



Approved by
Resolution of the Board of Directors
Unipro PJSC dated 05.05.2021
Minutes No. 301 dated 06.05.2021

**Code
of Corporate Governance
of Unipro
Public Joint-Stock Company**

**Surgut
2021**

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1. Introduction

Unipro Public Joint Stock Company (hereinafter also referred to as Unipro PJSC or the Company), formerly known as E.ON Russia Open Joint Stock Company, Fourth Generating Company of the Wholesale Electricity Market Open Joint Stock Company, was established upon resolution of the sole founder – RAO UES of Russia JSC (Order No. 34r dated 2 March 2005 pursuant to the resolution of the Board of Directors of RAO UES of Russia JSC (Minutes No. 181 dated 26 November 2004) as part of reforms of the Russian power industry.

Since January 2016 the Company has been part of Uniper Group ensuring the Company's access to the state-of-the-art international standards of corporate governance, effective production, and best finance and risk management practices.

The Company is an energy company whose shareholders are both Russian and foreign legal entities and natural persons and whose securities are traded on the stock market.

Unipro PJSC plays an important role in the Russian economy due to its position as the most efficient company in the electric power heat generation sector of Russia.

The Company is liable to its shareholders, employees, consumers, as well as federal state government authorities and public and local authorities in the regions of the Company's operations.

Being aware of its social responsibility and acknowledging the importance of high corporate governance level in order to enhance the Company's stability and performance, Unipro PJSC voluntarily undertakes to observe the corporate governance standards in accordance with the best Russian and international practices.

This Code of Corporate Governance (hereinafter also referred to as the Code) has been developed in accordance with the applicable laws of the Russian Federation, the Code of Corporate Governance approved by the Board of Directors of the Central Bank of Russia and recommended by Letter of the Central Bank of Russia No. 06-52/2463 dated 10.04.2014 for joint stock companies whose securities are eligible for on-exchange trading (hereinafter also referred to as the Code of Corporate Governance recommended by the Central Bank of Russia), Moscow Exchange Listing Rules, and Unipro PJSC Articles of Association and by-laws.

The Code defines the core principles and approaches underlying the Company's current corporate governance system.

The rules and procedures associated with the operation of the Company's corporate governance system are detailed in the Company's Articles of Association and by-laws available on the Company's website at: [http:// www.unipro.energy](http://www.unipro.energy).

The purpose hereof is to create the prerequisites and mechanisms to further upgrade the Company's corporate governance system aimed at enforcing the shareholders' rights and interests, improving business performance, and enhancing the Company's transparency and appeal for shareholders and energy consumers.

The information on observance, explanation of key reasons, factors, and circumstances due to which certain principles or key criteria of the Code of Corporate Governance recommended by the Central Bank of Russia are not observed or are not fully observed by the Company, and the description of alternate corporate governance mechanisms and tools shall be disclosed by the Company in the annual report.

2. Company's Corporate Governance Principles and Structure

2.1. Definition and Principles

The Company defines corporate governance as the system of relationship between the Company's executive bodies, its Board of Directors, shareholders, and other stakeholders. The Company views the corporate governance as a tool for setting the Company's goals and means for achieving thereof and ensuring efficient control over the Company's business activities by shareholders and other stakeholders.

Corporate governance in the Company is based on the following principles:

Fairness – equal treatment of all shareholders and strict protection of their legitimate interests and rights.

Reliability – reliable and efficient registration of share ownership.

Ethics – adherence to ethical standards preventing the abuse of their official position by Company employees to the detriment of the Company or third parties.

Transparency – timely disclosure of reliable information on the Company's activities.

Responsibility – open dialogue with the representatives of all stakeholders, recognition of their rights and legitimate interests.

Accountability – accountability of the Board of Directors to the shareholders and of executive bodies to the General Shareholders' Meeting and the Board of Directors.

Sustainable development/sustainability – balance between the Company's economic interests and voluntary commitments to improve the social, economic, and environmental aspects in the regions of the Company's operations.

