

APPROVED BY
the decision of the General Meeting of Shareholders
of Rosseti North-West, PJSC
dated June 19, 2025
(Minutes No. 21 dated June 24, 2025)

ARTICLES OF ASSOCIATION
of Rosseti North-West
Public Joint Stock Company

Saint Petersburg
2025

Article 1. General provisions

1.1. Rosseti North-West Public Joint Stock Company (hereinafter – the “Company”) is established by the decision of the founder (Ordinance No. 153r of the Chairperson of the Management Board of RAO UES of Russia, OJSC dated December 09, 2004) in compliance with the Civil Code of the Russian Federation, the Federal Law “On joint stock companies” and other bylaws of the Russian Federation. An entry under primary state registration number 1047855175785 on state registration of the Company on December 23, 2004 is made by Inter-District Inspectorate No. 15 of the Ministry of the Russian Federation for Taxes and Levies for St. Petersburg in the Unified State Register of Legal Entities.

1.2. The Company in its activities shall be guided by the Civil Code of the Russian Federation, Federal Law “On joint stock companies”, Federal Law “On Electric Power Industry”, Federal Law “On Peculiarities of Functioning of Electric Power Industry in a Transition Period and on Amending Certain Legislative Enactments of the Russian Federation and on Recognizing Certain Legislative Enactments of the Russian Federation to be Void due to Adoption of the Federal Law “On Electric Power Industry”, other regulatory legal acts of the Russian Federation and these Articles of Association.

1.3. Full corporate name of the Company in Russian – Публичное акционерное общество «Россети Северо-Запад».

Previous full corporate names of the Company in Russian – Публичное акционерное общество «Межрегиональная распределительная сетевая компания Северо-Запада», Открытое акционерное общество «Межрегиональная распределительная сетевая компания Северо-Запада».

Full corporate name of the Company in English – Public Joint Stock Company Rosseti North-West.

Previous full corporate names of the Company in English – Interregional Distribution Grid Company of North-West, Public Joint Stock Company; Interregional Distribution Grid Company of North-West, Joint-Stock Company.

1.4. Abbreviated business name of the Company in Russian – ПАО «Россети Северо-Запад».

Previous full corporate names of the Company in Russian – ПАО «МРСК Северо-Запада», ОАО «МРСК Северо-Запада».

The Company’s abbreviated corporate name in English – Rosseti North-West, PJSC.

Previous abbreviated corporate names of the Company in English – IDGC of North-West, PJSC; IDGC of North-West, JSC.

1.5 Company’s Location: Saint Petersburg, Russia. The Company’s address shall be specified in Uniform State Register of Legal Entities.

1.6 The Company was established for an indefinite term.

1.7. Based on the decision of the Company General Meeting of Shareholders of the Company dated December 25, 2007, the Company was reorganized in the form of acquisition of Arkhenergo OJSC, Vologdaenergo OJSC, AEC Komienergo OJSC, Karelenergo OJSC, Komienergo OJSC, Novgorodenergo OJSC, Pskovenergo OJSC.

In accordance with:

deed of transfer approved by the decision of the General Meeting of Shareholders of Arkhenergo OJSC dated December 17, 2007 (Meeting Minutes No. 2 dated December 26, 2007),

deed of transfer approved by the decision of the General Meeting of Shareholders of Vologdaenergo OJSC dated December 20, 2007 (Meeting Minutes No. 3 dated December 25, 2007),

deed of transfer approved by the decision of the General Meeting of Shareholders of Komienergo OJSC dated December 20, 2007 (Meeting Minutes No. 24 dated December 26, 2007),

deed of transfer approved by the decision of the General Meeting of Shareholders of Karelenergo OJSC dated December 25, 2007 (Meeting Minutes No. 1795pr/1 dated December 25, 2007),

deed of transfer approved by the decision of the General Meeting of Shareholders of Kolenergo OJSC dated December 17, 2007 (Meeting Minutes No. 21 dated December 26, 2007),
deed of transfer approved by the decision of the General Meeting of Shareholders of Novgorodenergo OJSC dated December 17, 2007 (Meeting Minutes No. 2 dated December 26, 2007),
deed of transfer approved by the decision of the General Meeting of Shareholders of Pskovenergo OJSC dated December 17, 2007 (Meeting Minutes No. 20 dated December 26, 2007),
upon entering a record into the Unified State Register of Legal Entities on termination of activities of Arkhenergo OJSC, Vologdaenergo OJSC, AEC Komienergo OJSC, Karelenergo OJSC, Kolenergo OJSC, Novgorodenergo OJSC, Pskovenergo OJSC the Company is a legal successor in title to each of the mentioned companies with regard to all of their rights and liabilities.

Article 2. Company's Legal Status

2.1. The legal status of the Company shall be determined by the Civil Code of the Russian Federation, Federal Law "On joint stock companies", and other regulatory legal enactments of the Russian Federation and these Articles of Association.

2.2. The Company shall be a legal entity and Public Joint-Stock Company in accordance with the Russian Federation laws.

2.3. The Company shall possess its own property and shall be liable to the full extent of its property, it may on its behalf purchase and exercise civil rights and bear civil obligations, be a plaintiff and defendant in court.

2.4. The Company shall have the right to open bank accounts in the territory of the Russian Federation and abroad in accordance with the established procedure.

2.5. The Company shall be liable for its obligations by all the property it possesses.

The Company is not liable for the obligations of the State and authorities thereof as well as for those of its shareholders.

The shareholders of the Company are not liable for obligations of the Company except for cases set forth in the applicable law of the Russian Federation.

The Company's shareholders shall be entitled to alienate their shares without any consent of other Company's shareholders and the Company.

The shareholders of the Company shall bear the risk of losses related to its activities to the limit of the value of the shares they possess.

2.6. The Company shall possess a round seal containing its full business name in the Russian language and its location.

The Company may have stamps and letterheads specifying its trade name, its own logo, as well as a trademark registered in due course and other means of identification.

2.7. The Company shall possess civil rights and bear responsibilities which are necessary to exercise any types of the activities that are not prohibited by federal laws.

2.8. The Company shall be entitled to establish branches and open representative offices in accordance with the provisions of the Civil Code of the Russian Federation, the Federal Law "On joint stock companies", as well as other federal laws.

Branches and representative offices of the Company are not legal entities. Branches and representative offices of the Company shall be vested with the property by the Company that established them and act on the basis of the regulations approved by the Company.

The head of the Company's branch or that of the representative office shall be appointed by the Company's General Director and shall act on the basis of a power of attorney issued by the Company.

The Company shall be liable for the activities performed by its branch and representative office.

The information on the Company's branches and representative offices, if any, shall be stated in the Unified State Register of Legal Entities.

2.9. The Company shall be entitled to have subsidiary business entities vested with the rights of

legal entities in the territory of the Russian Federation, established in accordance with the Federal Law "On joint stock companies" and other federal laws; outside the territory of the Russian Federation – in accordance with the laws of the foreign state at the location of the subsidiary business entity, unless otherwise envisaged by the international agreement of the Russian Federation.

2.10. A business entity where the Company holds more than twenty (20) percent of voting shares (participatory interests) is recognized to be an affiliated company for the purpose hereof.

Article 3. Objectives and Types of the Company Activities

3.1. The major goals of the Company's activities shall be:

- profit generation by the Company;
- performance of efficient and reliable functioning of the facilities of the distribution electricity grid;
- provision of stable development of the distribution electricity grid;
- provision of reliable and high-quality energy supply to consumers (in respect of delivery and transmission of electric energy).

3.2. In order to generate profit and ensure attainment of its goals, the Company shall be entitled to carry out any types of the activities that are not prohibited by the law, including:

- provision of electricity transmission services;
- operational process management;
- provision of services of technical connection of power receiving devices (power installations) of legal entities and individuals to power grids;
- performance of functions on accumulation, transmission and processing of technological information, including the data on measurements and counting;
- control over the safe maintenance of electrical installations by consumers connected to the Company's power grids;
- activity on electric power grids operation;
- provision of services on exercising powers of the sole executive body of business entities;
- provision of services on trust property management;
- carrying out of operations with securities in accordance with the procedures determined by the Russian Federation laws;
- carrying out of agent activities;
- project and cost estimate, research and development, and design activities;
- provision of transportation and forwarding services;
- provision of consulting, consultation and information services;
- performance of works defining the conditions for parallel operation in accordance with the use conditions established for the Unified Energy System of Russia within the framework of contractual relations;
- operation under agreements with owners of power facilities that are not registered on the Company's balance sheet;
- ensuring the serviceability and sound work of the electric grid equipment in accordance with the applicable regulatory requirements, carrying out of maintenance works, diagnostics, repairs of electric grids and other electricity grid facilities;
- carrying out of tests and measurements as regards power installations (including those possessed by consumers);
- ensuring the serviceability and sound work, carrying out maintenance, diagnostics and repair of the controlling communication networks, measuring and metering devices, relay protection equipment and emergency automation equipment and other process equipment related to functioning of the electric grid complex;
- development of long-term estimates, prospective and current plans for the development of electricity grid industry, target comprehensive research and development, economic and social

programs;

- development of power supply grids and other electricity grid facilities including designing, engineering survey, construction, reconstruction and technical re-equipping, assembling and alignment;
- development of grids of process-oriented communication and telemechanics, measurement and accounting means, relay protection and emergency automation equipment, and other process-oriented equipment related to functioning of the electric grid complex, including designing, civil survey, construction, reconstruction, technical re-equipping, assembling and alignment;
- operation of hazardous production facilities;
- activities with regard to scientific research, engineering development and technological works inclusive of design, development and adoption of new machinery, technologies and methods and improvement of those already available with a view of enhancing reliability, quality, economic efficiency and environmental safety of consumer power supply, creation of conditions for the development of the power supply system of Russia, implementation of sector R&D and innovation programs, participation in the formation of sector R&D funds;
- arrangement and carrying out of production control over the compliance with the requirements of industrial safety of hazardous production facilities;
- organization of work ensuring occupational safety;
- liquidation of process-oriented disturbances at electric power grid facilities;
- carrying out of activities related to works and services of the nature protection;
- activities, the process of implementation of which is related to influencing the environment, formation, collection, use, utilization, storing and burial, displacement and transportation and placement of industrial wastes;
- activities related to use of aquatic objects;
- activities related to use of natural resources including subsoil assets and forests;
- activities related to the sphere of metrology;
- activities related to manufacturing and repairing of metering devices;
- activities related to providing services of assembly, repair and maintenance of devices and instruments for measurements, control, testing, navigation, target location and other purposes;
- activities related to handling of hazardous waste;
- activity related to preventing fires;
- carrying out of works on assembling, repair and maintenance of fire safety means of buildings and constructions;
- organization and carrying out of works with the personnel, including training and further education, checking of the personnel's knowledge in the machine operation rules, fire safety rules and labour safety rules, and other rules and regulations in accordance with the applicable regulatory documentation at power industry enterprises;
- transportation of passengers and goods by road, rail, air and inland waterways (including in relation to dangerous goods);
- activities related to maintenance and repairs of the rolling system at the railway vehicles;
- activities related to maintenance and repairs of equipment used at the railway vehicles;
- loading and unloading activities at the railway vehicles (including hazardous cargoes);
- loading and unloading activities at internal water transport (including hazardous cargoes);
- operation, maintenance and repairs of automobile, railway, air and internal water transport means and loading mechanisms used for process-oriented purposes;
- foreign economic activities;
- storage of oil, gas, and products of their processing;
- activities related to exercising the functions of the customer and developer;
- preparation of capital construction objects design documentation;
- engagement in construction, reconstruction and capital repair activities;

- services of the local, inter-zone and inter-city telephone communication;
- leasing of communication channels;
- telematic services (including e-mail, service of access to information resources, information and enquiry service, Telefax, Comfax, Bureaufax, service of message processing, voice message service, oral information transmission service);
- services on data transmission;
- use of orbital frequency resources and radio frequencies for TV and radio broadcasting, including additional information broadcasting;
- leasing of buildings, structures, equipment, machines and mechanisms;
- carrying out organizational, practical and preventive measures to ensure integrated security (anti-terrorism and anti-criminal protection, economic security, corruption fighting and information security);
- activities on technical protection of confidential information;
- organization and carrying out of actions related to mobilization training, civil defense, prevention and liquidation of emergency situations;
- protection of the state secret, realization of the works related to use of the state secret information, according to the laws and other legislative normative enactments of the Russian Federation;
- organization and carrying out of actions on safety and protection of the trade secret information;
- purchase (procurement) of electric energy (capacity) from the wholesale electric energy market and from power generators in the retail market for the purpose of resale to consumers in the retail market in case of obtaining the status of the guaranteeing supplier of electric energy, in accordance with the procedures established by the legislation of the Russian Federation;
- selling (delivery) of electric energy (capacity) to consumers in the retail market in case of obtaining the status of the guaranteeing supplier of electric energy, in accordance with the procedures established by the legislation of the Russian Federation;
- medical activity, including sanatorium service;
- educational activity;
- operation and maintenance of the facilities supervised by the Federal Service for the Atomic, Technical and Environmental Supervision (Rostekhnadzor) of the Russian Federation;
- engagement in energy saving and energy efficiency improvement activities;
- activities in the field of energy survey (energy audit) and provision of energy services;
- elaboration of emergency consumption mode limitation schedule;
- control measurement of power flow, loads and voltage levels in electric power grid networks;
- provision of services for workplace labor conditions attestation;
- realization of other types of activities which are not forbidden by the legislation of the Russian Federation.

3.3. To the extent permitted by applicable law, the Company may engage in certain types of activities only on the basis of a special permit (license), membership in a self-regulatory organization or a certificate of admission to a certain type of work issued by a self-regulatory organization.

The Company's right to carry out the activities that require obtaining special permit (license), membership in the self-regulatory organization or receipt of the self-regulatory organization's competency certificate in respect to specific type of works shall arise from the date of receipt of such the permit (license) or within the time period specified in it, or from the date of the Company's entering in the self-regulatory organization or issuing of the competency certificate in respect to specific type of works by the self-regulatory organization and shall be terminated upon loss of effect of the permit (license), membership in the self-regulatory organization or the competency certificate in respect to specific type of works issued by the self-regulatory organization.

Article 4. Company's Authorized Capital

4.1. The Company's authorized capital shall be formed by the par value of the Company's shares purchased by the shareholders (shares outstanding).

The authorized capital of the Company shall amount to nine billion, five hundred and seventy-eight million, five hundred and ninety-two thousand, three hundred and thirteen (9,578,592,313) rubles and 80 kopecks.

The Company placed common shares of the par value of ten (10) kopecks each in the number of ninety-five billion, seven hundred and eighty-five million, nine hundred and twenty-three thousand, one hundred and thirty-eight (95,785,923,138) pieces for the total par value amount of nine billion, five hundred and seventy-eight million, five hundred and ninety-two thousand, three hundred and thirteen (9,578,592,313) rubles and 80 kopecks.

