the form of an electronic message with a ballot file (ballots) attached to the e-mail address of the respective person specified in the shareholders register of the Company no later than 20 days prior to the date of the General Shareholders' Meeting, and in case the agenda of the General Shareholders' Meeting contains the issue regarding the Company reorganization, - not later than 30 days prior to the date of the General Shareholders' Meeting. During preparation for the General Shareholders' meeting, the Company's Board of Directors may determine additional ways of sending voting ballots.

- 10.26. During preparation for the General shareholders' meeting, the Company's Board of Directors may provide for the possibility of filling in the electronic form of voting ballots by a person who is entitled to participate in the General meeting of shareholders on the website in the information and telecommunication network "Internet" (hereinafter-the website). The Board of Directors shall determine the address and indicate it in the notice of the General meeting of shareholders. The Company's shareholders may fill in the electronic form of voting ballots on the website during the General meeting of shareholders, if they have not exercised their right to participate in the General shareholders' meeting in any other way. When filling out the electronic form of voting ballots on the website, the date and time of their filling should be recorded.
- 10.27. The information (materials), subject to provision to the persons entitled to participate in the General Shareholders' Meeting during preparations for the holding of the General Shareholders' Meeting shall include if applicable:
- 10.27.1. the annual accounting (financial) statements, including the Audit company's report;
- 10.27.2. information on a candidate (candidates) for the Company's Board of Directors;
- 10.27.3. a draft of amendments and additions to be made to the Company's Charter or a draft of the new version of the Company's Charter;
- 10.27.4. drafts of internal documents of the Company subjected to confirmation by the General shareholders' meeting;
- 10.27.5. drafts of decisions of the General Shareholders' Meeting;
- 10.27.6. information specified in Article 32.1 of the Federal Law "On Joint-Stock Companies" in relation to shareholder's agreements executed within one year prior to the date of General Shareholders' Meeting.
- 10.27.7. the Board of Directors conclusion on a major transaction;
- 10.27.8. reporting on the transactions with interest made by the Company in financial year.
- 10.28. The additional information (materials) to be provided to the persons entitled to participate in the annual General Shareholders' Meeting during preparations for the holding of the General Shareholders' Meeting shall include:
- 10.28.1. the annual report of the Company;
- 10.28.2. recommendations of the Board of Directors in the distribution of profit including the size of dividends on shares of the Company and procedure of payment thereof, or losses of the Company according to the results of the reporting year.
- 10.29. Shall the agenda of a General Shareholders' Meeting include an issue on the election of members of the Board of Directors, the additional information (materials) subject to provision to the persons entitled to participate in the General Shareholders' Meeting during preparations for the holding of the General Shareholders' Meeting shall include the information on the existence or absence

- of written consent of nominated candidates for election to the Company's Board of Directors.
- 10.30. The following additional information (materials) shall be submitted to the persons entitled to participate in a General Shareholders' Meeting, in making preparations of a General Shareholders' Meeting if the agenda includes issues voting on which may give rise to the shareholders' right to demand purchase of shares by the Company:
- 10.30.1. the report of an appraiser on Company share market value, claims on whose purchase may be presented to the Company;
- 10.30.2. computation of the cost of the Company's net assets according to accounting data of the Company for the latest complete accounting period;
- 10.30.3. minutes (an extract from minutes) of meeting of the Board of Directors, which has made a decision on fixing the price for purchase of Company's shares including an indication of the price for purchase of the shares.
- 10.31. Where a person entitled to attend a General Shareholders' Meeting so requests, the Company shall provide copies of the aforesaid documents thereto within 7 days of the date of filing to the Company of the relevant request.  
The payment charged by the Company for copies of the documents containing the information (copies of materials) subject to submission to the persons entitled to attend a General Shareholders' Meeting, in making preparations of the General Shareholders' Meeting shall not exceed the cost thereof.
- 10.32. The right to participate in a General Shareholders' Meeting shall be exercised by a shareholder either in person or through a representative.  
A shareholder shall have the right at any time to change its representative at the General Shareholders' Meeting or to participate in person at the General Shareholders' Meeting.  
The shareholder's representative at the General Shareholders' Meeting shall act in accordance with powers based on instructions contained in federal laws or acts of appropriately authorized State bodies or local government bodies, or a power of attorney which has been compiled in writing. A power of attorney to vote must contain information on the represented entity and on the representative (in the case of a physical person – name and details of an identification document (the series and (or) number of the document, the date and place of issue of the document and the body which issued the document); in the case of a legal entity – name and location details). Each participant of the General Shareholder's Meeting can demand a copy of the ballot filled by him or her and signed by the Counting Commission, before the completion of the relevant General Shareholder's Meeting.
- 10.33. A General Shareholders' Meeting shall be deemed competent (to have a quorum) if shareholders possessing a total of more than one half of the distributed voting shares in the company took part in the Meeting.
- 10.34. Where the agenda of a General Shareholders' Meeting includes issues which are to be voted on by various compositions of voters, the quorum for the adoption of decisions on those issues shall be determined separately. In this respect, the absence of a quorum for the adoption of a decision on issues which are to be voted on by one composition of voters shall not hinder the adoption of a decision on issues which are to be voted on by another composition of voters for the adoption of which a quorum exists.

- 10.35. Where there is no quorum for the holding of an annual General Shareholders' Meeting, a repeat General Shareholders' Meeting must be held with the same agenda. Where there is no quorum for the holding of an extraordinary General Shareholders' Meeting, a repeat General Shareholders' Meeting may be held with the same agenda.
- The decision on calling a repeat General Shareholders' Meeting shall be made by an official or a body of the Company that has made a decision on holding the General Shareholders' Meeting that failed to take place.
- A repeat General Shareholders' Meeting shall be competent (quorate) if shareholders possessing a total of no less than 30 per cent of the votes conferred by the distributed voting shares in the company took part in it.

**Article 11. Holding of a Formal General Shareholders' Meeting (Presence of Shareholders)**

- 11.1. A General Shareholders' Meeting can be held in the form of a formal meeting – presence of shareholders for discussion of agenda issues and decision-making on voting issues.
- 11.2. The date when persons are determined (registered) to participate in the General Shareholders' Meeting cannot be set sooner than 10 days after the date when the decision on holding the General Shareholders' Meeting is made and not later than 25 days prior to the date of the General Shareholders' Meeting, excluding the cases provided in the article 11.3 of the present Charter.
- 11.3. Provided that the agenda of an extraordinary General Shareholders' Meeting contains an issue regarding the election of members of the Board of Directors, the date of compilation of the list of the persons entitled to attend the General Shareholders' Meeting shall not be set sooner than 10 days after the date when the decision on holding the General Shareholders' Meeting is made and not later than 55 days prior to the date of the General Shareholders' Meeting.
- Provided that the agenda of an extraordinary General Shareholders' Meeting contains an issue regarding the Company reorganisation, the date of compilation of the list of the persons entitled to attend the General Shareholders' Meeting shall be not later than 35 days prior to the date of the General Shareholders' Meeting, in case otherwise is provided by the Federal Law "On joint stock companies".
- 11.4. The notice of holding of a General Shareholders' Meeting shall be made not later than 21 days prior to the date, and notification on General meeting of shareholders, the agenda of which includes an issue of Company reorganization - no later than 30 days before the date of holding the meeting.
- 11.5. The notice of holding of an extraordinary General Shareholders' Meeting, if the agenda contains issue regarding election of members of the Board of Directors, shall be made not later than 50 days prior to the date, when the General Shareholders' Meeting is to be held.
- 11.6. When holding a General Shareholders' Meeting the persons indicated in the list of those entitled to participate in the General Shareholders' Meeting, or their representatives, have the right to be registered for participation in the Meeting or submit the filled-in ballots to the Company.
- 11.7. When preparing to hold a General Shareholders' Meeting in a form of a formal

- meeting, apart from the decision-making on the issues specified in Item 1 of Article 54 of the Federal law “On Joint-Stock Companies”, a decision on the beginning date of the registration of the persons, participating in such in a General Shareholders’ Meeting, shall be made.
- 11.8. If any shares granting the right to vote at a General Shareholders’ Meeting are circulating beyond the borders of the Russian Federation in the form of securities of a foreign emitter issued in accordance with foreign law and attesting the rights to such shares (depository securities), then the voting on such shares must be carried out only in accordance with the directions of the possessors of the depository securities and other parties, exercising rights under depository securities.
- 11.9. When arranging a General Shareholders’ Meeting the information (materials) subject to submission to the persons entitled to take part in a General Shareholders’ Meeting, shall be made available for review at the premises of the Sole Executive Body of the Company or in their locations, which addresses are indicated in the notice of holding a General Shareholders’ Meeting as well as on the Company’s website, for the persons entitled to participate in it in 20 days prior to the date of holding of the General Shareholders’ Meeting and 30 days in case of holding a General Shareholder Meeting with agenda of Company reorganisation.  
The said information (materials) shall be available for the persons participating in a General Shareholders’ Meeting while it is being held.
- 11.10. Shareholders who are deemed to have taken part in a General shareholders’ meeting shall be those who were registered for participation therein including those registered on the website, specified in the notice on holding the General shareholders’ meeting, as well as shareholders whose voting ballots have been received or whose electronic form of voting ballots has been filled out on the website not later than two days before the date of the General shareholders’ meeting and shareholders whose voting ballots were received not later than two days before the date of the General shareholders’ meeting.  
Shareholders who, have given directions(instructions) on voting to persons who exercise accounting of their rights to shares, as well as if messages of their will were received no later than two days before the date of the General meeting of shareholders are also considered to have taken part in the General shareholders’ meeting.
- 11.11. Based on the voting results the Company’s Registrar shall execute and sign the minutes of the voting results. The minutes of the voting results shall be made not later than in 3 (three) business days upon the end of the General Shareholders’ Meeting.
- 11.12. The Minutes of a General Shareholders’ Meeting is drawn up in two copies not later than 3 (three) business days after the end of the General Shareholders’ Meeting. Both copies are signed by the person presiding over the General Shareholders’ Meeting and the Secretary of the General Shareholders’ Meeting.
- 11.13. Upon the Minutes of the results of the voting have been drawn and signed the voting ballots shall be sealed by the Company’s registrar and submitted to the Company’s archive in custody.  
The Minutes of the results of the voting shall be attached to the minutes of the General Shareholders’ Meeting