2.2. General Corporate Governance Structure

The bodies forming the Company's corporate governance system are as follows:

General Shareholders' Meeting – the Company's supreme governance body intended for the exercise of shareholders' rights to take part in the governance of the Company.

Board of Directors – the body responsible for the strategic governance of the Company, overall management of the Company, and supervision over its executive bodies.

Management Board and General Director – the executive bodies responsible for the Company's day-to-day operations.

The other important participants in the corporate governance system are the Committees of the Board of Directors, the Corporate Secretary, and the Internal Audit Department.

3. Company Shareholders

Respect for Company shareholders' legitimate rights and interests and fair treatment thereof by the Company irrespective of the number of shares held thereby are among primary goals of corporate governance.

The Company shall create the conditions ensuring fair treatment of each shareholder by the Company's governance and supervision bodies, including the conditions that prevent any abuse of minority shareholders by majority shareholders of the Company.

In order to provide the Company's shareholders with information on issues related to the shareholders' exercise of their rights, the Company's website provides for an opportunity to contact the Chairman of the Board of Directors and Deputy Chairman of the Board of Directors by sending an email to the specified address. Furthermore, the Company's shareholders can view the FAQ Sections on the Company's website. This section provides answers to most frequently asked questions by Company shareholders concerning the governance of the Company and acquisition of income on the Company's shares.

3.1. Exercise of Shareholders' Rights to Take Part in the Governance of the Company

The Company shall provide its shareholders with favourable conditions to take part in the General Shareholders' Meeting.

Pursuant to the applicable legislation, the Company shall set simple and straightforward rules for the shareholders to propose inclusion of items in the agenda of the General Shareholders' Meeting and nominate candidates to the Company's Board of Directors and to the Company's Revision Commission (if any). Any technical flaws in such proposals shall not be a reason for dismissal thereof.

The Company has set a longer timeframe for proposing inclusion of items in the agenda of the Annual General Shareholders' Meeting and nominating candidates to the Company's Board of Directors and to the Company's Revision Commission as compared to the timeframe prescribed by the legislation of the Russian Federation. Such proposals shall be submitted to the Company within 90 (Ninety) days from the end of the reporting year.

The Company shall provide its shareholders with an opportunity to duly prepare themselves for the General Shareholders' Meeting and receive the information on the General Shareholders' Meeting and materials thereto without hindrance and in a timely manner.

The notice of the General Shareholders' Meeting, as required by the Company's Articles of Association, shall be posted on the Company's website at: [http:// www.unipro.energy](http://www.unipro.energy) 30 (Thirty) days prior to the date of the Meeting at the latest.

Information and materials on the agenda items of the General Shareholders' Meeting shall be made available to the persons eligible to take part in the General Shareholders' Meeting for review at the office of the Company's executive body and at the other addresses specified in the notice of the General Shareholders' Meeting 20 (Twenty) days prior to the date of the Meeting, or 30 (Thirty) days prior to such date if the agenda of the General Shareholders' Meeting contains an item concerning reorganisation of the Company. Information and materials shall be mandatorily posted on the Company's website and shall be made available to the persons taking part in the General Shareholders' Meeting during such Meeting.

Under the Regulation on the Procedure for Preparing and Holding the General Shareholders' Meeting, the list of information and materials on the agenda items of the General Shareholders' Meeting shall be determined by the Company's Board of Directors subject to the regulator's recommendations and shall be extended as compared to the list of information and materials prescribed by the legislation of the Russian Federation.

To ensure maximum possible awareness of the shareholders, the materials to the General Shareholders' Meeting, when the agenda of such Meeting includes an item on the election of the Company's Board of Directors, shall contain the biographical details of all candidates to the Company's Board of Directors, the results of such candidates' evaluation carried out by the Appointment and Remuneration Committee of the Company's Board of Directors, as well as information on the candidate's compliance with the independence criteria in accordance with the recommendations of the Code of Corporate Governance recommended by the Central Bank of Russia, and the candidate's written consent to be elected to the Company's Board of Directors.