4.2. The Company's authorized capital may be:

- increased through increase of the par value of shares or through placement of additional shares;
- decreased through reduction of the par value of shares or through reduction of their total number, including through acquisition and repayment of a part of shares placed by the Company in accordance with these Articles of Association.

4.3. The Authorized Capital of the Company may be increased only after having been paid up in full.

Payment for additional shares placed by the Company by offsetting claims against the Company is allowed in cases stipulated by the Federal Law "On joint stock companies".

4.4. The Company shall have the right, and in the cases stipulated by the Federal Law "On joint stock companies", shall be obliged to reduce its authorized capital.

The reduction of the Company's authorized capital shall be carried out according to the existing Russian Federation laws and these Articles of Association.

The Company shall not have the right to reduce the authorized capital if such a reduction makes the authorized capital less than the minimum amount required by the Federal Law "On joint stock companies" as of the date of documents submission for state registration of corresponding amendments to these Articles of Association, and in cases when the Company is obliged to reduce its authorized capital pursuant to the requirements of the Federal Law "On joint stock companies" as of the date of state registration of the Company.

4.5. The Company declares additional placement of one million, seventy-six thousand, eight hundred and sixty-two (1,076,862) pieces of common shares of ten (10) kopecks par value each for the total par value amount of one hundred and seven thousand, six hundred and eighty-six (107,686) rubles and 20 kopecks.

The ordinary shares declared by the Company for placement shall grant their owners the rights stipulated by Clause 6.2. of Article 6 of these Articles of Association.

Article 5. Company's Shares, Bonds and Other Investment Units of Investment Funds

5.1. The Company shall place common shares and shall be entitled to place one or several types of preferred shares, bonds and other investment units of investment funds according to the existing Russian Federation laws.

5.2. The procedure for converting investment units of investment funds of the Company into shares is determined by a decision on the issue of investment units of investment funds convertible into shares.

5.3. In the event of conversion into shares at the request of owners of the Company's investment units of investment funds to be converted into shares, the period during which the owners have the right to submit or withdraw the conversion request cannot be less than twenty (20) days.

5.4. The request for conversion of investment units of investment funds into shares or withdrawal of such a request shall be submitted in accordance with the rules established by the law of the Russian Federation on securities.

5.5. Conversion of common shares into preferred shares, bonds and other securities shall not be allowed.

5.6. Conversion of investment units of investment funds into the Company shares is not allowed if the aggregate price of placement of investment units of investment funds to be converted into shares is less than the aggregate par value of additional shares of the Company into which these securities are converted.

5.7. Placement by the Company of the shares and other investment units of investment funds to be converted into shares shall be carried out in accordance with the Russian Federation legal enactments.

5.8. The Company shall be entitled to place additional shares and other investment units of investment funds through subscription and conversion. In case of an increase in the Company's authorized capital at the expense of its property, the Company shall allocate additional shares by distributing them among the Company shareholders.

5.9. In case of exercising the preferential right for acquisition of additional shares as well as during the consolidation of the shares the acquisition by the Company's shareholder of an integral number of shares appears to be impossible, parts of the shares (fractional shares) shall be formed.

The fractional share shall grant the shareholder, its owner, the rights provided by the share of the respective category (type) in the amount corresponding to the part of the whole share it comprises.

Fractional shares shall have equal circulation with the whole shares. Should one person acquire two or more fractional shares of the same category (type) then the given shares shall form one whole and/or fractional share equal to the sum total of these fractional shares.

5.10. The form of payment of additional shares placed within the framework of private offering, shall be determined by the decision on their placement and shall meet the requirements of legislation of the Russian Federation.

Payment for other investment units of investment funds can only be made in cash.

Article 6. Rights and Obligations of the Company's Shareholders

6.1. A person owning shares of the Company on the grounds set forth in the applicable law of the Russian Federation and the Articles of Association shall be deemed to be a shareholder of the Company.

6.2. Each ordinary share of the Company shall grant a shareholder – its owner, an equal volume of rights.

Shareholders who own ordinary shares in the Company have the right to:

1) voting rights in decisions made by the Company's General Meeting of Shareholders on all matters within its competence;

2) propose (submit) items for the agenda of the General Meeting of Shareholders of the Company and/or propose (nominate) candidates for the Company's Board of Directors and the Auditing Commission of the Company in accordance with the Federal Law "On joint stock companies" and these Articles of Association;

3) to obtain information on the Company activities and get acquainted with the Company's documents in accordance with Article 91 of the Federal Law "On joint stock companies" and other regulatory and legal enactments and these Articles of Association;

4) receive dividends declared by the Company;

5) In cases and in the manner prescribed by the law of the Russian Federation, have pre-emptive rights in relation to the following shares and investment units of investment funds placed by subscription:

- Company's additional shares and investment units of investment funds convertible into the

Company's shares, in quantity pro rata the number of Company's common shares they hold;

- new additional Company's shares of a new category (type) and investment units of investment funds convertible into them or additional Company's preferred shares with priority dividend payments and investment units of investment funds convertible into them in quantity pro rata the number of the Company's shares held by them in accordance with the requirements of the law of the Russian Federation;

6) in case of liquidation of the Company, to receive part of its property remaining after settlements with creditors, or its value, in the manner prescribed by the law of the Russian Federation;

7) to appeal against decisions of the Company's management bodies entailing civil law consequences in cases and in the manner prescribed by the law of the Russian Federation;

8) acting on behalf of the Company, to require reimbursement of losses incurred by the Company;

9) contest, acting on behalf of the Company, the transactions made by the Company on the grounds as required by the law of the Russian Federation, and demand application of consequences of their invalidity, as well as a application of consequences of invalidity of the Company's void transactions;

10) to conclude the agreement on the exercise of the corporate rights (the corporate agreement) with each other, as well as with the Company's lenders and other third parties;

11) to exercise other rights stipulated in the Russian Federation laws and these Articles of Association.

6.3. Based on a contract entered into with the Company, the Company shareholders are entitled, for the purposes of funding and maintaining the Company's activities, to contribute to the Company's property gratuitous deposits in cash or in another form that do not increase the authorized capital of the Company or change the nominal value of shares (contributions to the Company's property) at any time. Property contributed by shareholders shall be of the types specified in clause 1 of Article 66.1 of the Civil Code of the Russian Federation.

The contract, on the basis of which a shareholder contributes to the Company's property, shall be preliminarily approved by the decision of the Company's Board of Directors.

6.4. The shareholders who are the owners of the Company's ordinary shall be obliged:

1) to participate in formation of the Company's property to the extent necessary and in accordance with the procedure, using the method and within the time periods as required by the law of the Russian Federation and these Articles of Association;

2) not to disclose the confidential information concerning the Company activity;

3) to participate in taking the decisions without which the Company cannot continue its activity under the laws of the Russian Federation if their participation is required to take such the decisions;

4) not to take actions wittingly aimed to cause harm to the Company;

5) not to take actions (not to omit to do) which significantly obstruct or make impossible achievement of the objectives for which the Company has been established;

6) to notify the Company of the fact of conclusion of a corporate agreement in the manner and within the time periods established by the law of the Russian Federation;

7) notify other shareholders of the Company of the intention to file a lawsuit with the court to challenge the decision of the General Meeting of Shareholders of the Company in advance, and/or also of the compensation of any losses caused to the Company or recognition of the transaction of the Company as invalid or application of the transaction invalidity consequences by sending a written notice to the Company that shall be received by the Company at least five (5) days prior to the day of filing a lawsuit with the court.

The Company's shareholders can bear other obligations provided for by the law of the Russian Federation or hereby.

Article 7. Dividends

7.1. Based on the results of the first quarter, six months and nine months of the reporting year and/or based on the results of the reporting year, the Company may decide on the payment (announcement) of dividends on the shares outstanding, unless otherwise not established by the Federal Law "On joint stock companies". The decision (declaration) regarding the payment of dividends based on the results of the first quarter, six months, or nine months of the reporting year may be taken within three (3) months after the end of the corresponding period.

The Company shall be obliged to pay the declared dividends per each category (type) of shares unless otherwise stipulated by the Federal Law "On joint stock companies".

7.2. The decision on payment (declaring) of dividends shall be made by the Company's general meeting of shareholders. The above decision shall determine the amount of dividends on shares of each category (type), the form of their payment, the procedure for payment of dividends in the date as whereof the persons entitled to receive dividends are determined.

The decision regarding establishment of the date as whereof the persons entitled to receive dividend are determined shall be taken solely on the proposition of the Company's Board of Directors.

The amount of the dividend shall not exceed the amount of dividend recommended by the Company's Board of Directors.

The Company's general meeting of shareholders shall be entitled to make a decision not pay dividends per common shares.

7.3. The Company shall not be entitled to take a decision (to declare) on payment of dividends on shares, as well as it shall not possess the right to pay the declared dividends on shares in the cases as set out by the effective laws of the Russian Federation.

7.4. The source of the dividends payment shall be the Company's profit after taxes (Company's net profit). The net profit of the Company is determined based on the data of accounting (financial) statements of the Company.

7.5. The term for payment of dividend to a nominal holder or a trustee being a professional participant of the security market that are registered in the register of the Company shareholders shall not be in excess of ten (10) business days, to other persons registered in the register of the Company shareholders – twenty-five (25) business days from the date when the persons having the right to receive dividend were determined.

The date as whereof, in accordance with the decision to pay (declare) dividends, the persons entitled to receive them are determined cannot be set earlier than ten (10) days from the date of the decision to pay (declare) dividends and later than twenty (20) days from the date of such a decision.

Dividends shall be paid to persons who were the owners of shares of the corresponding category (type) or to persons exercising rights in relation to such shares in accordance with federal laws, at the end of the operating day of the date on which, in accordance with the decision to pay dividends, the persons entitled to receive them are determined.

Payment of dividend in monetary form shall be effected via a non-cash scheme by the Company or, by instruction of the latter, by the Company Registrar carrying out maintenance of the registers of shareholders of the Company or a credit organization.

Payment of dividend in monetary form to individuals whose rights to the Company's shares are accounted for in the register of shareholders of the Company shall be effected by the transfer of funds to their bank accounts, or special accounts of financial platform operators, opened in accordance with the Federal Law "About making of financial transactions with use of financial platform", the details of which are available to the Company's registrar, or, in the absence of the information on bank accounts, special accounts of financial platform operators by way of postal remittance of funds, with payment to other persons whose rights to shares are accounted for in the register of Company's shareholders effected by way of funds remittance to their banking accounts. The Company's duty concerning

payment of dividend to the said persons shall be deemed discharged from the date when the funds being transmitted were accepted by the federal postal service organization or from the date when the funds were received by the credit organization where the person having the right to receive the dividend has had a banking account opened, or, if the credit organization is such a person, then the transmission shall be carried out to its account.

Persons having the right to receive dividends whose rights to the Company shares are accounted for by a nominal holder, shall receive dividends in monetary form following the procedure established by the Russian Federation law on securities. The nominee holder to the benefit of which the dividends were transferred and which failed to fulfil the obligation to transfer them as established by the law of the Russian Federation on securities, for reasons beyond its control, is obliged to repay them to the Company within ten (10) days after the expiration of one (1) month from the date of expiration of the term for payment of dividends.

7.6. The person having failed to receive announced dividends in connection with the Company or the Company registrar failing to avail of accurate address data and essential banking details as required or in connection with otherwise caused delay on the part of the creditor shall be entitled to demand payment of such dividends (unclaimed dividends) within three (3) days from the date when decision on such dividend payment was taken.

If defaulted, the term specified for unclaimed dividend payment request filing shall not be recovered except when a person having the right to receipt of dividend has failed to file such request influenced by violence or threat.

Upon expiration of the period specified in this Clause of the Articles of Association, dividends declared and not claimed by the Company's shareholders shall be restored to the Company's retained earnings, and the obligation to pay them shall cease.

7.7. The Company has the right to suspend payment of declared dividends in cash to shareholders of the Company who are entitled to receive dividends and are registered in the Company's register of shareholders in the cases and in the manner provided for by the Federal Law "On joint stock companies".

The decision to suspend the payment of dividends by the Company shall be made by the Company's Board of Directors simultaneously with the decision to hold a meeting or an absentee vote for the adoption of decisions by the Company General Meeting of Shareholders.

Article 8. Company's Funds

8.1. The Company shall set up the Company's Reserve Fund in the amount of five (5) percent of the Company's authorized capital.

The amount of mandatory annual deductions to the Reserve Fund of the Company is five (5) percent of the net profit of the Company until the Company Reserve Fund reaches the established amount.

8.2. The Company's Reserve Fund shall be aimed to cover the Company's losses and repay the Company's bonds and redeem the Company's shares should any other means be not available.

The Company's Reserve Fund shall not be used for any other purposes.

8.3. The Company shall have the right to establish other funds in accordance with the requirements of the law of the Russian Federation.

Article 9. Structure of the Company's bodies

9.1. The Company's governance bodies shall be:

- The Company's General Meeting of Shareholders;
- Company's Board of Directors;
- Management Board of the Company;
- General Director of the Company.

9.2. The body performing control over the Company's financial and economic activities shall be the Company's Auditing Commission.

Article 10. The Company's General Meeting of Shareholders

10.1. The General Meeting of Shareholders of the Company shall be the Company's supreme body.

10.2. The issues falling within the competence of the General Meeting of Shareholders of the Company shall be the following:

- 1) amending of the Articles of Association of the Company or approval of the restated Articles of Association of the Company;
- 2) restructuring of the Company;
- 3) liquidation of the Company; appointment of the liquidation commission and approval of the interim and final liquidation balances;
- 4) determining of the quantity, par value, category (type) of declared shares and the rights granted by these shares;
- 5) increase in the Company's authorized capital by way of increasing the par value of shares or by way of additional shares placement;
- 6) reduction of the Company's authorized capital by way of reduction of the par value of the shares, by way of acquisition by the Company of a part of shares in order to reduce their total amount, and by way of repayment of the shares redeemed or acquired by the Company;
- 7) fractioning and consolidation of the Company's shares;
- 8) making the decision on placement by the Company of bonds convertible into shares and other investment units of investment funds convertible into shares;
- 9) determining the quantitative composition of the Company's Board of Directors, electing members of the Company's Board of Directors, and terminating their powers ahead of schedule;
- 10) election of the members of the Company's Auditing Commission and early termination of their powers;
- 11) appointment of the auditing entity of the Company;
- 12) making the decision on transfer of powers of the Company's sole executive body to the managing entity (managing director) and on early termination of powers of the managing entity (managing director);
- 13) approval of the annual report, annual accounting (financial) statements of the Company;
- 14) distribution of profit (including payment (declaring) of dividends, except for the payment (declaring) of dividend following the results of the first quarter, half a year, nine months of the reporting year and the Company's loss following the results of the reporting year;
- 15) payment (declaring) of dividends following the results of the first quarter, half a year, nine months of the reporting year;
- 16) determining of the procedure for holding the Company's General Meeting of Shareholders;
- 17) making decisions on consent to the conclusion or on the subsequent approval of the interested party transactions in the cases provided for by Article 83 of the Federal Law "On joint stock companies";
- 18) making decisions on consent to the conclusion or on the subsequent approval of major transactions in the cases provided for by Article 79 of the Federal Law "On joint stock companies";
- 19) making the decision on participation in financial and industrial groups, associations and other unions of for-profit entities;
- 20) approval of internal documents regulating the activities of the Company's bodies;
- 21) making the decision on payment of remuneration and/or compensation to the members of the Company's Auditing Commission;
- 22) making the decision on payment of remuneration and/or compensation to the members of the Company's Board of Directors;
- 23) making a decision on filing an application for the delisting of the Company's shares and/or

the Company's investment units of investment funds convertible into its shares;

24) acquisition by the Company of the shares placed in the cases set out in the Federal Law "On joint stock companies";

25) solution of other issues envisaged by the Federal Law "On joint stock companies".