- 11.14. Decisions made by a General Shareholders' Meeting, and voting results shall be announced at the General Shareholders' Meeting, during which the voting has been carried out, and as well shall be made available in the form of a voting results report for the persons indicated in the list of the persons entitled to participate in the General Shareholders' Meeting by means of the procedure set forth for the notice of holding of a General Shareholders' Meeting.

**Article 12.                    Specifics on the procedure of holding of remote General Shareholders' Meeting**

- 12.1. A decision of the General Shareholders' Meeting can be made without the holding of a formal meeting (joint presence of shareholders for discussion of the agenda and the making of decisions on voting issues) – i.e. by absentee voting.
- 12.2. The common rules of convening and holding of the General Shareholders' Meeting are applicable to the remote General Shareholders' Meeting unless otherwise provided by the Federal Law "On Joint-Stock Companies" and by this Charter.
- 12.3. Agenda issues of the remote General Shareholders' Meeting are voted upon by ballots.
- 12.4. The date when persons who have the right to participate in the remote General Shareholders' Meeting are determined (registered), cannot be set sooner than 10 days after the date when the decision on holding the General Shareholders' Meeting is made and not later than 25 days prior to the due date for voting ballots acceptance.  
Provided that the agenda of an extraordinary General Shareholders' Meeting contains an issue regarding the Company reorganisation, the date of compilation of the list of the persons entitled to attend the General Shareholders' Meeting shall be not later than 35 days prior to the due date for voting ballots acceptance.
- 12.5. A notification about the holding of the remote General Shareholders' Meeting must be made no later than 21 days before the expiration date of receipt of ballots by the Company.
- 12.6. Voting on the issues of the agenda of the remote General Shareholders' Meeting is made by way of ballots.
- 12.7. The information (materials), which has to be provided to the persons who have the right to participate in the General Shareholders' Meeting, must be made available to these persons for examination in the premises where the Sole Executive Body of the Company is situated, as well as in other places the addresses of which are indicated in the notification about the holding of the remote General Shareholders' Meeting, and on the Company's website. Such information must become available no later than 20 days before the expiration date of receipt of ballots by the Company, and no later than 30 days when the agenda of the General Shareholders' Meeting contains an issue of Company reorganisation.
- 12.8. Those shareholders whose ballots have been received or whose electronic form of voting ballots has been filled out on the website specified in the notice on holding the General shareholders' meeting before the date of the end of acceptance of voting ballots, as well as shareholders who, in accordance with the rules of the legislation of the Russian Federation on securities, have given



directions (instructions) on voting to persons who have registered their rights to shares, if messages of their will are received before the date of the end of acceptance of ballots, shall be deemed to have participated in the General shareholders' meeting held in absentia voting.

12.9. The Protocol (minutes) of the voting results is drawn up and signed by the Company's registrar not later than 3 (three) business days after the expiration date of receipt of ballots by the Company.

12.10. The Protocol (minutes) of a General Shareholders' Meeting is drawn up in two copies not later than 3 (three) business days after the expiration date of receipt of ballots by the Company. Both copies are signed by the Chairman of the General Shareholders' Meeting and the Secretary of the General Shareholders' Meeting.

### **Article 13. Proposals to Agenda of annual General Shareholders' Meeting of Company**

13.1. The shareholders (shareholder) possessing not less than 2 percent of the Company's voting shares have the right to propose issues to the agenda of the annual General Shareholders' Meeting and propose candidates to the Board of Directors, the number of which must not exceed the total number of members of the corresponding body. Such proposals must be made to the Company not later than 60 days after the end of the reporting year.

13.2. The proposal of issues to the agenda of the General Shareholders' Meeting and the proposal of candidates shall be made indicating the name of the proposing shareholders (shareholder), amount and category (type) of shares, which they possess, and must be signed by the shareholders (shareholder) or their representatives.

13.3. The proposal of issues to the agenda of the General Shareholders' Meeting must contain the wording of each proposed issue; the proposal of candidates to the Board of Directors – the name and the data of an identity document (series and (or) number of the document, issue date and time, issuing body) of each candidate. The proposal of issues to the agenda of the General Shareholders' Meeting may contain the wording of decision on each proposed issue.

13.4. The Board of Directors shall consider the received proposals and make decision on inclusion of the proposals into the agenda of the General Shareholders' Meeting, or refusal to include them into the agenda not later than 5 (five) days after expiration of a 60-days term following the end of a reporting year.

13.5. The issues proposed by the shareholders (shareholder) have to be included to the agenda of the General Shareholders' Meeting, as well as the proposed candidates to the Board of Directors s have to be included into the candidate list, save for the following cases:

13.5.1. the shareholders (shareholder) did not observe the 60-days term following the end of the reporting year for proposing issues to the agenda of the annual General Shareholders' Meeting and for proposing candidates to the Board of Directors;

13.5.2. the shareholders (shareholder) do not possess 2 or more percent of the Company's voting shares;

13.5.3. the proposal does not contain the names (name) of the shareholders (shareholder) by whom it was made or number and type of shares in their possession;

- 13.5.4. the proposal is not signed by the shareholders (shareholder);
- 13.5.5. the proposal does not contain wording of each proposed issue;
- 13.5.6. the proposal of candidates does not contain the name and the data of the identity document (series and (or) number of the document, issue date and time, issuing body) of each candidate to the Board of Directors;
- 13.5.7. the issue proposed does not pertain to the competence of the General Shareholders' Meeting and (or) does not meet the requirements of the Federal Law "On Joint-Stock Companies" and other regulatory acts of the Russian Federation.
- 13.6. The motivated decision of the Board of Directors on refusal to include the issue into the agenda of the General Shareholders' Meeting, or include the candidate into the candidate list for the corresponding body of the Company, shall be sent to the shareholders (shareholder), who proposed the issue to the agenda or a candidate, not later than 3 days after such decision was made.
- 13.7. The Board of Directors is not entitled to introduce changes into the wording of the issues proposed to the agenda of the annual General Shareholders' Meeting, and (if such exist) introduce changes into the wording of the decisions on such issues.  
Besides the issues proposed by shareholders for inclusion in the agenda of the annual General shareholders' meeting, as well as candidates for the Board of Directors, the Board of Directors may include in the agenda of the annual General shareholders' meeting issues and (or) candidates for the Board of Directors in the list of candidates for voting at its discretion. The number of candidates proposed by the Company's Board of Directors may not exceed the number of members of the Board of Directors.

#### **Article 14. Convening of extraordinary General Shareholders' Meeting**

- 14.1. An extraordinary General Shareholders' Meeting is held by the decision of the Board of Directors and is convened on the initiative of the Board of Directors, at the requirement of the Audit company, or a shareholder (or shareholders) possessing (in the aggregate) not less than 10 (ten) percent of the Company's voting shares on the date of the requirement.
- 14.2. An extraordinary General Shareholders' Meeting, which is convened at the requirement of the Audit company, or a shareholder (or shareholders) possessing (in the aggregate) not less than 10 (ten) percent of the Company's voting shares, is convened by the Board of Directors.  
Such extraordinary General Shareholders' Meeting, convened at the requirement of the Audit company or a shareholder (or shareholders) possessing (in the aggregate) not less than 10 (ten) percent of the Company's voting shares, must be held within 40 days after the requirement for the holding of the extraordinary General Shareholders' Meeting was made with the exceptions stipulated by Items 14.3 and 14.4 of the present Charter.
- 14.3. If the proposed agenda of the extraordinary General Shareholders' Meeting contains issue regarding election of members of the Board of Directors, such

General Shareholders' Meeting must be held within 75 days after the date when the request for holding an extraordinary General Shareholders' Meeting was made.