In addition, the notice of the General Shareholders' Meeting (in case of a physical meeting) shall contain the directions to the venue of the General Shareholders' Meeting and list of documents required for registration of participants in the General Shareholders' Meeting of the Company.

Each shareholder may exercise the right to vote on the agenda items of the General Shareholders' Meeting without hindrance using any suitable method prescribed by the legislation of the Russian Federation, the Company's Articles of Association, and the Regulation on the General Shareholders' Meeting. Persons entitled to participate in the General

Shareholders' Meeting may complete an electronic ballot on the website specified in the notice of the Company's General Shareholders' Meeting as provided by the Company's Articles of Association within the period set by the Board of Directors.

Members of the Company's Board of Directors, members of the Company's Management Board and the General Director, members of the Company's Revision Commission (if any), and the Company's Chief Accountant shall take part in the General Shareholders' Meeting of the Company (in case of a physical meeting) alongside with the representatives of the Company's Auditor eligible to take part at their discretion. These persons shall give competent responses to the questions asked by the participants of the General Shareholders' Meeting of the Company. Furthermore, the candidates nominated to the Company's Board of Directors and Revision Commission (if any) shall be invited to the General Shareholders' Meeting of the Company, and the shareholders shall be provided with an opportunity to ask them any relevant questions.

3.2. Exercise of Shareholders' Rights to Receive a Share of Profits as Dividends

The shareholders shall be entitled to receive income on the Company's shares as dividends or as a liquidation preference. The Company's corporate governance practices do not entitle its shareholders to receive any other income at the Company's expense.

Company shareholders shall be provided with equal and fair profit-sharing opportunity through dividends.

The Company shall set a transparent and straightforward mechanism for dividend calculation and payment. To that end, the Board of Directors shall approve the Company's dividend policy fixing the principles and rules regulating the conditions of dividend payment, dividend calculation, procedure for adopting the resolution on dividend payment, and the dividend payment procedure.

When developing its dividend policy Unipro PJSC shall be guided by strict compliance with the Russian legal requirements and shall also balance the interests of its shareholders with the Company's needs for development and enhancement of investment appeal and capitalisation.

The Company's executive bodies shall ensure a timely payment of announced dividends.

The Company shall post its dividend policy and dividend payment history on the Company's website at: <http://www.unipro.energy>.

To enhance the dividend payment efficiency, the Company shall take ongoing steps to explain the need to timely update the personal account details in the shareholder register to its shareholders by incorporating information units in the voting ballots, posting a notice on the Company's website, and providing explanations when preparing responses in hard copies or via email to shareholders' enquiries.

3.3. Registration of Rights to Shares

The Company shall guarantee reliable and effective registration of shareholders' rights to shares, as well opportunities to dispose of their shares in a free and straightforward manner.

Unipro PJSC shareholder register shall be kept by a professional registrar appointed by the Company's Board of Directors and acting under a perennial licence to keep the securities holders' register issued thereto.

The registrar shall have a good business standing alongside with tested and reliable technologies ensuring the most efficient registration of ownership rights and exercise of Company shareholders' rights.

The details of the registrar shall be posted on the Company's website at: <http://www.unipro.energy>.

4. Board of Directors

A competent and efficient Board of Directors, capable of making unbiased independent judgements and decisions in the best interests of the Company and its shareholders is a key element of the Company's corporate governance system.

The Company's Board of Directors is responsible for strategic governance of the Company, defines the core principles and approaches to the structure of the Company's risk management and internal control system, forms efficient executive bodies of the Company and supervises their activities, and performs other key duties.

Unipro PJSC Board of Directors shall act in compliance with the legislation of the Russian Federation, Unipro PJSC Articles of Association, and Unipro PJSC Regulation on the Board of Directors (<https://unipro.energy/management/documents/>) and report to the General Meeting of Shareholders of Unipro PJSC.