10.3. Issues referred to the competence of the Company's General Meeting of Shareholders by the Federal Law "On joint stock companies" cannot be transferred to the General Director of the Company for decision.

The General Meeting of Shareholders of the Company shall not be entitled to consider and take decisions on the items which are not referred to its competence by the Federal Law "On joint stock companies".

10.4. The decision of the General Meeting of Shareholders on the item put to the vote shall be taken by a majority vote of shareholders – owners of the Company's voting shares, who participate in the meeting, unless otherwise specified in the Federal Law "On joint stock companies". A single (independent) decision only can be made in respect of each issue put to a vote.

10.5. The decisions of the General Meeting of Shareholders of the Company shall be taken by a majority three-quarters of the votes of shareholders holding voting shares of the Company participating in the meeting or absentee voting on the following issues:

- amending of the Articles of Association of the Company or approval of the restated Articles of Association of the Company;
- restructuring of the Company;
- liquidation of the Company; appointment of the liquidation commission and approval of the interim and final liquidation balances;
- determining of the quantity, par value, category (type) of declared shares and the rights granted by these shares;
- reduction of the Company's authorized capital by way of reduction of the par value of shares;
- placement of shares (the Company's investment units of investment funds convertible into shares) by means of closed subscription under the decision of the Company's General Meeting of Shareholders about an increase in the Company's authorized capital by way of additional shares placement (on the placement of the Company's investment units of investment funds convertible into shares);
- placement of the common shares by means of open subscription, the number of which exceeds twenty-five (25) percent of the earlier placed common shares;
- placement of investment units of investment funds convertible into common shares by means of open subscription which may be converted into common shares representing more than twenty-five (25) percent of the earlier placed common shares;
- making decisions on consent to the conclusion or on the subsequent approval of major transactions in the cases provided for by Article 79 of the Federal Law "On joint stock companies";
- making a decision on filing an application for the delisting of the Company's shares and/or the Company's investment units of investment funds convertible into its shares;
- acquisition by the Company of the shares placed in the cases set out in the Federal Law "On joint stock companies";
- in other cases, as set out in the Federal Law "On joint stock companies".

A decision that entails the delisting of all shares of the Company and all investment units of investment funds of the Company convertible into its shares shall be adopted by the Company's General Meeting of Shareholders in accordance with the procedure provided for in Clause 3 of Article 7.2 of the Federal Law "On joint stock companies".

Decisions to consent to or to the subsequent approval of an interested party transaction pursuant to Article 83 of the Federal Law "On joint stock companies" shall be made by the General Meeting of Shareholders of the Company by a majority vote of shareholders – owners of voting shares participating in the meeting or absentee voting, and who are not interested in the transaction or

controlled by persons interested in its execution.

The General Meeting of Shareholders of the Company, when making a decision on consent to or subsequent approval of an interested party transaction, shall be deemed competent regardless of the number of shareholders holding voting shares of the Company who are not interested in the transaction and who participate in the meeting or vote by proxy.

10.6. Decisions on the issues specified in Sub-Clauses 2, 5, 7, 8, 12–21, 24 of Clause 10.2 of Article 10 of these Articles of Association, on the Company liquidation and the appointment of a liquidation commission, on the reduction of the Company's authorized capital by reducing the par value of shares, as well as on establishing the date on which persons entitled to receive dividends are determined, shall be adopted by the Company's General Meeting of Shareholders only upon the proposal of the Company's Board of Directors.

10.7. The Company's General Meeting of Shareholders shall not be entitled to adopt decisions on issues not included in the agenda.

The decisions of the General Meeting of Shareholders of the Company taken in respect of the items, which are not included in the agenda, or in violation of the competence of the Company's General Meeting of Shareholders, or in the absence of a quorum for the adoption of decisions by the Company's General Meeting of Shareholders, or without the majority of votes of shareholders required for the adoption of decisions, as well as decisions of the Company's General Meeting of Shareholders that contradict the foundations of law and order or morality, shall be null and void.

10.8. Voting on decisions by the Company's General Meeting of Shareholders is carried out on the principle of "one voting share of the Company – one vote", with the exception of cumulative voting on the election of members of the Company's Board of Directors.

During cumulative voting, the number of votes held by each Shareholder shall be multiplied by the number of persons to be elected to the Company Board of Directors, and the Company Shareholder may give all the resulting votes for one candidate or divide such votes between two or more candidates.

The members of the Company Board of Directors are recognized to be elected if they received the greatest number of votes.

Article 11. Methods of decision-making by the Company's General Meeting of Shareholders

11.1. Decisions of the Company's General Meeting of Shareholders may be adopted at a meeting, voting at which is combined with absentee voting (hereinafter referred to as the "meeting"), or without holding a meeting (absentee voting).

11.2. Decisions of the Company's General Meeting of Shareholders on the election of members of the Company's Board of Directors, members of the Company's Auditing Commission, on the appointment of the Company's audit organization, as well as on the issues provided for in Sub-Clause 13 of Clause 10.2 of Article 10 of these Articles of Association may only be adopted at a meeting, unless otherwise provided by federal law.

11.3. By decision of the Company's Board of Directors, participation in the Company's General Meeting of Shareholders may be carried out remotely using electronic or other technical means, using methods that allow for the reliable identification of the person participating remotely in the meeting and providing such person with the opportunity to participate in the discussion of agenda items and vote on agenda items put to a vote (hereinafter referred to as a meeting with remote participation).

A meeting with remote participation is held with the possibility of attending in person at the venue.

By decision of the Company's Board of Directors, a meeting with remote participation may be held without specifying the venue and the possibility of attending in person.

The rules for holding a meeting with remote participation, which determine, among other things,

the procedure for accessing remote participation in such a meeting, the method and procedure for voting for persons participating in the meeting remotely, shall be approved by the Company's Board of Directors when making decisions related to the preparation for the meeting.

When conducting a meeting with remote participation, the Company shall ensure real-time video and audio broadcasting of the meeting. Access to the remote broadcast of the meeting is provided by the Company to all persons (their representatives) who have the right to vote at the Company's General Meeting of Shareholders and who have registered to participate in the meeting.

The Company shall store the recording of the remote meeting together with the minutes of the Company's General Meeting of Shareholders for the duration of their storage period.

11.4 The meeting may be held in Moscow or at the Company's location, except in cases where, by decision of the Company's Board of Directors, a remote meeting is held without specifying the venue and the possibility of attending in person. The specific address of the meeting venue shall be determined by a decision of the Company's Board of Directors when deciding on issues related to the preparation for the meeting.

11.5. The annual meeting shall be held no earlier than two (2) months and no later than six (6) months after the end of the reporting year.

The annual meeting shall mandatorily resolve issues concerning the election of members of the Company's Board of Directors, members of the Company's Auditing Commission, the appointment of the Company's audit organization, the approval of the Company's annual report, the Company's annual accounting (financial) statements, the distribution of profits (including the payment (declaration) of dividends, except for the payment (declaration) of dividends based 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, as well as other issues within the competence of the Company's General Meeting of Shareholders.

Meetings held in addition to the annual meeting are extraordinary meetings.

11.6. Absentee voting for the adoption of decisions by the Company's General Meeting of Shareholders shall be conducted by sending out voting ballots, including, if provided for by a decision of the Company's Board of Directors, by electronic or other technical means.

Article 12. Preparation for the Company's General Meeting of Shareholders or absentee voting

12.1. The list of persons entitled to vote at the Company's General Meeting of Shareholders is compiled in accordance with the rules of the Russian Federation's securities legislation for compiling a list of persons exercising rights under securities.

12.2. The date on which persons entitled to vote at the Company's General Meeting of Shareholders are determined (fixed) may not be set earlier than ten (10) days from the date of the decision to hold a meeting or absentee voting and more than twenty-five (25) days before the date of the meeting or before the date of the end of the acceptance of ballots for voting in absentia, except for the cases provided for in the second paragraph of this Clause, Clause 14.8 of Article 14 of these Articles of Association, and the Federal Law "On joint stock companies".

If the agenda includes a question about reorganizing the Company, the date on which the persons entitled to vote at the Company's General Meeting of Shareholders are determined (fixed) may not be set more than thirty-five (35) days prior to the date of the meeting or prior to the date of the end of the acceptance of ballots for absentee voting.

12.3. Information on the date on which persons entitled to vote at the Company's General Meeting of Shareholders are determined (fixed) shall be disclosed in accordance with the legislation of the Russian Federation on securities at least seven (7) days prior to such date.

12.4. The list of persons entitled to vote at the Company's General Meeting of Shareholders, except for information on the will of such persons, shall be provided by the Company for review at

the request of persons included in this list and holding at least one (1) percent of the votes, starting from the date of receipt by the Company, unless otherwise provided by the legislation of the Russian Federation. At the same time, information allowing identification of individuals included in the said list, with the exception of the last name, first name and patronymic (if available), shall be provided only with their consent.

12.5. Notice of the meeting or absentee voting shall be brought to the attention of persons entitled to vote on decisions of the Company's General Meeting of Shareholders and registered in the Company's register of shareholders by posting it on the Company's website on the Internet at: www.rosseti-sz.ru (hereinafter referred to as the "Company's website", the "Internet") no later than thirty (30) days before the date of the meeting or before the date of the end of the acceptance of ballots for voting in absentia, except for the cases provided for by the Federal Law "On joint stock companies" and Clause 14.8 of Article 14 of these Articles of Association.

The notice on the meeting and the meeting agenda shall simultaneously serve as the notice of the absentee voting and the agenda of the absentee voting.

Notice of a meeting or absentee voting by decision of the Company's Board of Directors may be additionally brought to the attention of persons entitled to vote at the Company's General Meeting of Shareholders and registered in the Company's register of shareholders by one or more of the following methods:

1) sending an electronic message about the meeting or absentee voting to the email address of the relevant person specified in the Company's shareholder register;

2) sending a text message about the meeting or absentee voting, containing the procedure for familiarizing oneself with such a message, to the contact telephone number or e-mail address specified in the Company's shareholder register.

12.6. Voting at a meeting, including a meeting with remote participation, as well as in the event that the decisions of the Company's General Meeting of Shareholders are made by absentee voting, shall be carried out only by means of ballots for voting on all items on the agenda.

Voting by ballot papers shall be equated with the receipt by the Company's Registrar of notices of the expression of will by persons who have the right to vote in the adoption of decisions by the Company's General Meeting of Shareholders, are not registered in the Company's register of shareholders and, in accordance with the requirements of the legislation of the Russian Federation on securities, have given instructions on voting to the persons who keep records of their rights to shares.

12.7. The form and the text of the ballot shall be approved by the Company's Board of Directors.

12.8. The voting ballot shall be sent to each person registered in the Company's register of shareholders and having the right to vote at the Company's General Meeting of Shareholders no later than twenty (20) days before the date of the meeting or before the date of the end of the acceptance of voting ballots in the case of absentee voting.

The voting ballot may be sent to persons registered in the Company's register of shareholders and having the right to vote at the Company's General Meeting of Shareholders in the following ways:

- by regular mail;
- by registered mail;
- by electronic or other technical means, including in the form of an electronic message sent to the email address specified in the Company's shareholder register.

The decision on the methods of sending voting ballots to persons registered in the Company's register of shareholders and having the right to vote at the Company's General Meeting of Shareholders shall be made by the Company's Board of Directors when making decisions on issues related to the preparation for the meeting or absentee voting.

12.9. Completed ballots shall be sent to the postal address specified in the notice of the meeting or absentee voting.

The voting ballot may be completed and sent by the Company's shareholder in electronic form using electronic or other technical means, if such a possibility is provided for by a decision of the

Company's Board of Directors adopted in preparation for the meeting or absentee voting.

The acceptance of ballots for absentee voting combined with voting at the Company's General Meeting of Shareholders shall end two (2) days prior to the date of such meeting.

12.10. When preparing for a meeting or absentee voting, persons entitled to vote on decisions made by the Company's General Meeting of Shareholders shall be provided with the following information (materials), depending on the items included in the agenda:

- 1) annual report of the Company;
- 2) Company's annual accounting (financial) statements, the auditor's report on such statements;
- 3) report of the Company's Auditing Commission on the results of the audit of the Company's annual report and annual accounting (financial) statements;
- 4) internal audit report;
- 5) information about the candidate(s) for the Company's Board of Directors and Auditing Commission, including information about their professional experience over the last five (5) years;
- 6) draft amendments and additions to the Company's Articles of Association, or draft Articles of Association in a new edition;
- 7) draft internal documents of the Company subject to approval by the Company's General Meeting of Shareholders;
- 8) information provided for in Article 32.1 of the Federal Law "On joint stock companies" on shareholder agreements concluded within one (1) year prior to the date of the meeting or prior to the date of the end of the acceptance of voting ballots in the case of absentee voting;
- 9) conclusion of the Company's Board of Directors on a major transaction;
- 10) report on interested-party transactions concluded by the company in the reporting year;
- 11) information on the total amount of unclaimed dividends on the Company's shares, determined based on the Company's accounting (financial) statements as of the last reporting date prior to the decision to hold the annual meeting of the Company's General Meeting of Shareholders;
- 12) information on the total number of shareholders in respect of whom the sending of notices of meetings and/or voting ballots, the payment of dividends has been suspended, and on the share of shares they hold in the Company's authorized capital and in the total number of the Company's voting shares;
- 13) draft decisions of the General Meeting of the Company Shareholders;
- 14) recommendations of the Company's Board of Directors on the distribution of profits, including the size of the dividend on shares of the Company and the procedure for its payment, and losses of the Company based on the results of the reporting year;
- 15) information on the presence or absence of written consent of the nominated candidates for election to the Company's Board of Directors and Auditing Commission;
- 16) information about the candidate for the Company's audit organizations, including:
 - name of the self-regulatory organization of auditors of which the candidate for the Company's audit organizations is a member;
 - a description of the procedures used in selecting the audit firm to ensure its independence and objectivity;
 - information on the proposed remuneration of the audit firm for audit and non-audit services;
 - information on other significant conditions under which it is planned to conclude an agreement with the Company's audit organization;
- 17) position of the Company's Board of Directors regarding the agenda;
- 18) information on the results of the market value assessment of the property (conclusion of a self-regulatory organization on the appraiser's report) contributed as payment for additional shares placed by the Company, if payment for additional shares is made in non-monetary form;
- 19) justification for decisions to increase or decrease the authorized capital, to consent to or subsequently approve major transactions and transactions in which there is an interest;
- 20) comparative tables of changes proposed to be made to the Company's Articles of Association and internal documents of the Company, subject to approval by the Company's General Meeting of

Shareholders, compared to the current version of the said documents of the Company;

21) a list of persons recognized as interested in the transaction by the Company, indicating the grounds on which such persons are recognized as interested – when approving transactions in which there is an interest;

22) information about the management organization or manager (including information about its (his) affiliation with persons controlling the Company) – in the event of consideration of the transfer of powers of the sole executive body of the Company to the management organization (manager);

23) justification of the proposed distribution of net profit and assessment of its compliance with the dividend policy adopted by the Company;

24) information on corporate actions that led to a deterioration in the dividend rights of shareholders and/or the erosion of their shares, as well as court decisions that established the facts of the use by shareholders of methods other than dividends and residual value, for generating income from the Company;

25) information on how to get to the venue of the meeting, except in cases where a remote meeting is held without specifying the venue and the possibility of attending in person;

26) a sample form of power of attorney that the Company's shareholder may issue to their representative to participate in the meeting or absentee voting, as well as information on the procedure for certifying such power of attorney;

27) other information (materials) provided for by regulatory legal acts of the Russian Federation.