- 14.4. Where, in accordance with the Federal Law "On Joint-Stock Companies", the Board of Directors is obliged to adopt a decision on the holding of an extraordinary General Shareholders' Meeting for the purpose of electing members of the Board of Directors, such General Shareholders' Meeting must be held within 70 days after the decision on the holding of that meeting is adopted by the Board of Directors.
- 14.5. The proposals of candidates to the Board of Directors made by the Company's shareholders (shareholder) possessing in total not less than 2 (two) percent of the Company's voting shares, must be received by the Company not later than 30 days before the date of the extraordinary General Shareholders' Meeting.
- 14.6. The request for convocation of the extraordinary General Shareholders' Meeting shall include issues to be put on the agenda thereof. The request for convocation of an extraordinary General Shareholders' Meeting may include the wording of decisions on each of these issues as well as proposal regarding the form of the General Shareholders' Meeting.
- 14.7. Proposals of issues for the agenda of the extraordinary General Shareholders' Meeting as well as proposals regarding nomination of candidates shall contain the name of the shareholders (shareholder) who file them, the quantity and category (type) of shares they own and the signatures of the shareholders (shareholder).
- 14.8. Nomination of candidate shall contain his name, details of his identification document (series, number, date and place of issue and the name of issuing authority) and name of the body he is proposed to be elected in.
- 14.9. Board of Directors is not entitled to modify the wording of the agenda issues, the wording of decisions regarding these issues neither to change the proposed form of holding the extraordinary General Shareholders' Meeting, conveyed upon request of the auditing company or shareholders (shareholder) in possession of not less than 10 percent of voting shares of the Company.
- 14.10. In case the requirement to convene the extraordinary General Shareholders' Meeting is made by shareholder (shareholders), it must contain the name of such shareholder (shareholders) as well as indication of quantity and type of shares in his (their) possession.

The requirement to convene the extraordinary General Shareholders' Meeting is signed by the person (persons) making such requirement.
- 14.11. The decision on convocation or refusal to convene the extraordinary General Shareholders' Meeting must be made within 5 days after the request for the holding of the extraordinary General Shareholders' Meeting was made by the auditing company or a shareholder possessing not less than 10 (ten) percent of the Company's voting shares.
- 14.12. The decision to refuse in convocation of the extraordinary General Shareholders' Meeting upon the requirement of the auditing company or a shareholder possessing not less than 10 (ten) percent of the Company's voting shares can be made if:
  - 14.12.1. the order of making such requirement prescribed by the Art.55 and (or) Subparagraph 1 of the Article 84.3 of the Federal Law "On Joint-Stock Companies" was not followed;

- 14.12.2. the shareholder (shareholders) making such requirement does not possess at least 10 percent of the Company's voting shares;
- 14.12.3. neither of the issues proposed for the agenda of the extraordinary General Shareholders' Meeting is in the competence of this body and (or) meets the requirements of the Federal Law "On Joint-Stock Companies" and other regulatory acts of the Russian Federation.
- 14.13. The decision of the Board of Directors on convocation of the extraordinary General Shareholders' Meeting or a motivated decision to refuse in such convocation must be sent to the persons requiring convocation within 3 days such decision was made.
- 14.14. If the Board of Directors does not make any decision regarding convocation of the General Shareholders' Meeting or makes a decision to refuse within 5 days from the date the requirement by the Audit company or a shareholder (or shareholders) possessing (in the aggregate) not less than 10 (ten) percent of the Company's voting shares was made, the bodies or persons demanding the convocation may appeal to the court for compulsion of the Company to convene the extraordinary General Shareholders' Meeting.

## **Article 15. Board of Directors of the Company**

- 15.1. The Board of Directors deals with general administration of the Company's activities, except for issues within the competence of the General Shareholders' Meeting in accordance with the Federal Law "On Joint-Stock Companies" and the present Charter.

The Board of Directors plays a key role in prevention, detection and resolution of internal conflicts between the Company's bodies, shareholders and employees, ensuring the opportunity to get effective protection for all the company's shareholders in case of violation of their rights. If, at any stage, a conflict affects or might affect the Company's Executive Board or General Director, it should be referred to the Board of Directors. Board of Directors' members whose interests are or might be affected by the conflict should not participate in its resolution.
- 15.2. The competence of the Board of Directors includes the following issues:
  - 15.2.1. Choosing priority directions for the Company's activities;
  - 15.2.2. Convening of the annual and extraordinary General Shareholders' Meetings, except for the case when the request was made by Audit company or shareholders (a shareholder) possessing no less than 10 per cent of the voting shares in the Company regarding convening of an extraordinary General Shareholders' Meeting, and within 5 days from the date on which such request was made the Board of Directors did not adopt a decision on convening of an extraordinary General Shareholders' Meeting or a decision was made on refusal of its convening;
  - 15.2.3. Setting of the agenda for a General Shareholders' Meeting;
  - 15.2.4. Determination of the date of determination (fixing) of persons entitled for participation in a General Shareholders' Meeting and settling other issues related to the preparation and holding of the General Shareholders' Meeting;
  - 15.2.5. Preparation and submittal to the General Shareholders' Meeting of the recommendations on the following issues:

- 15.2.5.1. Reorganization of the Company;
- 15.2.5.2. Increasing of the Company's charter capital by means of increasing the nominal value of shares
- 15.2.5.3. Increasing of the Company's charter capital by means of placement of additional shares;
- 15.2.5.4. Establishment of the date for which the persons entitled to receive the dividends are determined;
- 15.2.5.5. Split or consolidation of the Company's shares;
- 15.2.5.6. Taking a decision on consent to perform or subsequent approve transactions in the conclusion of which certain persons have an interest in cases stipulated in Item 10.2.19 of this Charter;
- 15.2.5.7. Taking a decision on consent to perform or subsequent approve the major transaction involving assets, value of which amounts to more than 50 per cent of the book value of the Company's assets;
- 15.2.5.8. Taking a decision on consent to perform or subsequent approve the major transaction involving assets, which value is from 25 to 50 per cent of the book value of a Company's assets, if unanimous consent of the Board of Directors regarding approval of such major transaction is not obtained and the Board of Directors made a decision to introduce the question on approval of such major transaction for the General Shareholders' Meeting decision;
- 15.2.5.9. Participation in financial industrial groups, associations and other unions of commercial companies;
- 15.2.5.10. Approval of internal documents regulating the activities of the Company's bodies;
- 15.2.5.11. Transfer of powers of the sole executive body of the Company to the managing organization (person);
- 15.2.5.12. Decrease of the share capital of the Company through the decrease of the par value of shares;
- 15.2.5.13. The amount of dividend on shares of each category (type) and the procedure for its payment;
- 15.2.5.14. On any other issues included into the agenda of the general Shareholders' Meeting.
- 15.2.6. Placement of additional shares into which the certain type of preferred shares distributed by the Company are converted, and that are convertible into ordinary shares, or other types of preferred shares, if such placement is not related to increase of the Company's charter capital, as well as the bonds, not convertible into shares and other issuance securities, excluding those not convertible into shares;
- 15.2.7. making a decision on submission of application on listing of the Company's shares and (or) issuance securities of the Company convertible into the Company's shares;
- 15.2.8. Setting of the price (evaluation) of assets, setting placement value or procedure for pricing and setting redemption value for issuance securities in cases stipulated in the Federal Law "On Joint-Stock Companies";
- 15.2.9. Decision on acquisition of shares, bonds and other securities placed by the Company including cases specified by the Federal Law "On Joint-Stock Companies";

- 15.2.10. Election of the General Director of the Company and early termination of his (her) office, including a decision on the determination of the conditions of the labour agreement with the General Director and a decision upon early termination of the labour agreement with him (her), taking disciplinary action against the General Director and their encouragement in accordance with the labour legislation of the Russian Federation;
- 15.2.11. Setting of the number of members of the Executive Board, election of the members of the Executive Board, payment of remunerations and/or reimbursement to their members and early termination of their offices, including decisions upon early termination of labour agreements with them, determination of terms and conditions of labour agreement with the Executive Board members if they serve as employees of the Company, in accordance with the labour legislation of the Russian Federation;
- 15.2.12. Making of the decision on use of the Company's funds, approval of the budget for use of special-purpose funds and study of the results of execution of the budget for use of special-purpose funds;
- 15.2.13. Approval of the Company's internal documents except for the internal documents that regulate the activity of the Company's bodies within the competence of the General Shareholders' Meeting and other internal documents, approval of which is within the competence of the Company's executive bodies according to the Charter;
- 15.2.14. Establishment of branches and opening of representative offices of the Company, their liquidation;
- 15.2.15. Consent to perform or subsequent approve the transactions involving assets, which value is from 25 to 50 per cent of the book value of a Company's assets, except for the case indicated in Item 10.2.21 of the Charter;
- 15.2.16. Submission for the decision of the General Shareholders' Meeting the question on the consent to perform or subsequent approve of the transactions involving assets, which value is from 25 to 50 per cent of the book value of a Company's assets in case when the unanimous vote was not reach on the matter;
- 15.2.17. Consent to perform or subsequent approve transactions in the conclusion of which certain persons have an interest, which are not assigned by the Charter of the Company to the competence of the General Shareholders' Meeting, including the following cases:
  - 15.2.17.1. The value of a transaction or a number of interrelated transactions, or the price or book value of property where the acquisition, disposal or the potential disposal of such property is less than 2 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date, other than transactions specified in Item 15.2.17.2 and Item 15.2.17.3 of the present Charter;
  - 15.2.17.2. The transaction or a number of interrelated transactions constitute sale of ordinary shares accounting for 2 and less than 2 per cent of ordinary outstanding shares of the Company and ordinary shares into which outstanding issuance securities, which are convertible into shares, may be converted;
  - 15.2.17.3. Under demand of the members of the Board of Directors or the members of the Executive Board made in accordance with the article 83 of the Federal Law "On Joint-Stock Companies", if the value of a transaction or a number of interrelated transactions between the Company and its subsidiaries (in which the Company