4.1. Composition of the Board of Directors

The members of the Company's Board of Directors shall be elected in accordance with a transparent procedure provided for by the Unipro PJSC Articles of Association and Regulation on the Board of Directors in line with the applicable legislation of the Russian Federation enabling the shareholders to receive information on candidates to the Company's Board of Directors providing sufficient insight into their personal and professional qualities.

To ensure the shareholders' confidence and due performance of his/her duties by the member of the Board of Directors, the candidates to the Company's Board of Directors shall be subject to such criteria as flawless and unquestionable professional and personal reputation, possession of knowledge, qualification, skills, and experience necessary to implement the Company's growth strategy and make decisions falling within the competence of the Company's Board of Directors.

An efficient and professional Board of Directors of the Company shall be formed by ensuring a good balance of executive, non-executive, and independent directors in the composition of the Board of Directors.

It is recommended that a person be recognised as an independent director when such person possesses enough professionalism, experience, and independence to form his/her own opinion, is able to make unbiased and fair judgements that do not depend on the influence of the Company's executive bodies, certain groups of shareholders, or any other stakeholders.

The Board of Directors shall check the nominees to the Company's Board of Directors for compliance with the independence criteria set forth in the Code of Corporate Governance recommend by the Central Bank of Russia and Moscow Exchange PJSC Listing Rules.

To ensure effective performance of its duties by the Company's Board of Directors, maximum impartiality of adopted resolutions, and maintenance of balance between interests of various groups of shareholders, the Company shall strive to have at least 3 (Three) independent directors in the Company's Board of Directors.

The Company acknowledges the importance of having independent directors in the Company's Board of Directors for forming a balanced and impartial position on the issues falling within the competence of the Company's Board of Directors and shall strive to increase the number of independent directors.

An independent director shall abstain from any actions that may result in the loss of his/her independence. An independent director shall immediately notify the Company's Board of Directors of any circumstances that may affect his/her independence by sending a written

message to the Corporate Secretary, which shall be reviewed by the Board of Directors at the next meeting of the Board of Directors.

In order to ensure an effective system of checks and balances at the level of the Board of Directors, the Company is considering the possibility of electing the Senior Independent Director from among the elected independent directors. The Senior Independent Director shall be in charge of advising the Chairman of the Board of Directors, facilitating the efficient organisation of the Board of Directors' activities, coordinating the collaboration among independent directors, including convening, as necessary, meetings (workshops) of independent directors to be chaired by the Senior Independent Director, and shall be available for communication with the shareholders of the Company.

4.2. Operation of the Board of Directors

The operating procedures of the Company's Board of Directors, including the preparation and holding of meetings, and the rights and obligations of the members of the Company's Board of Directors are set forth in the Unipro PJSC Regulation on the Board of Directors.

The meetings and absentee votes of the Board of Directors shall be scheduled according to the work schedule of the Board of Directors for the period until the next Annual General Shareholders' Meeting of the Company. The work schedule of the Company's Board of Directors shall be developed using the proposals submitted by the members of the Board of Directors, the Revision Commission (if any), the Auditor, and the Company's Management Board and General Director.

The Company shall strive to provide the members of the Company's Board of Directors with all information required to perform their duties as much as possible. The procedure for preparing and holding the meetings of the Company's Board of Directors used by the Company provides the members of the Board of Directors with an opportunity to receive information and materials in a timely manner and review them in depth in order to make balanced and informed decisions.

The Company shall promptly provide the members of the Company's Board of Directors elected for the first time with sufficient information on the Company's strategy, the Company's corporate governance system, risk management and internal control system, overall structure and division of responsibilities among the Company's top managers, and other relevant information as provided for by the Company's Regulation on the Board of Directors of Unipro PJSC and other by-laws.