The list of information (materials) to be provided to persons entitled to vote at the Company's General Meeting of Shareholders when preparing for a meeting or absentee voting shall be determined by the Company's Board of Directors.

By decision of the Company's Board of Directors, persons entitled to vote at the Company's General Meeting of Shareholders may be provided with additional information (materials) not specified in this clause in preparation for the meeting or absentee voting.

By decision of the Company's Board of Directors, the information (materials) provided for in this clause may be provided to persons entitled to vote at the Company's General Meeting of Shareholders, in preparation for a meeting or absentee voting, in a limited composition and/or volume, taking into account the requirements of the legislation of the Russian Federation.

12.11. The information (materials) specified in Clause 12.10 of Article 12 of these Articles of Association shall be made available to persons entitled to vote at the General Meeting of Shareholders within twenty (20) days prior to the date of the meeting or prior to the date of the end of the acceptance of ballots for absentee voting shall be available to persons entitled to vote at the Company's General Meeting of Shareholders for review at the premises of the Company's executive body and other locations whose addresses are indicated in the notice of the meeting or absentee voting, as well as on the Company's website. The specified information (materials) shall be available to persons participating in the meeting during its conduct. At the same time, the Company strives to ensure that materials are available at least thirty (30) days prior to the date of the meeting or prior to the deadline for accepting ballots for absentee voting.

The procedure for familiarizing persons entitled to vote at the Company's General Meeting of Shareholders with the information (materials) provided for in Clause 12.10 of Article 12 of these Articles of Association shall be determined by a decision of the Company's Board of Directors.

12.12. If a nominee holder of shares is registered in the Company's register of shareholders, notification of the meeting or absentee voting and the information (materials) provided for in Clause 12.10 of Article 12 of these Articles of Association shall be provided in accordance with the rules of the legislation of the Russian Federation on securities for the provision of information (materials) to persons exercising rights under securities.

12.13. The right to participate in a meeting or absentee voting is exercised by a shareholder either in person or through a representative.

In the event of a transfer of shares after the date established for determining (fixing) the persons entitled to vote at the Company's General Meeting of Shareholders and before the date of the meeting

or the sending of the ballot for absentee voting, the person entitled to vote at the Company's General Meeting of Shareholders shall be obliged to issue a power of attorney to the acquirer or to vote at the Company's General Meeting of Shareholders in accordance with the instructions of the acquirer of the shares, if provided for in the share transfer agreement.

The above rule also applies to each subsequent transfer of shares.

If the Company's shares are jointly owned by several persons, they shall be provided with one copy of the ballot paper for voting on all items on the agenda or one copy of two or more ballot papers for voting on different items on the agenda, and the right to participate in the meeting or vote by proxy shall be exercised at their discretion by one of the participants in joint ownership or their common representative.

The powers of each of the specified persons shall be properly registered.

12.14. During the meeting, persons entitled to vote on decisions made by the Company's General Meeting of Shareholders may exercise their voting rights on agenda items by absentee voting or voting at the meeting. Persons who voted in absentia are entitled to participate in the meeting without the right to vote.

12.15. When holding a meeting, the Company's General Meeting of Shareholders is authorized to make decisions (there is a quorum for the meeting) if the shareholders, who collectively hold more than half of the votes of the Company's outstanding voting shares, participated in the meeting and absentee voting. The shareholders who have registered to participate in the meeting, including those who have registered using electronic or other technical means, shall be deemed to have participated in the meeting.

When conducting absentee voting, the Company's General Meeting of Shareholders is entitled to make decisions (absentee voting quorum is present) if shareholders holding more than half of the votes of the Company's outstanding voting shares participate in absentee voting.

Shareholders whose completed voting ballots are received by the Company no later than the deadline for accepting voting ballots shall be considered to have participated in absentee voting.

Company's shareholders who, in accordance with the rules of the legislation of the Russian Federation on securities, have given instructions to the persons keeping records of their rights to shares (instructions) on voting, provided that notifications of their intentions were received no later than the deadline for accepting ballots for absentee voting.

12.16. If the agenda includes items, voting on which is carried out by different compositions of voting persons, definition of the quorum for decision-making on these items shall be performed separately.

At the same time, the absence of the quorum for decision-making on the items, the voting on which is carried out by one composition of voting persons, does not interfere with decision-making on the items, the voting on which is carried out by another composition of voting persons, for taking which the quorum is present.

12.17. If there is no quorum at the annual meeting, a repeat meeting with the same agenda shall be held. In the absence of a quorum for decision-making by absentee voting, a repeat absentee vote may be held with the same agenda.

When holding a repeat meeting or repeat absentee voting, the Company's General Meeting of Shareholders shall be entitled to adopt decisions if shareholders holding in aggregate at least thirty (30) percent of the votes of the Company's outstanding voting shares participate in the repeat meeting or repeat absentee voting.

If a repeat meeting or repeat absentee voting is held less than forty (40) days after the failed meeting or after the date of the end of the acceptance of ballots for voting in the failed absentee voting, the persons entitled to vote on decisions of the Company's General Meeting of Shareholders at the repeat meeting or during the repeat absentee voting shall be determined (recorded) on the date on which the persons entitled to vote on decisions of the Company's General Meeting of Shareholders at the meeting or during the absentee voting that was deemed invalid were determined

(recorded) persons who had the right to vote on decisions made by the Company's General Meeting of Shareholders at the meeting or during absentee voting that was deemed invalid.

In the absence of a quorum at the annual meeting held on the basis of a court decision, a repeat meeting with the same agenda shall be held no later than sixty (60) days after the failed meeting. In such a case a repeated recourse to the court shall not be required. The preparation and conduct of the repeat meeting shall be carried out by the person or body of the Company specified in the court decision. If the specified person or body of the Company has not announced the annual meeting and/or has not held such annual meeting within the time limits specified in the court decision, the preparation and holding of a repeat meeting shall be carried out by other persons or bodies of the Company that have filed a claim with the court, provided that these persons or bodies of the Company are specified in the court decision.

In the event of a lack of quorum during an absentee vote conducted on the basis of a court decision, a repeat absentee vote shall not be conducted.

12.18. The functions of the Chair of the meeting shall be performed by the Chair of the Company's Board of Directors.

In the absence of the Chairperson of the Company's Board of Directors at a meeting, the functions of the Chair shall be performed by one of the members of the Company's Board of Directors as decided by the Company's Board of Directors.

12.19. The functions of the Counting Commission are performed by the Company's registrar.

Based on the results of the vote, the Company's registrar shall draw up a protocol on the results of the vote, which shall be signed by its representative. The minutes of the voting results shall be drawn up no later than three (3) business days after the close of the meeting or the date of the end of the acceptance of ballots for absentee voting in two (2) copies.

The minutes of the voting results shall be attached to the minutes of the meeting or absentee voting for the adoption of decisions by the Company's General Meeting of Shareholders (hereinafter referred to as the minutes of the Company's General Meeting of Shareholders).

12.20. The meeting and the results of voting at the meeting, as well as the results of absentee voting, shall be confirmed by the minutes of the Company's General Meeting of Shareholders. The minutes of the Company's General Meeting of Shareholders shall be drawn up no later than three (3) business days after the closing of the meeting or the date of the end of the acceptance of voting ballots in the case of absentee voting.

The minutes of the Company's General Meeting of Shareholders shall be drawn up on paper in two (2) copies.

The minutes of the Company's General Meeting of Shareholders shall be signed by the meeting Chair and the Secretary of the Company's General Meeting of Shareholders.

The minutes of the Company's General Meeting of Shareholders, which shall indicate the results of absentee voting, shall be signed by the Chairperson of the Company's Board of Directors and the Secretary of the Company's General Meeting of Shareholders.

An extract from the minutes of the Company's General Meeting of Shareholders or from the minutes of the voting results may be signed by the Chairperson of the Company's Board of Directors (Chair) and/or the Secretary of the Company's General Meeting of Shareholders, the person holding the position (performing the functions) of the sole executive body of the Company, or other person(s) authorized by the Company.

The minutes of the Company's General Meeting of Shareholders shall be posted on the Company's website no later than three (3) days from the date of its compilation.

12.21. Decisions adopted by the Company's General Meeting of Shareholders and voting results may be announced at the meeting during which the voting took place, and shall also be communicated to persons entitled to vote at the Company's General Meeting of Shareholders in the form of a report on the voting results in the manner prescribed for notification of the meeting or absentee voting, no later than four (4) business days after the date of the closing of the meeting or the date of the end

of the acceptance of ballots for absentee voting.

If, on the date of determining (fixing) the persons entitled to vote at the Company's General Meeting of Shareholders, the person registered in the Company's register of shareholders was a nominee holder of shares, the information contained in the report on the voting results shall be provided to the nominee holder of the shares in accordance with the rules of the legislation of the Russian Federation on securities for the provision of information and materials to persons exercising rights under securities.

12.22. The adoption of a decision by the Company's General Meeting of Shareholders at a meeting and the composition of the Company's shareholders present at the meeting shall be confirmed by the Company's registrar.

12.23. Other issues related to the preparation for the meeting or absentee voting are governed by the Federal Law "On joint stock companies", other regulatory legal acts of the Russian Federation and the Regulation on the Company's General Meeting of Shareholders.

Article 13. Proposals for the agenda of the annual meeting

13.1. Shareholder(s) of the Company, holding in aggregate not less than two (2) percent of the Company's voting shares, shall have the right to propose (submit) items for the agenda of the annual meeting and propose (nominate) candidates to the Company's Board of Directors and Auditing Commission, the number of which may not exceed the quantitative composition of the relevant body. Such proposals shall be received by the Company no earlier than July 1 of the reporting year and no later than March 1 of the year following the reporting year.

13.2. Proposals to add items to the agenda and proposals to nominate candidates shall be submitted in writing, indicating the name (title) of the shareholders (shareholder) who submitted them, the number and category (type) of shares they own, and shall be signed by the shareholders (shareholder) or their representatives.

The Company's shareholders who are not registered in the Company's register of shareholders shall be entitled to submit proposals to the agenda and proposals for the nomination of candidates also by giving relevant instructions to the person who accounts for their rights to shares. Such orders (instructions) shall be given in accordance with the rules of the law of the Russian Federation on securities.

A proposal to include items on the agenda shall contain the wording of each proposed item, and a proposal to nominate candidates shall contain the name and details of the identity document (series and/or number of the document, date and place of issue, issuing authority) of each proposed candidate, the name of the body to which they are proposed for election, and other information about the candidate as provided for in the Company's internal documents. A proposal to add items to the agenda may contain the wording of a decision on each proposed item.

13.3. The proposal to nominate candidates shall be accompanied by the consent of each proposed candidate to be elected to the relevant body of the Company. The Company's Board of Directors shall review the proposals received and decide whether to include the issues on the agenda or refuse to include them on the agenda, as well as whether to include candidates on the list of candidates for voting in elections to the relevant body of the Company or refuse to include candidates on the specified list no later than five (5) days after the end of the period specified in Clause 13.1 of this Article.

13.4. The Company's Board of Directors shall be entitled to refuse to include the items proposed by the shareholder(s) into the agenda and to refuse to include the recommended candidates into the list of nominees for voting when electing the corresponding body of the Company on the bases stipulated by the Federal Law "On joint stock companies" and other legal enactments of the Russian Federation.

13.5. A substantiated decision by the Company's Board of Directors to refuse to include a proposed issue on the agenda or a nominated candidate on a list of candidates for elections to the Company's corresponding body shall be sent to the shareholder(s) who submitted such proposal or nomination not later than three (3) days upon its making. If these proposals have been received by the Company from the persons not registered in the register of shareholders of the Company, who gave an order (instruction) to the person accounting for their rights to shares, this decision of the Company's Board of Directors shall be sent to such persons not later than three (3) days upon its making in accordance with the rules of the law of the Russian Federation on securities for the provision of information and materials to the persons exercising their rights to securities.

13.6. The Company's Board of Directors has no rights to change draft agenda items proposed for inclusion in the agenda as well as to the draft decisions (if present) on such matters.

Along with the issues proposed by shareholders for inclusion in the agenda, as well as candidates proposed by shareholders to form a relevant body, the Company's Board of Directors shall have the right to include in the agenda issues and/or candidates to the list of candidates for voting on elections to the relevant body of the Company at its discretion. The number of candidates proposed by the Company's Board of Directors may not exceed the established number of members of the Company relevant body.

Article 14. Extraordinary meeting of the Company's General Meeting of Shareholders or absentee voting

14.1. An extraordinary meeting or absentee voting shall be held by decision of the Company's Board of Directors on its own initiative, at the request of the Company's Auditing Commission, the Company's auditing organization, or shareholders (shareholder) who own at least ten (10) percent of the Company's voting shares on the date of the request.

14.2. An extraordinary meeting or absentee voting, the request for which was received from the Company's Auditing Commission, the Company's audit organization, or shareholders (shareholder) who own at least ten (10) percent of the Company's voting shares, shall be held within forty (40) days from the date of receipt of such request by the Company, except as provided in Clause 14.8 of Article 14 of these Articles of Association.

14.3. The request for an extraordinary meeting or absentee voting shall specify the issues to be included in the agenda.

This request may contain the wording of decisions on each of the proposed issues, as well as a proposal on the method of decision-making by the Company's General Meeting of Shareholders. If this request contains a proposal for the nomination of candidates, the relevant provisions of Article 13 of these Articles of Association shall apply to such proposal.

The Company's Board of Directors shall not be entitled to amend the wording of agenda items, the wording of decisions on agenda items, or change the proposed method of decision-making by the Company's General Meeting of Shareholders if an extraordinary meeting or absentee voting is held at the request of the Company's Auditing Commission, the Company's audit organization, or the Company's shareholder(s) who own at least ten (10) percent of the Company's voting shares.