- owns 100% shares or is the Sole Participant), or the price or book value of property where the acquisition, disposal or the potential disposal of such property is less than 10 per cent of the book value of the Company's total assets as specified in the Company's financial statements at the last reporting date;
- 15.2.18. Submission for the decision of the General Shareholders' Meeting the question on the consent to perform or subsequent approve of the transactions specified by Item 15.2.17 of this Charter in the case when a number of the members of the Board of Directors are not interested in the transaction and meeting the requirements set by clause 18.12 of the Charter is less than 2 Directors.  
The Company follows the provisions of the Federal Law "On Joint-Stock Companies", including Chapter XI of the Federal Law "On Joint-Stock Companies" in all other issues related to the approval of related-party transactions, which are not specified by the present Charter.
- 15.2.19. Approval of the Registrar of the Company and terms of the agreement with him, as well as termination of agreement;
- 15.2.20. Approval of the decision on issue of the securities, the securities prospectus, the reports of results of the securities' issue, which are stipulated by the Federal Law "On the Securities' Market";
- 15.2.21. Approval of reports on the results of acquisition of the shares from Company's shareholders, reports on the results of the retirement of the shares, reports on the results of making the requests by the shareholders for redemption of shares owned by them, which are stipulated by the Federal Law "On Joint-Stock Companies";
- 15.2.22. Approval on overlapping by the General Director and members of the Executive Board of their posts with the posts of managing bodies in other organizations;
- 15.2.23. Election of the Chairman of the Board of Directors and early termination of his/her powers;
- 15.2.24. Election of the Deputy Chairman of the Board of Directors and early termination of his/her powers;
- 15.2.25. Election of the Corporate secretary and early termination of his/her powers;
- 15.2.26. Formation of the Committees of the Board of Directors, approval of the Regulations on the Committees of the Board of Directors; consideration of the issue as to whether the composition of the Committees of the Board of Directors meets the tasks of the Board of Directors and the Company business objectives;
- 15.2.27. Recommending on the voluntary (obligatory) offer, obtained by the Company according to Chapter XI.1 of the Federal Law "On Joint-Stock Companies";
- 15.2.28. Making of the decision on the temporary suspension of the powers of the managing organization (person);
- 15.2.29. Making of the decision on appointing the Acting General Director in the case of making of the decision on the termination of the powers of the managing organization (person);
- 15.2.30. Proposal to the General Shareholders' Meeting that the Company's charter capital be reduced to an amount which is less than the value of its net assets if it is discovered as a result of an audit that the value of the Company's net assets is less than its charter capital;
- 15.2.31. Consideration of report of the General Director on activities of the Company (including performance of job duties of the General Director), on executing of decisions of the General Shareholders' Meeting and the Board of Directors;

- 15.2.32. Approval of appraiser(s) candidacy for the purpose of determination of the value of the shares, property and other assets of the Company in cases stipulated by the Federal Law “On Joint Stock Companies”, the present Charter and special Decisions of the Board of Directors;
- 15.2.33. Approval before making (hereinafter – “preliminary approval”) the transactions on alienation / disposal of Company’s shares;
- 15.2.34. Preliminary consent on participation of the Company in newly incorporated entities (with the exception of participation in financial industrial groups, association and other unions of commercial entities), including establishing, withdrawal from such entities, as well as acquisition, alienation, transfer, cession or encumbrance of Company’s shares/participation interest in other commercial organizations;
- 15.2.35. Giving recommendations for the Company’s representatives at the general shareholders’ (participants’) meetings of subsidiaries and dependants in regard to the following issues of agenda to be discussed and resolved upon at the general shareholders’ (participants’) meetings of such subsidiaries and dependants:
- Any change of the subsidiary’s charter;
  - Reorganization and liquidation of the subsidiary;
  - Increase/decrease of the charter capital of the subsidiary;
  - Placement of securities of the subsidiary, convertible into shares;
  - Delisting of the company’s securities of the subsidiary convertible into the Company’s shares.
  - Major transaction with value more than 25 % of the subsidiary’s book value unless the transactions between the Company and its subsidiaries (in which the Company owns 100% shares or is the Sole Participant);
  - Related party transaction with value more than 2% PJSC «EL-5 Energo»’s book value unless the transactions between the Company and its subsidiaries (in which the Company owns 100% shares or is the Sole Participant);
  - Transfer of the powers of the subsidiary’s General Director to the managing company;
  - Appointment of the managing company as sole executive body of the subsidiary;
  - Suspension of the powers of the managing company.
- 15.2.36. Giving recommendations for the Company’s representatives at the general shareholders’ (participants’) meetings of subsidiaries and dependants in regard to the following issue of agenda to be discussed and resolved upon at the general shareholders’ (participants’) meetings of such subsidiaries and dependants:
- the decision to reduce the subsidiary’s charter capital to an amount which is less than the value of its net assets if it is discovered as a result of an audit that the value of the subsidiary’s net assets is less than its charter capital.
- 15.2.37. Giving recommendations for the Company’s representatives at the general shareholders’ (participants’) meetings of subsidiaries and dependants in regard to the issues of agenda to be discussed and resolved upon at the general shareholders’ (participants’) meetings of such subsidiaries and dependants (unless specified above in Items 15.2.35 and 15.2.36 of the present Charter and the transactions between the Company and its subsidiaries (in which the Company owns 100% shares or is the Sole Participant)) and preliminary approval



- of the powers of attorney for such representatives to represent the Company in the relevant general shareholders' (participants');
- 15.2.38. Approval of candidates to be nominated to the sole executive body, as well as candidates to be nominated to the audit companies (individual auditor) of the subsidiaries and dependent companies;
  - 15.2.39. Approval of (i) the business plans (and any amendment thereof), (ii) the report of the General Director on business plans results, (iii) the budget of the Company (and any amendment thereof), (iv) the annual and quarterly report of the General Director;
  - 15.2.40. Approval of the annual report of the Company, annual accounting (financial) statements, and preliminary approval of allocation of profit and losses upon reporting year results;
  - 15.2.41. Approval of the list of the key managers of the Company and any amendment thereof, as well as approval of the candidates for the offices of the key managers of the Company;
  - 15.2.42. Appointment and termination as Head of the Internal Audit subdivision of the Company reporting to the Board of Directors of the Company and approval of the terms of the employment contract with him/her.;
  - 15.2.43. Setting of the procurement policy of the Company;
  - 15.2.44. Approval of the Company's KPIs, and KPI reports;
  - 15.2.45. Preliminary approval of construction contracts (including new constructions) and/or contracts on performance of works on technical upgrading and/or reconstruction of power plants, modernization and/or replacement of equipment (including the acquisition and delivery of the new equipment to the purpose of modernization and/or replacement of equipment) with the amount higher than RUR 1 billion, if such contracts were not included in investments projects;
  - 15.2.46. Preliminary approval of transactions related to execution of work and/or rendering services on repair and/or operational maintenance of power plants, including acquisition and delivery of necessary repair parts and consumables with the amount higher than RUR 0,5 billion;
  - 15.2.47. Approval of the investment projects having a planned value higher than RUR 1 billion;
  - 15.2.48. Preliminary approval of transactions having strategic relevance for the Company, excluding transactions relating to the implementation of investment projects or transactions regulating the payment of taxes, fees and duties (including issues of exemptions and instalment payments);
  - 15.2.49. Preliminary approval of loan agreements and credit agreements and/or transactions with derivative financial instruments (including agreements for covering financial risks) nominated in foreign currency or with a term above 12 months;
  - 15.2.50. Preliminary approval of bank guarantee agreements (for the Company's obligations) nominated in foreign currency or with the term of 12 months and above or with the value exceeding RUR 3,5 billion;
  - 15.2.51. Preliminary approval of loan and credit agreements and/or other transactions with derivative financial instruments (including agreements for covering financial risks) nominated in foreign currency or with a term 12 months and less and with a value higher than RUR 3,5 billion;
  - 15.2.52. Preliminary approval of provision by the Company of a suretyship or independent