The Company takes all the necessary measures to ensure the possibility for all members of the Company's Board of Directors to participate in meetings, including through conference calls or video calls (or using other technical means that provide for the possibility of verbal two-way communication).

The Company intends to make technical arrangements to use the Electronic Corporate Secretary service for the members of the Board of Directors to timely get acquainted with information and materials for informed and reasoned decision-making and to vote on agendas of the Company's Board of Directors in a convenient and secure way.

4.3. Duties of the Members of the Board of Directors

As they perform their duties, the members of the Board of Directors shall act in good faith and reasonably to the benefit of the Company and all its shareholders based on the entire information at their disposal and with due care and caution.

The members of the Board of Directors shall be provided with enough time to duly perform their duties. Each member of the Board of Directors shall do his/her best to take part in all meetings and absentee votes of the Board of Directors.

The members of the Board of Directors shall acknowledge their responsibility to shareholders and prioritise diligent and competent performance of their duties to manage the Company aimed

at maintaining and boosting the value of its shares, ensuring strong business and financial performance, and protecting the shareholders' rights and possibility of exercising such rights.

Whenever the resolutions of the Company's Board of Directors may entail different consequences for various groups of shareholders, the members of the Board of Directors shall treat all Company shareholders fairly.

The members of the Board of Directors shall not disclose the Company's confidential information or use it for personal purposes.

The members of the Board of Directors shall abstain from any actions that will or may result in a conflict of their interests with the Company's interests. In case of such conflict (possibility of such conflict), the member of the Board of Directors shall notify the Board of Directors thereof through the Corporate Secretary. Each member of the Board of Directors shall abstain from voting on any agenda item where he/she faces a conflict of interests.

In exercising their rights and performing their duties, the members of the Board of Directors shall be guided by the Company's current ethical standards including this Code of Corporate Governance and comply with the Company's by-laws containing the rules of handling the insider information, as well as comply with the restrictions imposed on them as the Company's insiders by these documents.

4.4. Assessment of the Board of Directors Performance

To maintain the shareholders' confidence and investors' interest in the Company, the Board of Directors shall create a transparent system for the Board performance assessment in accordance with the corporate governance principles. To that end, the Company's Board of Directors has approved the Regulation on Performance Assessment of Unipro PJSC Board of Directors.

The performance assessment of the Company's Board of Directors and its committees shall pursue the following purposes:

- Obtaining balanced information on the performance of the Board of Directors and its committees;
- ensure that membership of the Board of Directors reflects an optimum balance of professional experience, knowledge, skills, and personal qualities;
- develop the Company's corporate governance system;
- Determining the performance efficiency level of the Board of Directors, its committees, and members and whether their performance meets the Company's development needs;
- Identifying the areas for improvement of performance of the Board of Directors, its committees, and members and any factors interfering with their efficiency;
- Introducing high-performance methods for the Company's Board of Directors and its committees.

The assessment results shall be reviewed at the physical meeting of the Company's Board of Directors with a view to developing recommendations on how to improve performance of both the Board of Directors and its committees, and also individual members of the Board of Directors.

The performance assessment of the Board of Directors shall be conducted on a regular basis at least once a year. The independent performance assessment of the Board of Directors shall be conducted on a regular basis (at least once every three years) by involving an external contractor (adviser) possessing the qualification necessary for such assessment.

4.5. Remuneration of the Board of Directors

Under the Company's Articles of Association, the issue concerning the remunerations and/or compensations payable to the members of the Board of Directors falls within the competence of the General Shareholders' Meeting.

Development and periodic revision of the Company's Remuneration Policy for the members of the Board of Directors, as well as supervision over implementation thereof falls within the competence of the Appointment and Remuneration Committee.

Remunerations owed to the members of the Board of Directors shall be paid according to the Company's by-laws in compliance with the best corporate governance practices. The current remuneration system meets the transparency and accountability principles, takes into account the role of each member of the Board of Directors in the Company's activities, and contains an exhaustive list of all payments due to the members of the Board of Directors and conditions for receipt thereof.