14.4. If a request for an extraordinary meeting or absentee voting is received from shareholders (shareholder), it shall contain the names (designations) of the shareholder (s) requesting such a meeting or absentee voting, and an indication of the number and category (type) of Company shares they own.

This request shall be signed by the person(s) requesting the extraordinary meeting or absentee voting.

14.5. Within five (5) days from the date of receipt of the request to hold an extraordinary meeting or absentee voting, the Company's Board of Directors shall decide whether to hold or refuse to hold an extraordinary meeting or absentee voting.

14.6. The Company's Board of Directors' decision to hold an extraordinary meeting or absentee voting, or a reasoned decision to refuse to hold an extraordinary meeting or absentee voting, shall be sent to the persons requesting such a meeting or voting no later than three (3) days from the date of such decision. If the requirement to hold an extraordinary General Meeting of Shareholders has been received by the Company from the persons not registered in the register of shareholders of the Company, who gave an order (instruction) to the person accounting for their rights to shares, this decision of the Board of Directors of the Company shall be sent to such persons not later than three (3) days upon its making in accordance with the rules of the law of the Russian Federation on securities for the provision of information and materials to the persons exercising their rights to securities.

14.7. If, within the period specified in Clause 14.5 of Article 14 of these Articles of Association, the Company's Board of Directors does not decide to hold an extraordinary meeting or absentee voting, or decides to refuse to hold them, the Company body or persons requesting the extraordinary meeting or absentee voting shall have the right to apply to the court with a request to compel the Company to hold an extraordinary meeting or absentee voting.

The court decision compelling the Company to hold an extraordinary meeting or conduct an absentee vote shall specify the dates for the extraordinary meeting or absentee vote.

Enforcement of court decision shall be vested in the plaintiff or, upon the latter's petition, in the Company body or any other person subject to their consent. The Board of Directors may not be such body.

14.8. If the proposed agenda of the extraordinary meeting includes the election of members of the Company's Board of Directors:

14.8.1. The meeting shall be held within seventy-five (75) days from the date of receipt by the Company of the request to hold it. In this case, the Company's Board of Directors shall determine the date by which the proposals of shareholders on nominating candidates for election to the Company's Board of Directors are to be accepted.

14.8.2. Shareholder(s) of the Company, holding in aggregate at least two (2) percent of the Company's voting shares shall be entitled to propose candidates for election to the Company's Board of Directors, the number of which may not exceeds the established number of members of the Company's Board of Directors.

Such proposals shall be submitted to the Company at least thirty (30) days prior to the date of the extraordinary meeting.

The relevant requirements of Article 13 of these Articles of Association shall apply to the proposals for the nomination of candidates referred to in this subparagraph.

The Company's Board of Directors shall review the proposals received and decide whether to include the nominated candidates in the list of candidates for voting in the election to the Company's Board of Directors at an extraordinary meeting or to refuse to include the nominated candidates in the specified list no later than five (5) days after the end of the period specified in the Second Paragraph of this Sub-Clause.

If a decision is made to refuse to include the nominated candidates in the list of candidates for voting in the election to the Company's Board of Directors, the Company's Board of Directors shall send a reasoned decision on such refusal to the person who nominated the candidate in accordance with the procedure established by Clause 13.5 of Article 13 of these Articles of Association.

14.8.3. The date on which persons entitled to vote at the Company's General Meeting of Shareholders are determined (fixed) may not be set earlier than ten (10) days from the date of the decision to hold an extraordinary meeting and more than fifty-five (55) days before the date of the extraordinary meeting.

14.8.4. Notice of an extraordinary meeting shall be given no later than fifty (50) days prior to the date of the meeting.

14.9. If there is no quorum at an extraordinary meeting, a repeat extraordinary meeting may be held with the same agenda.

14.10. In the event of a lack of quorum at an extraordinary meeting held on the basis of a court decision, no repeat meeting shall be held.

14.11. In cases where, in accordance with the Federal Law "On joint stock companies", the Company's Board of Directors is obliged to decide on holding an extraordinary meeting to elect members of the Company's Board of Directors, such a meeting shall be held within seventy (70) days from the date of the decision to hold it by the Company's Board of Directors.

Article 15. Company Board of Directors

15.1. The Company's Board of Directors is a collegial management body of the Company that supervises the activities of the Company's executive bodies and performs other functions assigned to it by the legislation of the Russian Federation or these Articles of Association.

The Company's Board of Directors shall perform general management of the Company's activities, except for addressing the issues referred to the competence of the General Meeting of Shareholders of the Company by the Federal Law "On joint stock companies" and these Articles of Association.

The issues within the competence of the Company's Board of Directors shall be as follows:

- 1) determining the Company's priority areas of activity, including preliminary review and approval of the Company's development strategy, including amendments thereto, the innovative development program (revised program), and review of reports on their implementation;
- 2) approval of the Company's investment program, including any changes thereto¹;
- 3) consideration of the report on fulfillment of the Company's investment program (for the first quarter, first half of the year, nine months, reporting year);
- 4) holding annual and extraordinary meetings of the Company's General Meeting of Shareholders or absentee voting, except as provided for in Clause 14.7 of Article 14 of these Articles of Association;
- 5) approval of the agenda of the meeting or absentee voting for decision-making by the Company's General Meeting of Shareholders;
- 6) election of the secretary of the Company's General Meeting of Shareholders;
- 7) setting the date for determining (fixing) the persons entitled to vote at the Company's General Meeting of Shareholders, approving the cost estimate for holding the Company's General Meeting of Shareholders or absentee voting, and other issues related to the preparation for the meeting or absentee voting and the adoption of decisions by the Company's General Meeting of Shareholders;
- 8) submitting for decision by the Company's General Meeting of Shareholders the issues provided for in Sub-Clauses 2, 5, 7, 8, 12–21, and 24 of Clause 10.2. of Article 10 of these Articles of Association, on the liquidation of the Company and the appointment of a liquidation commission, on the reduction of the Company's authorized capital by reducing the par value of shares, as well as on establishing the date on which persons entitled to receive dividends are determined;
- 9) placement by the Company of additional shares into which preferred shares of a certain type placed by the Company convertible into common shares or preferred shares of other types are converted, placement of bonds by the Company, and other investment units of investment funds, except for shares; as well as issue of Eurobonds and determination of the Company's policy in terms of the issue of investment units of investment funds (with the exception of shares) and Eurobonds;
- 10) approval of decision on issue of the Company's shares, the Company's investment units of investment funds convertible into its shares, a document containing the terms for placement of the Company's shares and investment units of investment funds of the Company convertible into its shares, securities prospectus, reports on results of repurchase of shares from shareholders of the Company, reports on redemption of shares and reports on results of requests having been launched by

¹ This issue shall be considered by the Company's Board of Directors prior to publication of information on the draft investment program of the power engineering subject and on the materials that justify it.

shareholders of the Company for buyout of shares as may be held by them; making decisions on accepting offers (acceptance) to purchase additional shares placed through a public offering upon expiration of the preemptive right period in the instances determined by the Company's Board of Directors;

11) determination of price (monetary value) of assets, price of placement or the procedure for its determination and the price of buyout of investment units of investment funds in cases provided for by Federal Law "On joint stock companies";

12) acquisition of shares, bonds and other securities placed by the Company in cases stipulated by in cases provided for by the Federal Law "On joint stock companies" or other federal laws;

13) alienation (selling) of the Company's shares which are placed at the disposal of the Company as a result of their acquisition or buyout from the Company's shareholders, as well as in other cases envisaged by the Federal Law "On joint stock companies";

14) election of the Company's General Director, early termination of their powers, including taking the decision on early termination of the labor contract with them;

15) determination of the quantitative composition of the Company's Management Board, and election of the members of the Company's Management Board and early termination of their powers, including making a decision on the early termination of the employment agreements with them;

16) approving the terms and conditions of the employment contract with the Company's General Director and members of the Company's Management Board, establishing the amounts of remuneration and compensation payable to the Company's General Director and members of the Company's Management Board;

17) approval of the General Director of the Company and members of the Management Board of the Company simultaneously holding offices with management bodies of other organizations and also other paid positions in other organizations;

18) recommendations to the Company's General Meeting of Shareholders on the amount of remunerations and compensations paid to the members of the Auditing Commission;

19) determining the amount of remuneration of the Company's auditing entity;

20) recommendations to the Company's General Meeting of Shareholders on the amount of dividend on the Company's shares and the procedure for its payment;

21) approval of the Company's internal documents determining the procedure for the formation and use of the Company's funds, making decision on using the Company's funds;

22) approval of the Company's internal documents, except for the internal documents, the approval of which is referred to the competence of the General Meeting of Shareholders of the Company and other internal documents, the approval of which is referred to the competence of the Company's executive bodies;

23) approval of the Company's business plan (revised business plan of the Company) and review of the quarterly report on the implementation of the business plan of the Company (for the first quarter, first half, nine months, reporting year);

24) foundation of the Company's branches and opening of the Company's representative offices, their liquidation;

25) making decisions on participation of the Company in other organizations (including approval of the constituent documents and candidates to the management bodies of the newly established organizations), changing the participation interest (number of shares, amounts of units, stocks), encumbrance of shares, and termination of the Company's participation in other organizations, except for the cases provided for Sub-Clause 19 of Clause 10.2 of Article 10 hereof;

26) determining of the Company's credit policy as to provision by the Company of loans, signing facility agreements and loan agreements, issuing of warranties, issuing of independent guarantees, incurring obligations ensuing from a bill (issuing of an ordinary and transfer bill), pledging of property and making the decision on the above mentioned deals of the Company in cases when the procedure for the decision-making of them is not determined by the Company's credit policy as well as decision making in accordance with the order envisaged by the Company's credit policy on bringing the debt

position of the Company in compliance with the limits determined by the Company's credit policy;

27) making decisions on consent to the conclusion or subsequent approval of major transactions, as well as approval of the opinions on such transactions in the cases provided for by Chapter X of the Federal Law "On joint stock companies";

28) making decisions on consent to the conclusion or subsequent approval of the interested party transactions in the cases provided for by Chapter XI of the Federal Law "On joint stock companies";

29) approval of the report on interested-party transactions made by the Company in the reporting year;

30) approval of the Company's registrar, terms of the agreement signed with it and its termination;

31) election of the Company's Board of Directors Chairperson and termination of their powers;

32) election of the Company's Corporate Secretary, termination of their powers, and approval of the Regulation on the Company's Corporate Secretary;

33) decision-making on temporary termination of the powers of the managing entity (managing director);

34) decision-making on the appointment of the Acting General Director of the Company in the cases determined by separate decisions of the Company's Board of Directors, and also on making their disciplinary liable;

35) calling to an account of the Company's General Director and their remuneration in accordance with the labor laws of the Russian Federation, making a decision on proposing the General Director of the Company to be recommended for a state decoration;

36) consideration of the Company's General Director's reports on the Company's activities (including the report on exercising their functions, on the implementation of the decisions of the Company's General Meeting of Shareholders and its Board of Directors);

37) determining the position of the Company (the Company's representatives) on the following issues submitted for consideration by the boards of directors and general meetings of shareholders (participants) of subsidiaries and affiliates (hereinafter referred to as the "Subsidiaries and Affiliates"):

a) reorganization, liquidation of Subsidiaries and Affiliates;

b) recommendation, election of the members to the Subsidiaries and Affiliates management and control bodies and early termination of their powers, recommendation, election of a sole executive body of the Subsidiaries and Affiliates and early termination of its powers;

c) determining the number, par value, category (type) of the declared shares of Subsidiaries and Affiliates and the rights granted by these shares;

d) increase of the authorized capital of Subsidiaries and Affiliates through the increase of the par value of shares or through the placement of additional shares;

e) placement of the securities of Subsidiaries and Affiliates convertible into common shares of the Subsidiaries and Affiliates;

f) fractioning and consolidation of the Subsidiaries and Affiliates' shares;

g) making decisions on consent to perform or on subsequent approval of major transactions made by the Subsidiaries and Affiliates;

h) making a decision on the Subsidiaries and Affiliates' participation of in other organizations (including approval of candidates to the management bodies of the newly established organizations), as well as on purchase of, carve-out of and encumbrance on shares or interest in authorized capitals of organizations wherein the Subsidiaries and Affiliates participate, change in the amount of participatory interest in the authorized capital of such organization and termination of the Subsidiaries and Affiliates' participation in other organizations;

i) making decisions on the transactions made by SDE (including several associated deals) related to purchase, alienation or a possibility of alienation of property representing fixed assets, intangible assets, objects of unfinished construction, the purpose of the use of which is production, transmission, dispatching, distribution of electric energy in the events (amount) defined by the

procedure of interrelation of the Company with the entities, in which the Company participates, approved by the Company's Board of Directors;

- j) amending the constituent documents of Subsidiaries and Affiliates;
- k) determining of the procedure of remuneration payment to the members of the Board of Directors and Auditing Commission of the Subsidiaries and Affiliates;
- l) approval of the key performance indicators and functional key performance indicators of the Subsidiaries and Affiliates management, the procedure of their calculation, target values and reports on their achievement;
- m) approval of the business plans (adjusted business plans) of Subsidiaries and Affiliates engaged in the transmission, production or sale of electricity, or the revenue of which accounts for more than five (5) percent of the Company's revenue for the last reporting period;
- n) consideration of the reports on reporting year performance of the business plans of Subsidiaries and Affiliates engaged in the transmission, production or sale of electricity, or the revenue of which accounts for more than five (5) percent of the Company's revenue for the last reporting period;
- o) approval of the distribution of profit and loss following the results of the reporting year;
- p) recommendations on the amount of the dividend per shares and the procedure for its payment;
- q) payment (declaring) of dividend following the results of the first quarter, half of a year, nine months of the reporting year, and following the results of the reporting year;
- r) reduction of the authorized capital of Subsidiaries and Affiliates by way of reduction of the nominal value of shares, by way of purchasing by Subsidiaries and Affiliates of part of shares with a view of decreasing their total number, as well as by way of redemption of shares purchased or bought out by Subsidiaries and Affiliates;
- s) determining of the Subsidiaries and Affiliates' credit policy as to provision by the Subsidiaries and Affiliates of loans, signing facility agreements and loan agreements, issuing of warranties, issuing of independent guarantees, incurring obligations ensuing from a bill (issuing of an ordinary and transfer bill), pledging of property and making the decision on the above mentioned deals of the Subsidiaries and Affiliates in cases when the procedure for the decision-making of them is not determined by the Subsidiaries and Affiliates' credit policy as well as decision making in accordance with the order envisaged by the Subsidiaries and Affiliates' credit policy on bringing the debt position of the Subsidiaries and Affiliates' in compliance with the limits determined by the Company's credit policy, on approval of the report on the Subsidiaries and Affiliates' credit policy, on approval of the Subsidiaries and Affiliates' credit plan;