- guarantee in relation to transactions or third-party obligations that are not persons with an interest in the transaction, except for the provision of a suretyship for the purpose of fulfilling an obligation of the Company under tax or custom legislation, nominated in foreign currency or with a value higher than RUR 5 million;
- 15.2.53. Preliminary approval of transactions related to undertaking by the Company of obligations based on bills of exchange, promissory notes and other securities, including issuance of bills of exchange, promissory notes and other securities as well as provision of surety for bills of exchange, promissory notes and other securities;
  - 15.2.54. Preliminary approval of any services agreements with a value higher than RUR 200 million and services agreements with the value higher than RUR 15 million, which costs are not included in the current Company's budget;
  - 15.2.55. Preliminary approval of transaction related to purchase, sale and delivery of power, capacity and heat with a value higher than RUR 10 billion;
  - 15.2.56. Preliminary approval of transaction related to purchase, sale and delivery of fuels with a value higher than RUR 7,5 billion;
  - 15.2.57. Preliminary approval of transaction related to undertaking by the Company of obligations for covering commodity risk for a value higher than RUR 2,5 billion;
  - 15.2.58. Preliminary approval of transactions with derivative financial instruments on power market for amounts higher than RUR 5 billion. The notification procedure described in Item 24.1. of the Charter shall be applied to such transaction with value less than RUB 5 billion;
  - 15.2.59. Approval of the annual charity program with total value of higher than RUR 60 million or with value of RUR 30 million for the single project or the single beneficiary;
  - 15.2.60. Preliminary approval of non-charitable transactions related to compensation-free transfer of the Company's property or property rights (claims) to a third party with a value higher than RUR 400,000;
  - 15.2.61. Preliminary approval of non-charitable transactions related to release of third parties from obligations towards the Company with a value higher than RUR 400,000;
  - 15.2.62. Preliminary approval of non-charitable transactions related to free rendering of services or execution of works by the Company in favour of third parties with a value higher than RUR 400,000;
  - 15.2.63. Preliminary approval of transactions related to novation and assignment of rights agreements, if the discrepancy amount between the old obligation and the new one will be higher than RUR 3 million;
  - 15.2.64. Preliminary consent on execution of the functions of management company in other commercial organization as well as preliminary approval of contracts on execution of the functions of management company in other commercial organization;
  - 15.2.65. Approval of the insurance strategy of the Company;
  - 15.2.66. Preliminary approval of the conditions of settlement agreements under which the Company waives or pays more than RUR 25 million;
  - 15.2.67. Preliminary approval of transaction on sale, purchase, any kind of transfer of and creation of any mortgage on real estate of the Company with a value higher than RUR 15 million, except for the mortgaging of property in connection with loan

- or credit agreements to which the Company is a party, approved by the Board of Directors of the Company on other grounds specified in Item 15.2 of the present Charter;
- 15.2.68. Preliminary approval of transactions (unless specified above in Item 15.2 of the present Charter and with the exception of transactions to be made by the Company in compliance with federal laws and/or other legal acts of the Russian Federation with the prices fixed by state authorities, as well as to public contracts and/or adhesion contracts) having a value higher than RUR 200 million; and transactions to be made by the Company in compliance with federal laws and/or other legal acts of the Russian Federation with the prices fixed by state authorities, as well as to public contracts and/or adhesion contracts, which costs are not included in the current Company's budget;
  - 15.2.69. Recognition of the member of the Company Board of Directors as independent (a candidate to become a member of the Company Board of Directors);
  - 15.2.70. Setting of the Senior Independent Director;
  - 15.2.71. Approval of the semiannual and annual Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standard adopted and applied in the Russian Federation;
  - 15.2.72. Approval of the report on the related party transactions made by the Company in the accounting year;
  - 15.2.73. approval of the Company's Annual Sustainability Report;
  - 15.2.74. Recognition of the action as a significant corporate action for the Company;
  - 15.2.75. Consideration of the issues related to compliance by the Company with its Information Policy;
  - 15.2.76. Consideration of the issues related to compliance by the Company with its Risk management policy;
  - 15.2.77. Setting the principles of and approaches relating to internal audits within the Company, approval of internal documents of the Company setting out the Company's policy on the organising and carrying out of internal audits;
  - 15.2.78. Approval of the Internal Audit Plans and Expense Budget for the Internal Audit subdivision of the Company and consideration of the progress reports on Internal Audit Plans performance and on the execution of internal audits;
  - 15.2.79. Approval of the Work Plan of the Board of Directors of the Company;
  - 15.2.80. Approval of the Company's Board of Directors and Committees budgets;
  - 15.2.81. Consideration of the reports of the Chairmen of the Company's Board of Directors Committees;
  - 15.2.82. Assessment of candidates to the Board of Directors of the Company.
  - 15.3. A transaction with an interest or a major transaction for which the consent or subsequent approval of the relevant management bodies of the Company has been obtained shall not be subject to separate approval on the other grounds set out in Item 15.2 of the present Charter.
  - 15.4. The issues within the competence of the Board of Directors cannot be transferred to the General Director and Executive Board of the Company.
  - 15.5. While executing their rights and fulfilling their obligations, the members of the Board of Directors must act in the interests of the Company, execute their rights and fulfill their obligations to the Company reasonably and in good faith.

- 15.6. The members of the Board of Directors are liable for losses incurred by improper fulfillment or non-fulfillment of their obligations, unless set otherwise by federal laws.
- 15.7. However, those members of the Board of Directors, who voted against the decision which incurred losses to the Company or did not take part in the voting, are not liable for such losses.

**Article 16. Election of the Board of Directors**

- 16.1. The Board of Directors comprises 11 (eleven) members.
- 16.2. The members of the Board of Directors are elected at the General Shareholders' Meeting until the next annual General Shareholders' Meeting.  
If the annual General Shareholders' Meeting was not held within six months after the end of the reporting year, the powers of the Board of Directors expire, except for the powers related to convening, preparation and holding of the annual General Shareholders' Meeting.
- 16.3. Only a natural person can be a member of the Board of Directors.
- 16.4. Persons elected to the Board of Directors can be reelected an unlimited number of times.
- 16.5. By the decision of the General Shareholders' Meeting, the powers of all the members of the Board of Directors can be terminated early.
- 16.6. The members of the Board of Directors do not have to be shareholders of the Company.
- 16.7. No more than 2 (two) members of the Executive Board can be elected to the Board of Directors.

**Article 17. Chairman of Board of Directors**

- 17.1. The Chairman of the Board of Directors is elected by the members of the Board of Directors by a majority vote of the members of the Board of Directors.  
The Board of Directors has the right to reelect its Chairman at any time by a majority vote of the members of the Board of Directors.
- 17.2. The person performing functions of the Sole Executive Body can not in the same time be the Chairman of the Board of Directors.
- 17.3. The Chairman of the Board of Directors organizes the work of the Board of Directors, convenes and presides at the meetings, organizes record-keeping of the meetings, presides at the General Shareholders' Meetings.
- 17.4. In case the Chairman is absent, the Deputy Chairman of the Board of Directors serves as the Chairman. The Deputy Chairman is elected by the members of the Board of Directors by a majority vote of the members of the Board of Directors, and is a member of the Board of Directors.

**Article 18. Meetings of Board of Directors**

- 18.1. Meetings of the Board of Directors are convened by the Chairman of the Board of Directors upon his own initiative, the request of a member of the Board of

- Directors, Head of Internal Audit subdivision, the Audit company, the Executive Board of the Company or the General Director. The procedure of convening and holding of meetings of the Board of Directors is determined by the internal document of the Company.
- 18.2. Meetings of the Board of Directors are held if necessary, but at least once a quarter.
  - 18.3. At the first meeting of the newly elected Board of Directors, issues related to election of the Chairman and Deputy Chairman must be decided.  
The first meeting of the newly elected Board of Directors is convened by one of the members of the Board of Directors in accordance with the internal documents regulating the procedure of convening and holding of meetings of the Board of Directors.
  - 18.4. A decision of the Board of Directors can be made by absentee voting. During absentee voting, all the members of the Board of Directors receive materials on the agenda issues and ballots for voting on the agenda issues indicating the date, by which the filled ballot signed by the member of the Board of Directors must be presented to the Board of Directors.
  - 18.5. Transfer of the voting right by a member of the Board of Directors to another person, including another member of the Board of Directors, is not allowed.
  - 18.6. Decisions on the meetings of the Board of Directors are made by a majority of elected members of the Board of Directors, unless otherwise provided by the Federal Law "On Joint-Stock Companies" or present Charter.  
Decisions on the meetings of the Board of Directors on items mentioned in point 15.2.35 of the Charter are made by 9 out of 11 votes of Board of Directors' members.  
Decisions on the meetings of the Board of Directors on items mentioned in point 15.2.36 of the Charter are made by all members of the Board of Directors unanimously.
  - 18.7. The decision on consent to perform or subsequently approve transactions, involving property the value of which is in the range between 25 and 50 percent of the Company's book value, is made by all members of the Board of Directors unanimously. The votes of the departed members of the Board of Directors are not taken into account.
  - 18.8. In case when the decision of the Board of Directors to make a proposal to the General Shareholders' Meeting that the Company's charter capital be reduced to an amount which is less than the value of its net assets if it is discovered as a result of an audit that the value of the Company's net assets is less than its charter capital, must be adopted unanimously by all members of the Board of Directors. In this respect, account shall not be taken of votes of members of the Board of Directors who have departed.
  - 18.9. Decisions on the following issues must be approved by majority of 3/4 of votes of the votes of the Board of Directors' members (the votes of the departed members of the Board of Directors are not taken into account):
    - 18.9.1. suspension of the powers of the managing organization (person) and appointment of the acting General Director;
    - 18.9.2. on convocation of the extraordinary General Shareholders' Meeting to decide on the following issues:
      - 18.9.2.1. on early termination of powers of the managing organization (person);