Remuneration of the members of the Company's Board of Directors shall correspond to the market conditions and be set so as to ensure the recruitment of high-end professionals and their involvement in the Company's operations and to motivate their diligent and effective performance.

4.6. Committees of the Board of Directors

To ensure an in-depth elaboration of the issues considered by the Company's Board of Directors and a more detailed investigation of individual aspects of the Company's activities deemed significant, the Board of Directors may create the committees of the Company's Board of Directors upon its resolution.

The operating procedures, competences, appointment procedure, and proceedings of the Company's Board committees shall be governed by the relevant committee regulation approved by the Company's Board of Directors.

According to the requirements of Moscow Exchange PJSC Listing Rules, the Audit Committee and the Appointment and Remuneration Committee shall have no other members except for independent directors.

The committees shall submit their work statements to the Company's Board of Directors on an annual basis.

The details of the committees created by the Board of Directors are available on the Company's website at: <http://www.unipro.energy>.

5. Corporate Secretary

The Corporate Secretary is the Company's function performing the duties of a corporate secretary whose primary tasks are to ensure effective day-to-day interaction with the shareholders, coordinate the Company's effort aimed at protecting and ensuring the exercise of shareholders' rights and interests, support efficient performance of the Company's Board of Directors, and to be involved in the upgrading of the Company's corporate governance system.

The Company's function performing the duties of Corporate Secretary is managed by the head who reports to the Company's Board of Directors and is appointed and dismissed by the General Director of the Company with the approval of the Company's Board of Directors.

Information on the head of the Company's function performing the duties of corporate secretary shall be disclosed in the Company's annual report and on the Company's website at: <http://www.unipro.energy>.

The tasks and duties of the Company's function performing the duties of the Corporate Secretary, as well as the rights, responsibilities, and liability of the function's head and employees shall be governed by the Company's by-laws.

6. Executive Bodies

The Company recognizes the need to appoint a Sole executive body in the person of General Director to manage the Company's day-to-day operations. The Company further recognises that the management process involves challenging and complex tasks requiring a collective rather than an individual approach ensuring the development of a consolidated position of the Company's management and mitigating the risk of inefficient managerial decisions. To that effect, the Company shall appoint the Management Board who has a crucial role in the management of the Company's day-to-day operations.

The General Director and Management Board shall manage the Company's day-to-day operations in accordance with the approved development strategy and the Company's core business areas.

The Company's General Director and Management Board shall act in compliance with the legislation of the Russian Federation, Unipro PJSC Articles of Association, and Unipro PJSC Regulation on the Board of Directors (<https://unipro.energy/management/documents/>) and shall report to the Board of Directors of Unipro PJSC.

The Company's General Director shall be elected by the Board of Directors and act as the Chairman of the Company's Management Board. The Management Board members shall be elected by the Company's Board of Directors for an unlimited term, except as otherwise specifically provided for by the resolution of the Company's Board of Directors.

The Management Board members shall be competent and experienced professionals and ensure efficient management of the Company's day-to-day operations. Each Management Board member shall possess the experience, knowledge, and qualification necessary to duly perform his/her duties.

6.1. Duties of the General Director and Management Board Members

The Company's General Director and the Company's Management Board members shall act in good faith and with due diligence in the best interests of the Company and all its shareholders.

The Company's General Director and Management Board members shall abstain from any actions that may result in a conflict of their interests with the Company's interests. In case of such conflict (possibility of such conflict), the Company's General Director and Management Board members shall immediately notify the Board of Directors thereof through the Corporate Secretary. A member of the Company's Management Board shall not take part in the decision-making process on any issue in case of a conflict of interests.

As they exercise their rights and perform their duties, the Company's General Director and Management Board members shall be guided by ethical standards applicable in the Company, including this Code of Corporate Governance, and comply with the Company by-laws concerning the insider information rules, and abide by the restrictions imposed on them in their capacity of Company insiders by such by-laws.