38) determining the position of the Company (Company representatives) on the following issues submitted for consideration by the boards of directors of the Subsidiaries and Affiliates:

- a) on determining the position of representatives of the Subsidiaries and Affiliates on issues submitted for consideration by the boards of directors and general meetings of shareholders (participants) of companies that are the Subsidiaries and Affiliates in relation to the conclusion (approval) of transactions (including several interrelated transactions) related to the acquisition, alienation, or possibility of alienation of property constituting fixed assets, intangible assets, and construction in progress, the purpose of which is the production, transmission, dispatching, and distribution of electrical energy, in cases (amounts) determined by the procedure for interaction between the Company and organizations in which the Company participates, approved by a resolution of the Company's Board of Directors;
- b) on determining the position of representatives of the Subsidiaries and Affiliates on issues submitted for consideration by the boards of directors and general meetings of shareholders (participants) of companies that are subsidiaries and dependent companies of subsidiaries and dependent companies engaged in the production, transmission, dispatching, distribution, and sale of electrical energy, on the reorganization, liquidation, increase of the authorized capital of such companies

by increasing the par value of shares or by placing additional shares, placing securities convertible into ordinary shares;

39) making decisions on the consent for the Company to make the following:

a) transactions, the subject matter of which shall be the Company's non-current assets in the amount exceeding ten (10) percent of the balance sheet of these (non-current) assets as of the last reporting date pursuant to the data of the accounting (financial) reports;

b) transactions (including several associated transactions) related to acquisition, disposal of or possible disposal of property being fixed assets, intangible assets, construction in progress, which are intended for generating, transmission, dispatch, distribution of power energy in cases (amounts) determined by individual decisions of the Company's Board of Directors, or if the specified cases (amounts) have not been determined by the Company's Board of Directors;

c) transactions (including several associated transactions) related to purchase, disposal of or possible disposal of property being fixed assets, intangible assets, construction in progress, which are intended for generating, transmission, dispatch, distribution of power energy in the cases (amount) determined by individual decisions of the Company's Board of Directors or if the specified cases (amounts) have not been determined by the Company's Board of Directors;

d) transactions for the term over five (5) years for delivery for temporary ownership and usage or for temporary usage of immovable property, electricity grid facilities or for acceptance for temporary possession and usage or for temporary usage of pieces of immovable property in the cases (amount) determined by individual decisions of the Company's Board of Directors or if the specified cases (amounts) are not determined by the Company's Board of Directors;

e) transactions, which could lead to occurrence of liabilities expressed in the foreign currency (or liabilities, the volume of which is attached to the foreign currency), transactions with derivative financial instruments in cases and amounts determined by separate decisions of the Company's Board of Directors and if the said cases (amounts) are not determined by the Company's Board of Directors, determining the Company's policy concerning effecting transactions with derivative financial instruments;

f) one or more interrelated transactions related to acquisition or ability of the Company's acquisition of the investment units in the unit investment fund and/or bonds, if the price of such transaction or some interrelated transactions is one (1) and more percent of the book value of the Company's assets determined according to the data of its accounting (financial) statements as of the last reporting date;

g) transactions related to gratuitous transfer of the Company's properties or property rights (claims) to the Company itself or a third party; transactions related to release from property obligations to the Company itself or a third party; transactions related to the Company gratuitously providing services (performing works) for third parties in the cases (to the extent) as determined by specific decisions of the Company's Board of Directors as well as decision on the Company effecting such transactions when the above cases (extent) are not determined;

h) transactions related to the Company providing the sponsor support in cases (amounts), determined by individual decisions of the Company's Board of Directors, and making the decisions on the Company's closing such transactions in the cases when the above cases (amounts) were not determined;

i) one or several interrelated transaction(s) related to the Company's transfer or eventually possible transfer of properties in an amount of more than one billion (1,000,000,000) rubles;

40) the Company's recommendation of the candidates for election to the office of the sole executive body, to other management bodies, control bodies, and also candidates in the auditing entity (individual auditor) of the organizations, where the Company participates;

41) approval of the procedure of the Company's interaction with the entities, in which the Company participates;

42) determination of the Company's policy in the field of insurance, carrying out control over

provision for the Company's insurance protection including the approval of the Company's insurers;

43) approval of the organizational structure of the Company's executive body and its amending;

44) approval of the policy of remuneration and incentives to the officials of the Company's management, approval of the list of officials of the Company's management;

45) agreement on candidacies for specific positions with the executive staff of the Company as determined by the Company's Board of Directors;

46) tentative approval of the collective agreement, the agreements concluded by the Company within the framework of the regulation of social and labor relations, as well as approval of documents on non-state pension schemes for the Company's employees;

47) formation of committees of the Company's Board of Directors, the approval of internal documents that determine their competence and operating procedure, the determination of their quantitative composition, the election of the chairman and members of the committee of the Company's Board of Directors and early termination of their powers;

48) approval of candidates for the securities issuers and consultants on transactions directly related to raising funds in the form of public borrowings;

49) determination of the procurement policy of the Company including the approval of the Regulation on Procurement, approval of the Head of the Central Procurement Body of the Company, consideration of the Company's procurement report following the results of the half of the year, and also making other decisions in compliance with the Company's documents governing the procurement activities of the Company;

50) approval of the key performance indicators and functional key performance indicators of the Company's management, the procedure of their calculation, target values and reports on their achievement;

51) determining of the Company's policy in part of improving the stability of the power grids distribution complex and other electricity grid facilities, including approval of the Company's strategic programs for improvement of the stability of the electricity grid industry, development of the electricity grid industry and its safety;

52) determination of the Company's policy in part of improving the availability of the power grid infrastructure, including the approval of the Company's strategic programs to improve the availability of the services of technological connection and development of the power grid complex;

53) determining of the Company's housing policy as regards providing corporate aid to the employees of the Company for improving their living conditions in the form of subsidies, compensation of their costs, interest-free loans and decision-making on provision by the Company of the specified aid in cases, when the procedure of its provision is not determined by the Company's housing policy;

54) filing applications for listing of the Company's shares and/or the Company's investment units of investment funds convertible to the Company's shares;

55) determination of principles and approaches to the organization of risk management and internal control systems in the Company, including the approval of internal documents of the Company, determining the Company's policy in the field of risk management and internal control;

56) determination of principles and approaches to the organization of internal audit, including the approval of internal documents of the Company, determining the Company's policy in the field of organization of the Company's internal audit;

57) assessment of key risks (both financial and non-financial risks), and also establishment of the acceptable value of risks for the Company;

58) organization of analysis and assessment of the risk management and internal control system functioning at least one (1) time a year, including based on the data from the reports regularly received from the executive bodies of the Company, internal audit and external auditors of the Company;

59) reviewing the issues of the risk management and internal control system organization,

functioning and effectiveness on an annual basis;

60) control and organization of internal audit activities, including approval of the regulations on the internal audit department, approval of the internal audit plan, report on the implementation of the internal audit plan and internal audit budget, preliminary approval of the decision of the General Director of the Company on the appointment, dismissal (not on the initiative of the employee) of the head of the structural unit, responsible for organizing and conducting internal audits, imposing disciplinary sanctions on him, as well as approving the terms of the employment contract with the head of the structural unit responsible for organizing and conducting internal audits, reviewing the results of the assessment of the quality of the internal audit function;

61) recommendations to the Company's executive bodies on any issues of Company's activity;

62) determining the Company's information policy and reviewing the reports of the Company's General Director on its implementation;

63) approval of the Program for alienation of the non-core assets of the Company, approval of the register of the non-core assets of the Company and making other decisions in accordance with the documents approved in the Company which govern the procedure for disposal of the non-core assets of the Company;

64) approval of the annual report in the field of corporate social responsibility and sustainability;

65) approval of the anti-corruption policy of the Company and reports on its implementation;

66) settlement of internal corporate conflicts;

67) determination of the status of the Company's Management Board members, and review of the results of self-assessment and independent assessment of the Company's Board of Directors and committees of the Company's Board of Directors activities;

68) making a decision on approval:

a) of the contract on making uncompensated contributions by a shareholder (shareholders) into the Company's property, which do not increase the Company's authorized capital or change the par value of shares of the Company to finance and support the activities of the Company;

b) of the contract on making uncompensated contributions by the Company into the property of the companies, in the authorized capital of which the Company participates, in monetary or other form, which do not increase the authorized capital of the specified companies and (or) do not change the par value of the shares;

69) deciding to suspend the payment of dividends by the Company in cases provided for by the Federal Law "On joint stock companies";

70) other issues falling within the competence of the Company's Board of Directors in accordance with the Federal Law "On joint stock companies" and these Articles of Association.

15.2. The issues referred to the competence of the Company's Board of Directors shall not be transferred for decision-making to the Company's Management Board and General Director.

Article 16. Election of the Company's Board of Directors

16.1. The number of members of the Company's Board of Directors shall be determined equal to eleven (11) members.

16.2. The members of the Company's Board of Directors are elected by the Company's General Meeting of Shareholders in accordance with the procedure provided for by the Federal Law "On joint stock companies" and these Articles of Association, for a term until the next annual meeting.

If an annual meeting has not been held within the period prescribed by Clause 11.5 of Article 11 of these Articles of Association, the powers of the Company's Board of Directors shall be terminated, with the exception of those powers involved in preparing, convening, and holding an annual meeting.

If no decision on the election of members of the Company's Board of Directors is made at the annual meeting, the powers of the Company's Board of Directors shall be terminated, except for the powers to prepare and hold an extraordinary meeting to make a decision on the election of members

of the Company's Board of Directors.

16.3. Only an individual shall be a member of the Company's Board of Directors.

16.4. Persons elected to the Company's Board of Directors shall have no limitations regards the number of reelection.

16.5. The Company's General Director and members of the Company's Management Board may not constitute more than one quarter of the Company's Board of Directors and may not hold the position of Chairperson of the Company's Board of Directors (Chair).

16.6. According to the decision of the General Meeting of Shareholders of the Company, the powers of all members of the Company's Board of Directors may be terminated early.

The decision of the General Meeting of Shareholders of the Company on early termination of powers may be taken only concerning all members of the Company's Board of Directors.

16.7. The members of the Company's Board of Directors while exercising their rights and their functions shall act in the interests of the Company, exercise their rights and functions in respect of the Company faithfully and reasonably.

16.8. Members of the Company's Board of Directors shall disclose information about ownership of securities of the Company and about their sale (alienation) and (or) purchase in accordance with the requirements of the legislation of the Russian Federation.

16.9. The Company's Board of Directors members shall bear the responsibility to the Company for the losses incurred by the Company by their wrongful actions or omission, unless other reasons and volume of responsibility are determined by federal laws.

Alongside with this, the members of the Company's Board of Directors who voted against the decision, which led to the Company's losses or those ones who did not participate in the vote.

Article 17. Chairperson of the Company's Board of Directors

17.1. Chairperson of the Company's Board of Directors shall be elected from among the members of the Company's Board of Directors by the majority of votes from the total number of the members of the Company's Board of Directors.

The Company's Board of Directors is at any time entitled to reelect Chairperson of the Company Board of Directors by majority vote of the total number of members of the Board of Directors of the Company.

17.2. The Chairperson of the Company's Board of Directors organizes its work, decides on holding a meeting or absentee voting for the adoption of decisions by the Company's Board of Directors, chairs the meetings of the Company's Board of Directors, organizes the preparation of minutes on the results of the meeting or absentee voting for the adoption of decisions by the Company's Board of Directors (hereinafter referred to as the "minutes of the Company's Board of Directors"), presides over the meetings of the Company's General Meeting of Shareholders.

17.3. In the absence of the Chairperson of the Company's Board of Directors, their functions shall be performed by one of the members of the Company's Board of Directors as decided by the Company's Board of Directors (the "Chair"). The Chair shall be elected by the members of the Company's Board of Directors from among themselves by a majority vote of the total number of members of the Company's Board of Directors.

Article 18. Decisions of the Company's Board of Directors.

18.1. The Company's Board of Directors may adopt decisions at meetings or by absentee voting.

When the Company's Board of Directors makes decisions at a meeting, voting at the meeting shall be combined with absentee voting in accordance with the procedure provided for in the Company's Board of Directors Regulation, except in the cases provided for in the third paragraph of this clause of the Articles of Association.

In order to ensure the confidentiality of information constituting state and other secrets

protected by law, by decision of the Chairperson of the Company's Board of Directors, voting at a meeting may be carried out without combining it with absentee voting in accordance with the requirements of the legislation of the Russian Federation.

When combining voting at a meeting of the Company's Board of Directors with absentee voting, the acceptance of documents containing information on the will of the members of the Company's Board of Directors (hereinafter referred to as the "Questionnaire") who voted by absentee ballot, shall be completed at the time specified in the notice of the meeting on the date of the meeting, unless an earlier date for the completion of the acceptance of questionnaires is specified in the notice.

18.2. Meetings and/or absentee voting for decision-making by the Company's Board of Directors shall be held as necessary, but not less than once every two months.

18.3. The decision to hold a meeting or absentee voting for decision-making by the Company's Board of Directors shall be made by the Chairperson of the Company's Board of Directors on their own initiative, at the request of a member of the Company's Board of Directors, the Company's General Director, the Company's Management Board, the Company's Auditing Commission, the head of the structural unit responsible for organizing and conducting the Company's internal audit (in the event that an external independent organization is engaged to conduct the internal audit, the head of that organization), or the Company's audit organization.

The procedure for preparing and conducting a meeting or absentee voting for decision-making by the Company's Board of Directors is determined by the Company's Board of Directors Regulation.

18.4. At the first meeting or during absentee voting to adopt decisions, the newly elected Company's Board of Directors shall consider the election of the Chairperson of the Company's Board of Directors or the Chair.

The decision to hold such a meeting or absentee voting shall be made by one of the members of the Company's Board of Directors in accordance with the procedure established by the Company's Board of Directors Regulation.

18.5. Resolutions of the Company's Board of Directors shall be adopted by a majority vote of the members of the Company's Board of Directors participating in the meeting or absentee voting, except as provided by the laws of the Russian Federation and these Articles of Association.

18.6. Decisions of the Company's Board of Directors on matters provided for in Sub-Clauses 25–26, 37–38, and 41 of Clause 15.1 of Article 15 of these Articles of Association shall be adopted by a two-thirds majority of the votes of the members of the Company's Board of Directors participating in the meeting or absentee voting.

18.7. The decision of the Company's Board of Directors on the consent to perform or subsequent approval of a large deal shall be made unanimously by all members of the Company's Board of Directors.

The decisions of the Company's Board of Directors shall be made by the majority in three-fourths of the votes of the members of the Company's Board of Directors from their total number on the following items:

- on suspension of the powers of the Company's managing entity (managing director) and on appointment of the acting Company's General Director;
- on holding an extraordinary meeting of the Company's General Meeting of Shareholders or absentee voting in the cases provided for in Clauses 21.11, 21.12 of Article 21 of these Articles of Association.

When the decisions defined in this clause are made by the Company's Board of Directors, the votes of the retired members of the Company's Board of Directors shall not be taken into account.