- 18.9.2.2. on transfer of the powers of the sole executive body of the Company to the managing organization (person).
- 18.10. A departed member of the Board of Directors is in particular a deceased member of the Board of Directors, the Board of Directors' member who was found incapable or declared missing in accordance with the court's decision or disqualified, and the Board of Directors' member, notified the Company about the resignation of his authority. The Board of Directors' member shall preliminary notify Company about the resignation of his authority the Board of Directors' Chairman and the Corporate Secretary in writing, via e-mail or specialized software for corporate governance.
- 18.11. The decision on consent to perform and subsequently approve transaction with interest, shall be taken by the Board of Directors by a majority of Directors' votes who are not interested in it and meet the requirements of clause 18.12 of the Charter.
- 18.12. The decision on consent to perform a transaction with interest, shall be taken by the majority of votes of the Board of Directors members who are not and were not one year prior to the approval of the decision:
- 18.12.1. a person performing functions of the sole executive body of the Company, including its managing person, member of the Executive Board or an official of the managing organization of the Company;
- 18.12.2. a person whose spouse, parents (adoptive parents), children (adoptive children) and siblings (half-siblings) are officials in the abovementioned managing bodies of the Company, its managing organization or managing persons of the Company;
- 18.12.3. a person, monitoring the Company or managing company (manager), who got the functions of the sole executive body or has a right to give obligatory instructions to the Company.
- 18.13. A member of the Board of Directors is considered not interested in transaction if he, his spouse, parents (adoptive parents), children (adoptive children), siblings (half-siblings) and (or) controlled persons (their affiliates):
- 18.13.1. are not party, beneficiaries, mediators or representatives in the transaction;
- 18.13.2. is not a controller of the legal entity being a party, beneficiary, mediator or representative in the transaction;
- 18.13.3. are not officials neither in the managing bodies of the legal entity which is a party, beneficiary, mediator or representative in the transaction nor in the managing bodies of the managing organization of such legal entity.
- 18.14. Notifications under art. 82 of the Federal Law "On joint stock companies" may be sent to the Company in particular by e-mail.
- 18.15. For resolution of issues at meetings of the Board of Directors, each member of the Board of Directors has one vote. In the event of a tie vote, the Chairman of the Board of Directors shall have the deciding vote.
- 18.16. The quorum for meetings of the Board of Directors shall be not less than a half of the elected members of the Board of Directors.  
If the number of the members of the Board of Directors gets below the number needed for the quorum, the Board of Directors shall make a decision on the holding of an extraordinary General Shareholders' Meeting for election of the new Board of Directors. The remaining members of the Board of Directors only have the right to make a decision upon the convening of such extraordinary General Shareholders' Meeting. In this case the quorum for the holding of the

meeting of the Board of Directors shall be not less than half of the remaining members of the Board of Directors.

- 18.17. At meetings of the Board of Directors, protocols (minutes) are kept.  
A protocol of a meeting of the Board of Directors shall be compiled and signed by the person presiding over the meeting and the Corporate secretary, who bear responsibility for the accuracy of the protocol, not later than 3 days after the meeting took place. The protocol shall be supplemented by all the materials on agenda issues, physical media with audio recording of the Board of Directors meeting and documents approved by the Board of Directors.  
If decisions are made by the Board of Directors by absentee voting, the protocol shall be supplemented by ballots signed by the members of the Board of Directors.

## **Article 19. Committees of Board of Directors**

- 19.1. The Committees of the Board of Directors are set up by the decision of the Board of Directors.  
19.2. The Committees of the Board of Directors are formed for preliminary consideration of issues within the competence of the Board of Directors.  
19.3. The competence and procedure of the Committees are determined by the internal documents of the Company, which are approved by the Board of Directors.

## **Article 20. Executive Bodies of the Company**

- 20.1. Administration of the Company's day-to-day activities is the responsibility of the sole executive body of the Company – the General Director, and the collegial executive body – the Executive Board.  
20.2. The General Director and Executive Board of the Company are accountable to the General Shareholders' Meeting and Board of Directors.  
20.3. General Director of the Company performs functions of the Chairman of Executive Board.  
20.4. If decided by the General Shareholders' Meeting, the powers of the sole executive body of the Company can be delegated to a managing organization (person) under a delegation agreement.  
The rights and obligations of the managing organization (person) in administration of the Company's day-to-day activities are determined by Russian legislation and the agreement executed between the managing organization (person) and the Company.  
The agreement with the managing organization (person) is signed by the Chairman of the Board of Directors or a person duly authorized by the Board of Directors, who acts in the name of the Company.  
The terms and conditions of the agreement with the managing organization (person), including its part related to the administration period, are determined by the Board of Directors.  
20.5. The rights and obligations of the General Director and members of the Executive Board of the Company related to administration of the Company's day-to-day activities, are determined by Russian legislation, the present Charter and labour

agreements executed between each of them and the Company.

The labour agreement with General Director and members of the Executive Board is signed by the Chairman of the Board of Directors or a person duly authorized by the Board of Directors to act in the name of the Company.

The conditions of the labour agreement with General Director and members of the Executive Board, including its part related to the term of their offices, are determined by the Board of Directors.

The rights and obligations of the employer under the labour agreement with the General Director and members of the Executive Board of the Company are executed by the Chairman of the Board of Directors or a person duly authorized by the Board of Directors to act at the name of the Company.

- 20.6. The General Director and members of the Executive Board of the Company can have offices in the executive bodies of other organizations only by consent of the Board of Directors.
- 20.7. The Board of Directors has the right to terminate the office of the General Director of the Company, or members of the Executive Board of the Company at any time, and set up new executive bodies.
- 20.8. The decision to terminate the office of the General Director and members of the Executive Board is the basis to terminate labour agreement with General Director and members of the Executive Board according to procedure provided for by Russian labour legislation.
- 20.9. The General Shareholders' Meeting has the right to make the decision on termination of the powers of the managing organization (person) at any time.
- 20.10. The Board of Directors has the right to make the decision on suspension of the powers of the managing organization (person). This decision must be accompanied by the decision on the appointment of the Acting General Director of the Company and the holding of the extraordinary General Shareholders' Meeting for deciding upon early termination of the powers of the managing organization (company), made by the Board of Directors, and, unless decided otherwise by the Board of Directors, delegation of the powers of the sole executive body of the Company to the managing organization (person).
- 20.11. If the managing organization (person) cannot exercise its functions, the Board of Directors has the right to decide upon appointment of the Acting General Director of the Company and the holding of the extraordinary General Shareholders' Meeting for deciding upon early termination of the powers of the managing organization (company), and, unless decided otherwise by the Board of Directors, delegation of the powers of the sole executive body of the Company to the managing organization (person).
- 20.12. The Acting General Director of the Company administers the Company's day-to-day activities to the extent within the competence of the executive bodies of the Company, unless the Board of Directors decides otherwise.
- 20.13. While executing their rights and fulfilling their obligations, the General Director, members of the Executive Board of the Company, Acting General Director and the managing organization (person) must act in the interests of the Company, execute their rights and fulfill their obligations to the Company reasonably and in good faith.
- 20.14. The General Director, members of the Executive Board of the Company, Acting General Director of the Company and the managing organization (person) are



liable before the Company for any losses incurred to the Company by improper fulfillment or non-fulfillment of their obligations, unless set otherwise by federal laws.

The given liability does not cover those members of the Executive Board, who voted against the decision, which incurred losses for the Company, or did not participate in the voting.

## **Article 21. Executive Board of the Company**

- 21.1. The Executive Board of the Company acts on the basis of the present Charter, as well as the internal document of the Company approved by the General Shareholders' Meeting, which sets the timeframe and procedure for the convening and holding of meetings of the Executive board and the decision-making procedure.
- 21.2. The competence of the Executive Board of the Company includes the following issues:
  - 21.2.1. Development and submittal of perspective plans on implementation of major business directions of the Company to the Board of Directors;
  - 21.2.2. Preparation of (i) the business plans (and any amendment thereof) and (ii) the reports on the results of its execution;
  - 21.2.3. Preparation of a report on financial and economic activities of the Company and execution of decisions made by the General Shareholders' Meeting and the Board of Directors, by the Executive Board;
  - 21.2.4. Study of reports prepared by the Deputy Directors General or head's divisions, which regard execution results for approved plans, programs, directives etc.; study of reports, documents and other information about the activities of the Company, its affiliates and related companies;
  - 21.2.5. Resolution of other issues related to administration of the Company's day-to-day activities, referred by the decisions of the General Shareholders' Meeting and the Board of Directors to the competence of the Executive Board;
  - 21.2.6. Elaborating and presenting at that request of the Board of Directors the recommendations on the issues that fall under the competence of the Board of Directors.
- 21.3. The members of the Executive Board are elected by the Board of Directors; their number is determined by the corresponding decision of the Board of Directors. There shall be not less than three members of the Executive Board. The labour agreement for serving as the Executive Board's member between the Company and the Executive Board's members can be concluded. Regulatory considerations for executives' labour such as the General Director and the Executive Board's members can be applied to those members of the Executive Board who concluded the labour agreement with the Company for serving as the Executive Board's member under the labour agreement.
- 21.4. The Executive Board is legally competent if more than half of all the members take part in its meeting (or by absentee voting).
- 21.5. All decisions are made by the Executive Board by a majority vote of the Board members present at the meeting (taking part in the absentee voting). In case the

votes are equal, the Chairman of the Executive Board shall have the deciding vote.

- 21.6. Transfer of the voting right by a member of the Executive Board to another person, including another member of the Executive Board, is not allowed.