6.2. Remuneration of Executive Bodies

The remuneration system for the Company's executive bodies shall be determined by the Company's Board of Directors. Remunerations and compensations to the Company employees being members of the Management Board shall be payable under the employment contracts made with them as Company FTEs, and the terms and conditions of such contracts shall be reviewed by the Appointment and Remuneration Committee of the Company's Board of Directors. Remunerations and compensations payable to the General Director, including financial incentives, shall be set forth in the employment contract with the General Director, and the terms and conditions of such contract shall be approved by the Board of Directors. The

Company shall not pay any special remunerations or compensations to Company employees for performing the duties of Management Board members.

Remuneration of the Company's executive bodies shall comprise a fixed and a variable part, with the latter being dependent on the attainment of certain performance indicators set for the executive bodies and contingent on their personal (individual) contribution in securing the Company's long-term development in the best interests of its shareholders.

The performance indicators shall be understood as a system of financial and non-financial indicators affecting the quantitative or qualitative changes in the Company's performance against its strategic objectives.

The Company shall strive to ensure that the remuneration of the Company's executive bodies corresponds to their professional qualification, reflects their actual contribution to the Company's performance, and is competitive compared to peers.

6.3. Interaction between the Board of Directors and Executive Bodies

Efficient corporate governance is contingent on an open dialogue between the Company's Board of Directors and the Company's executive bodies. To that end, the Company's General Director shall submit reports on the Company's business operations to the Company's Board of Directors at least biannually, including the reports on the implementation of the Company's budget and investment projects approved by the Board of Directors, as well as on the implementation of resolutions adopted by the General Shareholders' Meeting and the Company's Board of Directors.

7. Risk management and internal control system. Internal Audit

7.1. Risk Management and Internal Control System

Being aware of the need to minimise the probability of the events having an adverse impact on attainment of the Company's targets and resulting in losses, including those that are due to the decisions based on wrong judgements, human errors, and deliberate evasion of control, and recognising the shareholders' strong desire to safeguard their investments and the Company's assets, the Company shall create a risk management and internal control system.

The Company's Board of Directors shall shape the principles of and approaches to the Company's risk management and internal control system, approve the key development areas, supervise their implementation, and organise the performance review and assessment of the Company's risk management and internal control system.

The risk management and internal control system used by the Company shall ensure an unbiased and fair understanding of the Company's current status and prospects, integrity and transparency of the Company's reports, and tenability and acceptability of the risks assumed by the Company.

The Company's executive bodies shall create and maintain the serviceability of an efficient risk management and internal control system in the Company, provide the Company's Board of Directors and the Audit Committee of the Company's Board of Directors with regular reports on performance of the risk management and internal control system, and be responsible for implementing the resolutions of the Company's Board of Directors on the organisation of the Company's risk management and internal control system.

7.2. Internal Audit

The Company shall carry out internal audit in order to ensure an ongoing independent reliability and performance assessment of risk management and internal control.

The Company's Board of Directors shall adopt the by-laws determining the Company's internal audit policy.

To assist the Company's Board of Directors and executive bodies in improving the corporate governance efficiency and the Company's financial and business operations, including through a systematic and consistent approach to analysis and assessment of the risk management, internal control, and corporate governance systems, the Company has created a centralised internal audit function performed by the Internal Audit Department.

To ensure its independence and impartiality, the Internal Audit Department shall report to the Company's Board of Directors and be administratively subordinated to the General Director. The Internal Audit Department shall be managed by the head appointed by order of the General Director upon recommendation of the Company's Board of Directors.

The activities of the Internal Audit Department shall be guided by the legislation of the Russian Federation, resolutions of the General Shareholders' Meeting and the Company's Board of Directors, internal by-laws, and internal audit standards set by the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics of the Institute of Internal Auditors.