A member of the Company's Board of Directors shall be deemed to have left the Board if they have died or have been restricted in legal capacity, declared legally incompetent or disqualified by a court decision a member of the Company's Board of Directors who has notified the Company of his or her resignation, as well as a member of the Company's Board of Directors who is considered to have left for other reasons provided for by federal law. A member of the Company's Board of Directors shall resign in writing in advance of the date of the Company's Board of Directors meeting or the date of

the deadline for accepting questionnaires when conducting absentee voting for the adoption of decisions by the Company's Board of Directors.

A member of the Company's Board of Directors shall be deemed to have resigned from the Board on the day following the date of receipt of their resignation letter by the Chairperson of the Company's Board of Directors, or on the date of their death or receipt by the Company of documents confirming the inability of the member of the Company's Board of Directors to exercise their powers.

18.8. The decision on the consent to perform or subsequent approval of an interested-party transaction shall be made by the Company's Board of Directors in accordance with article 83 of the Federal Law "On joint stock companies".

In cases where the consent of the Company's Board of Directors to enter into a transaction must be obtained simultaneously on several grounds (established by these Articles of Association and established by Chapter X and/or Chapter XI of the Federal Law "On joint stock companies"), the provisions of the Federal Law "On joint stock companies" shall apply to the procedure for obtaining consent to enter into a transaction.

In cases where the consent of the Company's Board of Directors to enter into a transaction must be obtained on several grounds at the same time (as established by these Articles of Association) and these Articles of Association provide for different procedures for the Company's Board of Directors to make decisions on the relevant issues, consent to the transaction must be obtained on the basis that the decision is made by the Company's Board of Directors by a qualified majority.

In cases where the consent of the Company's Board of Directors to enter into a transaction must be obtained simultaneously on several grounds (established by these Articles of Association), and these Articles of Association provide for the same procedure for decision-making by the Company's Board of Directors with respect to the relevant issues, consent to enter into the transaction must be obtained on one of the grounds.

18.9. When decisions are made by the Company's Board of Directors, each member of the Company's Board of Directors has one vote. In the event of a tie vote among the members of the Company's Board of Directors, the Chairperson of the Company's Board of Directors shall have the casting vote.

Transfer of the right to vote by a member of the Company's Board of Directors to another person including another member of the Company's Board of Directors shall not be allowed.

18.10. The quorum for decision-making by the Company's Board of Directors shall be at least half of the number of elected members of the Company's Board of Directors, except as provided for in these Articles of Association and the Federal Law "On joint stock companies".

If the number of members of the Company's Board of Directors falls below the specified quorum, the Company's Board of Directors shall decide to hold an extraordinary meeting of the Company's General Meeting of Shareholders to elect a new composition of the Company's Board of Directors. The remaining members of the Company's Board of Directors shall have the right to decide only on the holding of such an extraordinary meeting of the Company's General Meeting of Shareholders. In this case, the quorum for the adoption of a resolution by the Company's Board of Directors shall be at least half of the remaining members of the Company's Board of Directors.

18.11. The Company's Board of Directors meeting and the results of voting at the meeting, including voting combined with absentee voting, as well as the results of absentee voting, shall be confirmed by the minutes of the Company's Board of Directors. The minutes of the Company's Board of Directors shall be drawn up no later than three (3) days after the date of the meeting or the date of the end of the acceptance of questionnaires in the case of absentee voting.

The minutes of the Company's Board of Directors shall be signed by the Chairperson of the Company's Board of Directors (Chair) and the Company's Corporate Secretary, who shall be responsible for the accuracy of the minutes.

The requirements for the content of the minutes of the Company's Board of Directors are established by the Company's Board of Directors Regulation.

18.12. Decisions of the Company's Board of Directors adopted in violation of the competence of the Company's Board of Directors, in the absence of a quorum for their adoption, if the presence of a quorum in accordance with the Federal Law "On joint stock companies" is a mandatory condition for the adoption of decisions by the Company's Board of Directors or without the majority of votes of the members of the Company's Board of Directors required for the adoption of decisions, Decisions of the Company's Board of Directors that contradict the foundations of law and order or morality are null and void.

Article 19. Committees of the Company's Board of Directors

19.1. The committees of the Company's Board of Directors are formed by decision of the Company's Board of Directors.

19.2. The Committees shall be established for the preliminary review of issues referred to the competence of the Company's Board of Directors or matters studied by the Company's Board of Directors to supervise the activities of the Company's executive bodies and develop recommendations for the Company's Board of Directors and executive bodies.

19.3. The rules of procedure, formation, competence and term of office of members of the Company's Board of Directors Committees are determined by the legislation of the Russian Federation, the Company's Articles of Association, the Regulation on the Company's Board of Directors and the Regulation on the Company's Board of Directors Committees, approved by a resolution of the Company's Board of Directors.

Article 20. Company's Corporate Secretary

20.1. In order to ensure proper compliance with the procedure for preparing and conducting meetings or absentee voting for the adoption of decisions by the Company's General Meeting of Shareholders, meetings or absentee voting for the adoption of decisions by the Company's Board of Directors, the Company's Board of Directors may elect a Corporate Secretary of the Company, who shall report directly to the Company's Board of Directors. The Corporate Secretary shall be a Company's official responsible for ensuring its compliance with the law of the Russian Federation, these Articles of Association and internal policies of the Company safeguarding the rights and legitimate interests of the Company's shareholders.

20.2. The status of the Company's Corporate Secretary, requirements for their candidacy, the procedure for electing and terminating the powers of the Company's Corporate Secretary, their subordination and the procedure for interaction with the Company's bodies and structural divisions, as well as other issues related to the activities of the Company's Corporate Secretary are determined by the Regulation on the Company's Corporate Secretary, approved by a decision of the Company's Board of Directors.

Article 21. Company's Executive Bodies

21.1. The Company's current activities are managed by the Company's sole executive body, the Company's General Director, and the Company's collegial executive body, the Company's Management Board.

21.2. The General Director of the Company and the Management Board if the Company shall be accountable to the Company's General Meeting of Shareholders and the Company's Board of Directors.

The Company's executive bodies regularly report to the Company's Board of Directors for establishment and functioning of the effective risk management and internal control system and bear responsibility for its effective functioning.

21.3. Under the decision of the Company's General Meeting of Shareholders, the powers of the Company's sole executive body may be transferred to the managing entity or the managing director under the agreement.

The rights and duties of the managing entity (managing director) for realization of management by the Company's current activities shall be defined by the Russian Federation laws and the agreement concluded by the managing entity (managing director) with the Company.

The agreement with the managing entity (managing director) on behalf of the Company shall be signed by the Chairperson of the Company's Board of Directors or the person authorized by the Company's Board of Directors.

The agreement provisions with the Company's managing entity (managing director), including as regards the term of appointment, shall be defined by the Company's Board of Directors or the person authorized by the Company's Board of Directors.

21.4. Establishment of executive authorities of the Company and early termination of their powers shall be exercised by decision of the Company's Board of Directors, except as provided by the laws of the Russian Federation and these Articles of Association.

21.5. The rights and duties of the Company's General Director and Management Board members related to the management by the Company's current activities shall be determined by the Russian Federation laws, these Articles of Association and labor agreement signed by each of them with the Company.

21.6. The employment contract on behalf of the Company shall be signed by the Chairperson of the Company's Board of Directors or by the person authorized by the Company's Board of Directors.

21.7. The terms of the employment contract, including the term of office, are determined by the Company's Board of Directors or a person authorized by the Company's Board of Directors to sign the employment contract in accordance with Clause 21.6 of Article 21 of these Articles of Association.

21.8. Combining of positions by the General Director of the Company and by the Company's Management Board members in the management bodies of other entities, as well as other paid positions in other entities shall be allowed only with the consent of the Company's Board of Directors.

21.9. The rights and duties of the employer on behalf of the Company in respect of the Company's General Director and the Company's Management Board members shall be carried out by the Board of Directors or the person authorized by the Company's Board of Directors.

21.10. The Company's Board of Directors shall have the right at any time to decide on the early termination of the powers of the Company's General Director, members of the Company's Management Board, and on the formation of new executive bodies of the Company.

Termination of the powers of the General Director of the Company and the Company's Management Board members shall be carried out on the grounds envisaged by the Russian Federation laws and the employment contract signed by each of them with the Company.

21.11. The Company's General Meeting of Shareholders shall be entitled any time to make a decision on the early termination of the powers of the Company's managing entity (managing director).

The Company's Board of Directors shall be entitled to make a decision on temporary termination of the powers of the managing entity or the Company's managing director. Simultaneously with the above decision, the Company's Board of Directors shall decide on the appointment of an acting General Director of the Company and on the holding of an extraordinary meeting of the Company's General Meeting of Shareholders or absentee voting for the Company's General Meeting of Shareholders to decide on the early termination of the powers of the Company's management organization (manager) of the Company and, unless otherwise decided by the Company's Board of Directors, on the transfer of the powers of the sole executive body of the Company to the management organization (manager).

21.12. In the event that the managing organization (manager) of the Company is unable to perform its duties, the Company's Board of Directors shall have the right to decide on the appointment of an acting General Director of the Company and on the holding of an extraordinary meeting of the

Company's General Meeting of Shareholders or absentee voting for the Company's General Meeting of Shareholders to decide on the early termination of the powers of the Company's management organization (manager) of the Company and, unless otherwise decided by the Company's Board of Directors, to transfer the powers of the sole executive body of the Company to another management organization or manager.

21.13. The Company's acting General Director shall carry out management by the Company's current activities within the framework of the competence of the Company's executive bodies, unless otherwise is decided by the Company's Board of Directors.

21.14. The General Director of the Company, the Company's Management Board members, acting General Director of the Company, as well as the Company's managing entity (the managing director), while exercising their rights and performing their obligations, shall be obliged to act in the Company's interests, exercise their rights and perform their obligations in respect of the Company faithfully and reasonably.

21.15. The General Director of the Company, the Company's Management Board members, acting General Director of the Company, as well as the Company's managing entity (the managing director) shall bear responsibilities before the Company for the losses incurred by the Company by their wrongful actions (omissions), unless other grounds of responsibility are set forth by the federal laws.

The General Director of the Company shall be personally responsible for the arrangement of protection of the state secret information, and for non-observance of the restrictions concerning examination of the specified data determined by the laws of the Russian Federation.

At the same time, members of the Company's Management Board who voted against the decision that caused losses to the Company or did not participate in the voting shall not be liable.

21.16. In the event of the Company's General Director temporal absence (including but not limited to, due to sickness, business trip or leave) their functions may be performed by any of their deputies based on the order of the General Director only in the absence of a decision of the Company's Board of Directors on the appointment of the acting General Director of the Company.

Due to the circumstances specified in paragraph one of this Clause, the Company's Board of Directors shall have the right to decide on the appointment of the acting General Director of the Company for a certain period without termination of the powers of the General Director of the Company.

Article 22. Company's Management Board

22.1. The Company's Management Board operates on the basis of these Articles of Association and the Regulation on the Company's Management Board.

22.2. The following issues shall fall within the competence of the Company's Management Board:

1) working-out of the Company's development strategy and its submission for consideration to the Company's Board of Directors;

2) preparation of the Company's business plan (adjusted business plan) and quarterly report on the implementation of the Company's business plan (for the first quarter, first half of the year, nine months, reporting year), as well as approval (updating) of cash flow (budget) of the Company;

3) preparation of the annual report of the Company, the report on performance by the Company's Management Board of the decisions of the General Meeting of Shareholders of the Company and the Company's Board of Directors;

4) reviewing reports (information) from the Company's Deputy General Directors and heads of the Company's structural divisions on the activities of the Company and its subsidiaries and associated companies, submitted for consideration by the Company's Management Board in accordance with the instructions of the Company's Management Board or the Company's Board of Directors;

5) exercising the powers of the General Meetings of Shareholders (participants) of subsidiaries, all voting shares (stakes) of which belong to the Company, in accordance with their constituent documents or on other legal grounds;

6) making decisions on the conclusion of transactions involving property, works, and services whose value ranges from two (2) to twenty-five (25) percent of the book value of the Company's assets according to the Company's accounting (financial) statements as of the last reporting date (except for transactions, the decision on the conclusion of which, in accordance with the Federal Law "On joint stock companies" and these Articles of Association, falls within the competence of the Company's General Meeting of Shareholders or the Company's Board of Directors);

7) effective risk management within the framework of the Company's current activity; approval of the budget for risk management measures in the Company within the limits agreed by the Board of Directors' decision; solving cross-functional (accomplished by several structural subdivisions) issues for risk management;

8) solving other issues related to management of the current operations of the Company according to the decisions of the Company's General Meeting of Shareholders of the Company, the Company's Board of Directors, and the issues which were submitted by the Company's General Director for the Company's Management Board's consideration.

22.3. Members of the Management Board and General Director are elected by the Company's Board of Directors at the suggestion of the Company's Director General.

If the Company's Board of Directors rejects the candidates for the Company's Management Board proposed by the Company's General Director, the Company's Board of Directors shall have the right to elect candidates proposed by a member(s) of the Company's Board of Directors to the Company's Management Board.

The number of members of the Company's Management Board shall be determined by a resolution of the Company's Board of Directors and shall not be less than three (3) persons.

22.4. The Company's Management Board may adopt decisions at meetings or by absentee voting. Voting at a meeting of the Company's Management Board may be combined with absentee voting.

The procedure for preparing and conducting a meeting or absentee voting for decision-making by the Company's Management Board is determined by the Company's Management Board Regulations.

22.5. The quorum for decision-making by the Company's Management Board shall be at least half of the number of elected members of the Company's Management Board.

22.6. All decisions are made by the Company's Management Board by a majority vote of the members of the Company's Management Board participating in the meeting or absentee voting.

In the event of a tie in the voting of the Company's Management Board members, the Chairperson of the Company's Management Board – the Company's General Director – shall have the casting vote.

22.7. Transfer of the vote by a member of the Company's Management Board to another person, including another member of the Company's Management Board, shall not be allowed.

Article 23. Company's General Director

23.1. The General Director of the Company shall perform the management by the Company's current activities in accordance with the decisions of the Company's General Meetings of Shareholders, Company's Board of Directors and Company's Management Board which were made in accordance with their competences.

23.2. The competence of the General Director of the Company shall include all of the issues of the Company's current activities management, except for the issues referred to the competence of the General Meeting of Shareholders of the Company or the Company's Board of Directors, and the

Company's Management Board.