## **Article 22. General Director of the Company**

- 22.1. The General Director administers the Company's day-to-day activities in accordance with the decisions of the General Shareholders' Meeting, Board of Directors and Executive Board, made pursuant to their competence.
- 22.2. The competence of the General Director includes all issues related to administration of the Company's day-to-day activities except questions within the competence of the General Shareholders' Meeting, Board of Directors and Executive Board.
- 22.3. The General Director of the Company acts on behalf of the Company without a power of attorney, including restrictions envisaged by the legislation in force, the present Charter and decisions of the Board of Directors:
- 22.3.1. Provides execution of the Company's plans;
- 22.3.2. Organizes accounting and reporting in the Company;
- 22.3.3. Disposes of the Company's property, makes transactions on behalf of the Company, grants powers of attorney, opens settlement accounts and other types of accounts of the Company with banks and credit organizations (and, if envisaged by law, with other organizations which are members of the securities market);
- 22.3.4. Issues orders, approves (accepts) instructions, local regulations and other internal documents of the Company within his/her competence (the internal documents with the exception of those directly indicated in the competence of General Shareholders' Meeting and Board of Directors of the Company), gives instructions to be observed by all of the Company's employees;
- 22.3.5. Approves Regulations on branches and representative offices of the Company;
- 22.3.6. Approves the list of the staff members and salaries, in accordance with the organizational structure of the Company;
- 22.3.7. Executes employer's rights and fulfills employer's obligations in relation to the Company's employees, in accordance with labour legislation;
- 22.3.8. Acts as the Chairman of the Executive Board;
- 22.3.9. Allocates responsibilities among the Deputy Directors General, Directors, other company's officials;
- 22.3.10. Submits reports to the Board of Directors on financial and economic activities of the Company's affiliates and related companies, shares (stakes) of which are owned by the Company, as well as information about other organizations, in the activities of which the Company takes part;
- 22.3.11. Submits to the Board of Directors the annual report, annual financial statements, as well as profit and loss appropriation account, not later than 45 days before the date of the annual General Shareholders' Meeting;
- 22.3.12. Provides the internal documents of the Company, the material to be submitted to the Company's Board of Directors meeting as well as the relevant minutes of the

- management bodies of the Company to be drafted into Russian and English language;
- 22.3.13. Resolves issues related to day-to-day activities of the Company except for the issues referred by this Charter or by the Law under the competence of the General Shareholders' Meeting or Board of Directors, as well as for the issues, delegated by the decision of the General Shareholders' Meeting or by the Board of Directors into the competence of the Executive Board.
- 22.4. Nomination of candidates for the General Director of the Company shall comply with the procedure provided for by the internal documents of the Company.

## **Article 23.                    Audit company of Company**

- 23.1. The audit of the Company's financial and economic activities shall be executed according to results of the Company's activities carried out throughout a year, and it can be executed at any time by the decision of the General Shareholders' Meeting, Board of Directors, or at the request of the Company's shareholder (shareholders) possessing the aggregate of not less than 10 percent of the Company's voting shares.
- 23.2. For audit and approval of the annual financial statements of the Company, the General Shareholders' Meeting annually appoints the Audit company.
- 23.3. The size of payment for the Audit company's services is determined by the Board of Directors.
- 23.4. The Audit company audits the financial and economic activities of the Company in accordance with the requirements set in Russian legislation, on the basis of the auditing contract executed with the Audit company.
- 23.5. Following an audit of the financial and economic activities of the Company the Audit company shall compile a report which must contain:
- 23.5.1. confirmation of the accuracy of the information contained in the reports and other financial documents of the Company;
- 23.5.2. information on violations by the Company of the procedure for maintaining accounting records and submitting accounting (financial) statements which is established by legal acts of the Russian Federation, and on violations of legal acts of the Russian Federation which occur when carrying out financial and economic activities of the Company.
- 23.6. Procedure and terms of compiling the report upon audit of the financial and economic activities of the Company are established by the legal acts of the Russian Federation and internal documents of the Company.

## **Article 24.                    Related Party Transactions**

- 24.1. Except as otherwise provided by the law or in the present Charter, a related party transaction does not require a mandatory preliminary consent to its carrying out by the Board of Directors or the General Shareholders' Meeting. The Company is obliged to notify on related party transaction according to the following procedure:
- A. members of the Board of Directors, members of the Executive Board shall be notified by sending them a notification on the execution of the transaction in

writing, via e-mail or specialized software for corporate governance no later than fifteen (15) days prior to the date of execution of the transaction unless otherwise provided in the paragraph B of Item 24.1. of the present Charter;

B. members of the Board of Directors, members of the Executive Board shall be notified by sending them a notification on the execution of the transaction in writing, via e-mail or specialized software for corporate governance simultaneously with a notification on the calling of a meeting of the Board of Directors with an agenda including the item on consent to carry out the respective transaction, according to the procedure provided for by the Rules of Procedure for Convention and Holding of Meetings of Board of Directors of the Company, in case when (i) the receipt of consent to carry out a related party transaction is requested by a member of the Board of Directors or a member of the Executive Board or (ii) the related party transaction is within the competence of the Board of Directors (iii) the related party transaction is within the competence of the General Shareholders' Meeting recommended by the Board of Directors in accordance with the present Charter;

C. shareholders of the Company shall be notified by the publishing of the text of the notification on the execution of the transaction on the Company's website at the address [www.el5-energo.ru](http://www.el5-energo.ru), no later than fifteen (15) days prior to the date of execution of the transaction (if all members of the Board of Directors of the Company are related parties in carrying out such a transaction).

24.2. The notification shall specify the person (persons) being a party (parties), beneficiary (beneficiaries) thereto, price, subject of the transaction and other major terms thereof or a procedure for determining them, as well as the person (persons) interested in making the transaction, grounds on which the person (each of the persons) interested in making it is such.

## **Article 25. Significant corporate actions**

25.1. The following actions are recognized as significant corporate actions for the Company:

25.1.1. reorganization of the Company;

25.1.2. acquisition of 30% and more of the Company's voting shares;

25.1.3. material transactions:

- any sale of shares (interests) in any legal entity controlled by the Company which is material to the latter, where, as a result of such transaction, the Company would lose control over such legal entity;

- any transaction with property of the Company or any legal entity controlled thereby (including related transactions, if any, entered into by the Company and one and/or more legal entities controlled thereby) whose value exceeds 10% of Company balance of sheet assets based on its financial statements for the last reporting date or which is material to the company's business operations;

- establishment of a legal entity controlled by the Company and having material significance for the latter's business.

25.1.4. increase or reduction in the charter capital of the Company;

25.1.5. the Company shares listing or delisting;

25.1.6. any other action that will be recognized as such based on a separate decision of the Board of Directors of the Company.

- 25.2. Decisions making in relation to significant corporate actions falls within the competence of the Board of Directors of the Company. When performance of these corporate actions directly falls within the General Shareholders' Meeting competence, the Board of Directors provides shareholders with relevant recommendations.
- 25.3. Decisions to approve material transactions specified above in item 25.1.3. of the present Charter should be passed by a majority vote of all elected (incumbent) members of the Board of Directors.
- 25.4. Information on exercise of any significant corporate actions is disclosed by the Company in accordance with the procedure stipulated by the law and Company's internal documents.

**Article 26. Accounting Records and Accounting (Financial) Statement of the Company**

- 26.1. The Company shall keep accounting records and provide the accounting (financial) statement in accordance with the legal acts of the Russian Federation.
- 26.2. In accordance with the legal acts of the Russian Federation, the General Director is responsible for organization, financial condition and credibility of accounting in the Company, timely submittal of the accounting (financial) statements to the corresponding bodies, as well as timely submittal of information on the Company's activities to the Company's shareholders', creditors and the media.
- 26.3. For annual audit of the accounting (financial) statements the Company shall engage the Audit company not connected by property interests with the Company and its shareholder prior to make the financial reports public.
- 26.4. Annual report of the Company, annual accounting (financial) statements of the Company are subject to approval, and the statement of allocation of profit and losses of the Company based on the results of the reporting year is subject to preliminary approval by the Board of Directors not later than 30 days before the date of the annual General Shareholders' Meeting.

**Article 27. Keeping the documents of the Company. Information disclosure by the Company.**

- 27.1. The Company shall keep the documents stipulated by the Federal Law "On Joint-Stock Companies", the present Charter, internal documents of the Company, decisions of the General Shareholders' Meeting, Board of Directors of the Company, management bodies of the Company, as well as documents stipulated by the legal acts of the Russian Federation.
- 27.2. The Company shall keep the documents envisaged by this Article at the office address of the sole executive body of the Company in accordance with the procedure and timeframes set by the Bank of Russia.
- 27.3. During reorganization of the Company, all the documents shall be handed over to the successor company in accordance with the established procedure.
- 27.4. During liquidation of the Company, the documents in permanent storage, which have scientific or historical importance, shall be transferred for permanent storage to the Federal Archive Service of Russia, while personnel documents (orders,

- personal records and record cards, personal bank accounts etc.) shall be transferred for keeping to the corresponding archive of the corresponding subject of the Russian Federation.
- 27.5. Information about the Company shall be provided to these organizations in accordance with the requirements with the Federal Law “On Joint-Stock Companies” and other legal acts of the Russian Federation.
- 27.6. The Company provides its shareholders with access to the documents in accordance with the Russian legislation.  
Accounting documents and protocols of the Executive Board meetings are accessible only to the shareholders (a shareholder) possessing not less than 25 percent of the Company’s voting shares.
- 27.7. The following documents shall be uploaded to the Company’s website not later than 15 days after their approval or introduction of changes and amendments to them, unless otherwise set by the legal acts of the Russian Federation:
- 27.7.1. Decision on establishment of the Company;
- 27.7.2. The Company’s Charter, any amendments or alterations to the Charter registered in accordance with the established procedure, the state registration certificate of the Company;
- 27.7.3. Protocols of the General Shareholders’ Meetings;
- 27.7.4. Documents governing activities of the Company’s bodies;
- 27.7.5. Regulations on the branches and representative offices of the Company;
- 27.7.6. Annual reports;
- 27.7.7. Lists of the Company’s affiliated persons;
- 27.7.8. Prospectuses, issuer’s reports and other documents containing the information which is subject to publishing or disclosure in accordance with the Federal Law “On Joint-Stock Companies” and other legal acts of the Russian Federation;
- 27.8. The documents to which the Company is obliged to provide access to shareholders in accordance with Article 91 of the Federal Law “On Joint-Stock Companies” must be provided by the Company within 7 business days after the day of the corresponding requirement for their review in the office of the Company’s sole executive body.  
If required by persons having the right of access to the documents stipulated in this Article, the Company shall provide them with copies of the mentioned documents.  
The payment levied by the Company for provision of the copies cannot exceed the cost of production of the copies. The size of payment is set by the General Director of the Company.
- 27.9. The Company shall provide the Company’s shareholders and employees with access to information while complying with the legislation requirements related to state secrets.