The Company has developed feedback channels for issues related to irregularities or inconsistencies during preparation of financial statements or operation of the internal control system. Any Company employee may refer the above issues to the Internal Audit Department or the Audit Committee of the Company's Board of Directors.

8. Disclosures

To enhance the transparency of business for shareholders and other stakeholders, the Company shall strive to ensure timely and full disclosure of all material information concerning its operations.

The Company's information policy shall prioritise the task of ensuring maximum possible confidence in the Company on the part of shareholders, potential investors, counterparties, and any other stakeholders by providing them with information on the Company's operations to the extent sufficient for such persons to make informed and balanced decisions with respect to the Company and its securities.

The Company's information policy shall be developed by the Company's Board of Directors based on the principles of periodicity, promptness and consistency, completeness, relevance, and reliability of information about the Company, information availability and comparability, and unhindered access to the Company's information and records.

The Company shall implement its information policy via its executive bodies with due regard to the requirements laid down in the applicable legislation of the Russian Federation and the Company's disclosure by-laws. Compliance with the Company's information policy shall be monitored by the Board of Directors.

The Company shall not limit such disclosure to the information supposed to be disclosed under the regulatory legal acts of the Russian Federation and shall disclose additional information ensuring high transparency of the Company and promoting the purposes of the Company's Information Policy.

The primary source of disclosure of information concerning Unipro PJSC operations shall be the Company's website: <http://www.unipro.energy>. Furthermore, subject to requirements of the financial market regulations, the Company shall disclose information on the webpage provided by a securities market information provider: <http://www.e-disclosure.ru/portal/company.aspx?id=7878>.

The Company shall ensure free and unhindered access to the information it is obliged to disclose under the legislation of the Russian Federation, the Company's Articles of Association, and the Company's by-laws in the Internet.

The final document enabling the shareholders, investors, and other stakeholders to assess the Company's performance in the reporting year shall be the Annual Report containing the information required under the legislation of the Russian Federation, performance indicators, financial indicators, and non-financial aspects of the Company's activities, and the information recommended for disclosure in the business entities' annual reports in line with the best corporate governance practices.

The Company shall provide its shareholders with access to the documents provided for under the legislation of the Russian Federation while maintaining a balance between the specific shareholders' interests and the interests of the Company itself striving to keep important business information confidential.

The Company shall take necessary steps to safeguard confidential and insider information that shall be used as provided for by the Company's by-laws.

9. Major Corporate Actions

The actions that significantly affect or may affect the structure of the Company's share capital and financial standing and, therefore, the shareholders' standing (major corporate actions), shall be performed by the Company on fair terms respecting the rights and interests of all shareholders and other stakeholders.

The Company shall follow such procedures for major corporate actions as to ensure compliance and adequate protection of shareholders' rights and interests, and to provide them with full information concerning such actions with a possibility of influencing such actions.

The issues concerning major corporate actions under the Company's Articles of Association shall fall within the competence of the General Shareholders' Meeting or the Company's Board of Directors.

The Board of Directors shall play the key role in making decisions or developing recommendations for major corporate actions.

When making a decision to take any major corporate action at the General Shareholders' Meeting, the shareholders shall be provided with all necessary information on such action, including justification, conditions, and consequences of such action.

The Company shall disclose information on major corporate actions as prescribed by the legislation of the Russian Federation and the Company's by-laws.

10. Final Provisions

This Code shall be approved by the Board of Directors and come into force upon approval hereof.

Any amendments hereto shall be made as deemed necessary by the Board of Directors.

Should any clauses hereof come in conflict with any provisions of law as a result of any legislative changes, such clauses shall become invalid and the Company shall be guided by the law until the necessary revisions hereof are made.

Should any clauses hereof come in conflict with the Company's Articles of Association as a result of any revisions of the Company's Articles of Association, such clauses hereof shall become invalid and the Company shall be guided by the Articles of Association until the necessary revisions hereof are made.

This Code is posted on the Company's official website at: <http://www.unipro.energy>.