23.3. The Company's General Director acts on behalf of the Company without a power of attorney, including subject to the restrictions provided for by the legislation of the Russian Federation, these Articles of Association, and the decisions of the Company's Board of Directors and shall:

- ensure fulfillment of the Company activity plans which are necessary for solution of their tasks;
- organize business and tax accounting in the Company, management and keeping of accounting records;
- make use of the Company's property and accomplish transactions on behalf of the Company, issue powers of attorney, open settlement and other accounts of the Company with the banks and other credit institutions as well as in the entities and professional agents of the securities market in cases envisaged by the law;
- issue orders, approve (accept) instructions, local normative enactments and other internal documents of the Company on the issues of their competence, give instructions obligatory for execution by all employees of the Company;
- approve Regulations on branches and representative offices of the Company;
- in accordance with the organizational structure of the Company's executive body, approve personnel arrangements and official salaries and wages of the Company's employees;
- exercise in respect of the Company's employees the rights and obligations of the employer, envisaged by the labor law of the Russian Federation;
- perform the functions of the Chairperson of the Company's Management Board, including organizing the work of the Company's Management Board and chairing its meetings;
- submits proposals on the appointment and dismissal of members of the Company's Management Board to the Company's Board of Directors for consideration;
- distribute duties among the Deputy General Directors of the Company;
- make a decision on admission (denial of admission), or termination of admission for the Company officials (employees) to working with information constituting a state secret, as well as on the conditions for concluding the contracts for admission;
- no later than forty-five (45) days prior to the date of the annual meeting of the Company's General Meeting of Shareholders, submit for consideration to the Company's Board of Directors the Company's annual report, the Company's annual accounting (financial) statements, and proposals for the distribution of the Company's profits and losses;
- solve other issues of the Company's current activities, except for the issues referred to the competence of the Company's General Meeting of Shareholders of the Company, the Company's Board of Directors and the Company's Management Board.

23.4. The Company's General Director is elected by the Company's Board of Directors by a majority vote of the members of the Company's Board of Directors participating in the meeting or absentee voting.

Article 24. Company's Auditing Commission and Auditing Entity Internal audit of the Company

24.1. To control the Company's financial and economic activities, the Company's General Meeting of Shareholders elects the Company's Auditing Commission at its annual meeting for a term lasting until the next annual meeting of the Company's General Meeting of Shareholders.

If the members of the Company's Auditing Commission are elected at an extraordinary meeting of the Company's General Meeting of Shareholders, the members of the Company's Auditing Commission shall be deemed elected for a period until the date of the next annual meeting of the Company's General Meeting of Shareholders.

The number of members of the Auditing Commission shall be five (5) persons.

24.2. Based on the decision of the Company's General Meeting of Shareholders, the powers of all members of the Company's Auditing Committee may be terminated early.

Members of the Company's Auditing Commission cannot be members of the Company's Board of Directors at the same time, as well as hold other positions in the Company's management bodies.

24.3. In the event of a member of the Company's Audit Commission leaving the Company's Audit Commission, the powers of the remaining members of the Company's Audit Commission shall not be terminated.

A member of the Company's Auditing Commission shall be deemed to have left the Commission if they have died or have been restricted in their legal capacity, declared legally incompetent or disqualified by a court decision, a member of the Company's Auditing Commission who has notified the Company of their resignation, as well as a member of the Company's Auditing Commission who is considered to have left for other reasons provided for by federal law. The resignation of a member of the Company's Auditing Commission shall be made in writing in advance of the date of the meeting of the Company's Auditing Commission or the date of the end of the acceptance of documents containing information on the will of the members of the Company's Auditing Commission, when conducting absentee voting for the adoption of decisions by the Company's Auditing Commission.

A member of the Auditing Commission of the Company is recognized as having withdrawn from the day following the day of receipt by the Auditing Commission of the Company of their application or from the date of death or receipt by the Company of documents confirming the impossibility for the member of the Auditing Commission of the Company to exercise their powers.

24.4. The competence of the Company's Auditing Commission shall include the following:

- examination (audit) of the financial, accounting, settlement and other documentation of the Company related with carrying out by the Company of financial and economic activities in order to ensure its compliance with the Russian Federation laws, this Articles of Association, and internal documents of the Company;
- verification of the integrity of data in the Company's annual report, annual accounting (financial) reports;
- checking and analysis of the Company's financial position, its solvency, the risk management and internal control system functioning, liquidity of assets, relation of own and borrowed funds, correctness and timeliness of accruing and payment of the interest under the obligations, income arising out of other securities;
- control over spending of the Company's funds in accordance with the approved business plan and budget of the Company;
- control over building up and use of the reserve and other funds of the Company;
- checking of timeliness and correctness of conducting settlement operations with the contractors and the budget, as well as the calculation operations for remuneration of labour, social insurance, accruing and payment of dividends and other settlement operations;
- control over observance of the established procedure of writing off of the insolvent obligors' indebtedness for the Company's losses;
- checking of the Company's business transactions made in compliance with the concluded contracts;
- checking of observance of ongoing contracts, the norms and standards, the approved estimates and other documents governing the Company's activity in the process of using material, labor and financial resources in the financial and operational activity;
- control over safekeeping and spending of capital asset;
- confirmation of the accuracy of the data contained in the report on transactions concluded by the Company in which there is an interest;
- checking the Company's cashier's department and property, the effectiveness of using the Company's assets and other resources, establishing the reasons for non-productive losses and expenses, finding the reserves for the Company's financial position improvement;

- checking of fulfilment of the orders for elimination of the violations and drawbacks previously found by the Company's Auditing Commission;
- developing recommendations for the Company's management bodies;
- carrying out of other actions (measures) related to examination of the Company's financial and economic activities.

24.5. All decisions on the issues referred to the competence of the Auditing Commission of the Company shall be made by the simple majority of the votes from the total number of its members.

24.6. The Company's Auditing Commission shall have the right, and in the event of serious violations in the Company's financial and economic activities, shall be obliged to request an extraordinary meeting of the Company's General Meeting of Shareholders or an absentee vote for the adoption of decisions by the Company's General Meeting of Shareholders.

24.7. The procedure for the activities of the Company's Auditing Commission is determined by the Regulation on the Company's Auditing Commission.

24.8. The Company's Auditing Commission, in accordance with the decision to conduct an audit, has the right to engage specialists in relevant fields (law, economics, finance, accounting, management, economic security, and other fields of knowledge) who do not hold positions in the Company, as well as specialized organizations, and to petition the Company to conclude civil law contracts with the specified specialists and organizations.

24.9. An examination (audit) of the Company's financial and economic activities is carried out based on the results of the Company's operations for the year, and may be also carried out at any time at the initiative of the Auditing Commission of the Company, subject to a decision of the General Meeting of Shareholders of the Company, the Company's Board of Directors, or at the request of a Company Shareholder(s) together holding at least ten (10) percent of the Company's voting shares.

24.10. At the request of the Auditing Commission of the Company, persons holding positions in the management bodies of the Company are required to submit documents on the financial and economic activities of the Company.

24.11. On the basis of the results of an examination of Company's financial and economic activities, the Company's Auditing Commission draws up a statement, which shall contain:

- confirmation of the accuracy of data in the Company's statements and other financial documents; and
- information on the facts of violation of the accounting procedures and procedures of submission of financial reports envisaged by legal regulations of the Russian Federation and normative enactments of the Russian Federation during carrying out of the financial and economic activities;

24.12. By the decision of the General Meeting of Shareholders of the Company, the members of the Company's Auditing Commission may be paid the remuneration and/or they may get compensation for the expenses related to their fulfilment of their functions within the period of their fulfilment of their obligations. The amount of such remuneration and compensation shall be established by decision of the General Meeting of Shareholders of the Company.

24.13. The Company shall conduct an internal audit to assess the reliability and efficiency of risk management and internal control.

24.14. The procedure for the internal audit activities shall be determined by these Articles of Association, the Internal Audit Policy approved by a decision of the Company's Board of Directors, and the local regulatory acts governing the activities of the internal audit.

24.15. The official responsible for organization and conduction of the internal audit (the head of the structural unit responsible for the organization and conduction of the internal audit) is appointed and released from office based on the decision of the Company's Board of Directors. The terms of the employment contract with the specified person are approved by the Company's Board of Directors.

If the internal documents of the Company provide for the possibility of internal audit conduction by the third party legal entity, the determination of such an entity and the terms of the contract with it, including the amount of its remuneration, shall be the responsibility of the Board of Directors.

24.16. The Company's General Meeting of Shareholders appoints an audit organization for the audit of the Company's annual accounting (financial) statements on an annual basis, which must be independent in accordance with Federal Law No. 307-FZ dated December 30, 2008, "On auditing activities".

24.17. The amount of payment for the services of the Company's audit organization is determined by a decision of the Company's Board of Directors.

24.18. The Company's auditing organization audits the Company's annual accounting (financial) statements in accordance with the legal acts of the Russian Federation and on the basis of a contract concluded with it.

24.19. Based on the audit results, the Company's audit organization shall prepare a report containing the following:

- opinion of the audit organization on the reliability of the Company's accounting (financial) statements;
- information about violations by the Company of the procedures for maintaining accounting records and submitting accounting (financial) reports established by the legal acts of the Russian Federation, as well as violations of the legal acts of the Russian Federation in the course of the Company's financial and economic activities.

The requirements for the form, content, and procedure for providing the audit report based on the results of the Company's audit are established by the Auditing Standards, the Bank of Russia, and the regulatory legal acts of the Russian Federation on the basis of the agreement concluded with the Company's audit organization.

Article 25. Bookkeeping and Accounting (Financial) Statements of the Company

25.1. The Company shall be obliged to keep accounting and submit accounting (financial) statements in accordance with the Russian Federation laws and these Articles of Association.

25.2. The responsibility for the arrangement, status and correctness of the accounting in the Company, timely submission of the other accounting (financial) reports to the respective state bodies, as well as the information on the Company's activities submitted to the shareholders of the Company, its creditors and mass media shall be borne by the General Director of the Company in accordance with the Russian Federation laws. and these Articles of Association.

25.3. The accuracy of data contained in the Company's annual report and annual accounting (financial) statement shall be verified by the Auditing Commission of the Company.

25.4. The Company's annual report shall be subject to preliminary approval by the Company's Board of Directors no later than thirty (30) days prior to the date of the Company's General Meeting of Shareholders.

Article 26. Safekeeping of the Documents by the Company. Delivery of Information by the Company

26.1. The Company shall be obliged to keep the documents provided for by the Federal Law "On joint stock companies", these Articles of Association and the Company's internal documents, decisions of the Company's General Meeting of Shareholders and other management bodies of the Company, as well as documents provided for by regulatory legal acts of the Russian Federation.

26.2. The Company shall store the documents specified in Clause 26.1 of Article 26 of these Articles of Association at the location of the Company's executive body in accordance with the procedure and within the time limits established by the regulatory legal acts of the Russian Federation.

26.3. Upon the Company reorganization, all documents shall be transferred to the Company's successor in accordance with the established procedure.

26.4. In the event of liquidation of the Company, the documents of permanent keeping, which

have scientific and historical value, shall be transferred for state safekeeping to the Federal Archive Service of Russia; documents on personnel (orders, personal files and registration cards, personal accounts and so on) shall be transferred for safekeeping to the respective archive of the Russian Federation constituent entity.

The transfer and formalization of documents shall be executed in accordance with the requirements of archive bodies.

26.5. The Company shall, upon request, make its documents available to the Company's shareholders in the manner and within the time limits envisaged by the law of the Russian Federation.

26.6. The Company shall disclose its information as required by Federal Law "On joint stock companies" and other regulatory legal acts of the Russian Federation.

26.7. The requirement to provide access to the documents of the Company may be presented to the Company in one of the following ways:

- sending by post or via courier service to the address of the Company specified in the Unified State Register of Legal Entities, as well as to other addresses specified in the Articles of Association of the Company or disclosed on the Company's website for sending a request;

- delivery against a signed acknowledgment of receipt to the person holding the office of (acting in the capacity of) the Company's sole executive body, Chairperson of the Company's Board of Directors or to other person authorized to receive correspondence on behalf of the Company; including Corporate Secretary of the Company;

- giving order (instructions) by the authorized person, whose rights to the shares of the Company are accounted for by the nominee holder who records the rights of the authorized person to the shares of the Company, to this nominee holder, if provided by the agreement with the nominee holder, and sending by this nominee holder a message about the will of the authorized person in accordance with the order (instructions) received from it;

- sending by e-mail.

26.8. The date of submission of the request sent by e-mail shall be the date of registration of the received request as an incoming document.

26.9. The Company has the right to refuse access to documents and information in cases established by the legislation of the Russian Federation. In this case, the Company shall, within seven (7) business days from the date of submission of the request, notify in writing the person who submitted the request about the decision taken. The notice of refusal to provide access to the Company's documents shall be sent to such a person by the communication method specified in the request.

26.10. The amount of fee is established by the Company's General Director and may not exceed the Company's costs of making copies of documents, and, if the request indicates the need to send them to the address specified by the shareholder, the corresponding mailing costs.

Information on the fee for making copies of documents is posted on the Company's website.

In case of non-payment by the shareholder (authorized person) of the Company's expenses for the preparation and/or sending of copies of the Company's documents upon a previously received and fulfilled request, the term for providing access to the Company's documents upon subsequent requests shall be calculated from the date of receipt of such payment.

26.11. The Company provides its shareholders and employees with access to information in compliance with the requirements of Russian Federation legislation on state and commercial secrets.

26.12. The deadline for fulfilling the obligation to provide documents containing confidential information shall be calculated no earlier than from the time of signing between the Company and the shareholder, who applied for the provision of access to documents, of a non-dissemination agreement (confidentiality agreement).

26.13. The Company publishes the terms and conditions of the confidentiality agreement (contract) on its website. When a request is made by shareholders collectively, the agreement referred to above shall be signed by each of the shareholders, and when documents are made available to a

shareholder's proxy representative, the shareholder and its representative shall both sign the agreement.

26.14. Notices of factors indicative of potential interest in transactions involving the Joint Stock Company, and notices of information change that include factors indicative of potential interest in transactions involving the Joint Stock Company, shall be filed with the Company as follows:

- sending by registered mail, return receipt requested, or by courier to the address of the Company that appears in the Unified State Register of Legal Entities, and to other addresses that appear in the Company's Articles of Association or an internal document approved by the General Meeting of Shareholders of the Company;
- delivery against a signed acknowledgment of receipt to the person holding the office of (acting in the capacity of) the Company's sole executive body or to other person authorized to receive correspondence on behalf of the Company;
- submission of a digitally signed electronic document in accordance with the provisions of Federal Law No. 63-FZ dated April 06, 2011 "On Digital Signature" by means of telecommunication, particularly but not exclusively via the Internet network;
- sending by telecommunication means, including fax, telegraph and e-mail.

Article 27. Reorganization and Liquidation of the Company

27.1. The Company may be voluntarily reorganized through merger, consolidation, division, spin-off, or transformation, in accordance with the procedure established by the Civil Code of the Russian Federation and other federal laws.

27.2. The Company may be liquidated by the court judgment or voluntarily in accordance with the Civil Code of the Russian Federation, Federal Law "On joint stock companies", and these Articles of Association.

27.3. In the event of reorganization, liquidation of the Company, or termination of work involving information constituting state or other legally protected secrets, the Company shall ensure the preservation of such information and its carriers by developing and implementing measures for secrecy, information protection, countering foreign technical intelligence, security, and fire safety.