## **Article 28. Reorganization and Liquidation of Company**

- 28.1. The Company can be voluntarily reorganized in accordance with the procedure stipulated by the Federal Law “On Joint-Stock Companies”.  
Other grounds and procedure of reorganization of the Company are stipulated by the Civil Code of the Russian Federation and other federal laws of the Russian

- Federation.
- 28.2. Reorganization of the Company can be accomplished by merger, takeover, breakup, spin-off, or transformation.
- 28.3. During the reorganization, liquidation of the Company, or cessation of activities which regard information containing state secrets, the Company shall provide security of such information and storage media by development and implementation of measures related to secrecy, protection of information, technical surveillance countermeasures, security and fire safety.
- 28.4. The assets of companies which are established as a result of a re-organization shall be formed only from the assets of the companies which are re-organized.
- 28.5. The Company shall be considered to have been re-organized, except when it is re-organized by means of an acquisition, from the moment of the State registration of the newly formed legal entities.  
In the event that the Company is re-organized by means of the acquisition of another company, the first company shall be considered to have been re-organized from the moment when an entry concerning the cessation of the activities of the company which has been acquired is made in the unified State register of legal entities.
- 28.6. The State registration of companies newly formed as a result of re-organization and the making of the entry concerning the cessation of the activity of re-organized companies shall be carried out in accordance with the procedure which is established by federal laws of the Russian Federation.
- 28.7. When an entry concerning initiation of reorganization process is made in the unified State register of legal entities, the Company shall publish two times with frequency once a month in mass media, which is intended for the publication of information on the State registration of legal entities, information containing the notice of its reorganization. In case more than one legal entities participate in reorganization the notice of reorganization shall be published on behalf of each legal party participating in reorganization by the legal entity, which was the latter to adopt the decision or nominated by the decision on reorganization. In this respect, the Company's creditors may, within 30 days from the date when notice on Company reorganization is made by the latter legal entity, present a written demand for the early termination or fulfillment of the relevant obligations of the Company and compensation for losses.
- 28.8. If the transfer act does not make it possible to determine the legal successor of the liabilities of the legal entity, as also if the transfer act or other circumstances prove that during the reorganization of legal entities their assets and liabilities were distributed not in a proper manner and it lead to significant infringement of creditors' interests, the legal entity subjected to reorganization and legal entities which have been established as a result of the reorganisation shall bear joint liability for such an obligation.
- 28.9. A merger of companies shall be deemed to be the formation of a new company by means of the transfer to that company of all the rights and obligations of two or more companies, and the discontinuation of the latter.  
In the event of a merger of companies, all rights and obligations of each company shall be transferred to the newly formed company in accordance with a transfer certificate.
- 28.10. The acquisition of a company shall be deemed to be the discontinuation of one or

more companies with the transfer of all of their rights and obligations to another company.

In the event that the Company is acquired by another all rights and obligations of the Company which is acquired shall be transferred to the other company in accordance with the transfer certificate.

- 28.11. The demerger of a company shall be deemed to be the discontinuation of a company with the transfer of all of its rights and obligations to newly established companies.

In the event of a demerger of the Company, all of its rights and obligations shall be transferred to two or more newly established companies in accordance with the dividing balance sheet.

- 28.12. The spin-off of a company shall be deemed to be the establishment of one or more companies with the transfer thereto of a part of the rights and obligations of the re-organized company without the latter being discontinued.

In the event that one or more companies are spun off from the composition of the Company, a part of the rights and obligations of the company which has been re-organized by means of the spin-off shall pass to each company in accordance with the dividing balance sheet.

- 28.13. A decision of the General Shareholders' Meeting on the re-organization of the company in the form of a demerger or spin-off may include a provision in relation to one or more of the companies which are to be established by means of the re-organization in the form of a demerger or spin-off concerning the simultaneous merger of a company which is to be established with another company or other companies or concerning the simultaneous acquisition of a company which is to be established by another company.

- 28.14. The Company shall have the right to change its organizational form into that of a limited liability company or a production co-operative in compliance with the requirements which are established by federal laws.

When the Company undergoes a change of organizational form all rights and obligations of the re-organized company shall be transferred to the newly established legal entity in accordance with the transfer certificate.

- 28.15. The Company may be liquidated voluntarily in accordance with the procedure which is established by the Civil Code of the Russian Federation with account taken of the requirements of the Federal Law "On Joint-Stock Companies" and the Company's Charter. The Company may be liquidated on the basis of a court decision on the grounds which are envisaged by the Civil Code of the Russian Federation.

The liquidation of the Company shall entail its discontinuation without its rights and obligations passing to another entity by way of legal succession.

## **Article 29. The Introduction of Amendments and Additions to the Charter**

- 29.1. The introduction of amendments and additions to the Company's Charter shall be carried out by decision of the General Shareholders' Meeting, except in the instances envisaged by Items 29.2 to 29.6 of this Charter.

- 29.2. Amendments and additions to the Company's Charter, including amendments associated with an increase in the Company's charter capital, shall be made



subsequent to the results of a distribution of the Company shares on the basis of a decision to increase the Company's charter capital, on the basis of a decision to reduce the charter capital by means of reducing the nominal value of shares, or another decision which forms the basis for the distribution of shares and the distribution of issuance securities which are convertible into shares, and the registered report on the results of the share issue or, where in accordance with federal law of the Russian Federation the process of the issuance of shares does not involve the State registration of a report on the results of a share issue, an extract from the State register of issuance securities. Where the charter capital of the Company is increased by means of distributing additional shares, the charter capital shall be increased by the sum of the nominal value of the distributed additional shares, and the number of declared shares of the specified categories and types shall be reduced by the number of distributed additional shares of the specified categories and types.

- 29.3. Amendments and additions to the Company's Charter which are associated with the reduction of the Company's charter capital by means of the acquisition of Company shares for the purpose of cancelling them shall be made on the basis of a decision of the General Shareholders' Meeting concerning such reduction and a report on the results of the acquisition of the shares which has been approved by the Board of Directors. Amendments and additions to the Company's Charter which are associated with the reduction of the Company's charter capital by means of the redemption of Company shares belonging to the Company itself shall be made on the basis of a decision of the General Shareholders' Meeting concerning such reduction and a report on the results of the cancellation of shares which has been approved by the Board of Directors. In such cases the Company's charter capital shall be reduced by the sum of the nominal value of the redeemed shares.
- 29.4. The entry in the Company's Charter of information concerning the use in relation to the Company of a special right of participation of the Russian Federation, a constituent entity of the Russian Federation or a municipal entity in the administration of that Company ("golden share") shall be carried out on the basis of a decision of the Government of the Russian Federation, a State body of a constituent entity of the Russian Federation or a local government body respectively concerning the use of that special right, and the exclusion of such information shall be carried out on the basis of a decision of those bodies concerning the termination of such special right.
- 29.5. The introduction to the Company's Charter of amendments associated with the establishment of branches and the opening of representative offices of the Company and the liquidation thereof shall be carried out on the basis of a decision of the Board of Directors.
- 29.6. Amendments and additions to the Company's Charter regarding the specified size of its charter capital, including the number of distributed shares, shall be made subsequent to the results of a share distribution at the time of the establishment of the Company by means of a re-organization in the form of a merger on the basis of the merger agreement and the registered report on the results of the issue of shares which are distributed in connection with the establishment of the Company.
- 29.7. Amendments and additions to the Company's Charter shall be subject to State

- registration in accordance with the procedure which is stipulated by federal legislation of Russian Federation for the state registration of legal entities.
- 29.8. Reduction of the Company's charter capital is allowed upon notification of all the creditors in compliance with the procedure stipulated by the Federal Law "On Joint-Stock Companies".
- 29.9. Amendments and additions to the Company's Charter shall acquire force for third parties from the moment of their State registration. In the instances which are established in the federal legislation of Russian Federation, amendments and additions to the Company's Charter shall acquire force for third parties from the moment that the body which carries out State registration of the legal entities is notified.