


CODE OF ETHICS PJSC «EL5-ENERGO»





All stakeholders of Public Joint Stock Company EL5-Energo (hereinafter – PJSC «EL5-Energo» or the Company) can report a violation or a suspected violation of the Code of Ethics with the following methods:

- **by using Feedback form:** [«Contact us»](#) button on the main page of the corporate website
- **by e-mail:** audit.coe@el5-energo.ru
- **by sending a regular mail:** PJSC «EL5-Energo» – Internal Audit Department – 7 bld.1, Pavlovskaya St., Moscow 115093, Russian Federation

Approved by the decision of the Board of Directors of PJSC «EL5-Energo»
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Content

Introduction	6
I General principles	7
1. Impartiality and non-discrimination	7
2. Honesty	7
3. Integrity in case of potential conflicts of interest	7
4. Confidentiality	7
5. Shareholder and investor relations.....	7
6. Value of people.....	7
7. Integrity of the individual.....	8
8. Transparency, completeness, correctness and truthfulness of information.....	8
9. Diligence and precision in operations and execution of contracts.....	8
10. Fair competition.....	8
11. Zero-tolerance to corruption and bribery.....	8
12. Responsibility towards the community.....	8
13. Environmental protection.....	8
14. Data protection.....	8
II Criteria of conduct	8
1. Criteria of conduct in relations with shareholders and investors	8
1.1. Corporate governance system.....	8
1.2. Risk Management and Internal Control System.....	9
1.3. The Company's audit arrangement.....	9
1.4. Market transparency	9
1.5. Control over insider information.....	9
2. Criteria of conduct in relations with PJSC's «EL5-Energo» employees	10
2.1. Recruitment.....	10
2.2. Establishment of the employment relationship.....	10
2.3. Personnel management.....	10
2.4. Disclosure of personnel policies.....	10
2.5. Employee development and continuous learning	10
2.6. Management of employee working hours.....	11
2.7. Employee engagement.....	11
2.8. Accessibility.....	11
2.9. Flexibility of work modes.....	11
2.10. Well-being.....	11
2.11. Actions on work organization changes	11
2.12. Health and safety	11
2.13. Protection of privacy	11
2.14. Integrity and protection of people.....	12
2.15. Employee responsibilities.....	12
2.16. Conflict of interest.....	12

3. Criteria of conduct in customer relations	12
3.1. Impartiality and non-discrimination	12
3.2. Contracts and communications to customers.....	12
3.3. Quality and customer satisfaction control	13
4. Criteria of conduct in relations with suppliers and partners	13
4.1. Supplier selection	13
4.2. Integrity and independence in relations.....	13
5. Criteria of conduct in relations with third parties	13
5.1. Information processing.....	13
5.2. Relationships with political parties, trade union organizations and professional associations.....	14
5.3. Relations with state authorities and municipal government	14
5.4. Competition and regulatory authorities.....	14
5.5. Charity work and sponsorship	14
5.6. Gifts, gratuities and benefits.....	14
5.7. Authorized bodies for the protection of the rights of personal data subjects.....	15
5.8. External communications.....	15
III The Code implementation methods	16
1. Tasks of the Audit and Corporate Governance Committee regarding implementation of the Code of Ethics	16
2. Duties of the Sustainability Unit	16
3. Communications and training.....	16
4. Stakeholder reports.....	16
5. Violations of the Code of Ethics.....	16
6. Sustainability report.....	17
7. External audit.....	17

Introduction

The Code of Ethics expresses the ethical commitments and responsibilities in the performance of business activities and corporate operations assumed by the employees of PJSC «EL5-Energo».

PJSC «EL5-Energo» is focused on creating value that is sustainable and shared with all its internal and external stakeholders, by deploying innovations and pursuing excellence throughout the entire value chain of the businesses where it operates.

PJSC «EL5-Energo» pursues this goal in line with its corporate mission: «Preserve and improve our heritage, develop new technologies while producing reliable and affordable energy», with its values:

- **safety,**
- **reliability,**
- **leadership,**
- **responsibility,**
- **care for people.**

Maintaining transparent dialogue with stakeholders

PJSC «EL5-Energo» aspires to maintain and develop the relationship of trust with its stakeholders (both internal and external) whose contribution is essential to the achievement of PJSC's «EL5-Energo» mission or who have a vested interest in its pursuit.

Stakeholders are defined as individuals, groups of individuals or organisations that affect and/or may be affected by the Company's operations, products or services and/or related outcomes in relation to matters that are decided upon in consultation with those individuals, groups of individuals or organisations. Such stakeholders include, but are not limited to, shareholders and investors, industry associations, customers, the financial community, state and local governments, international organisations, local communities, traditional and digital media, employees, suppliers and contractors, and the organisations and institutions representing them.

Unethical behaviour

Unethical behaviour in business operations harms the relationship of trust between PJSC «EL5-Energo» and its stakeholders. Behaviour of any party – an individual or organization – that attempts to appropriate the benefits of the work of others by exploiting positions of strength is unethical and leads to the assumption of hostile attitudes in relation to the Company.

The value of reputation

A positive reputation is an essential intangible resource that favours investment by the financial community, enduring customer relationships, attraction of the best talent, development of trust among suppliers, and increase of reliability among the creditors. While inside the organization a positive reputation creates a collaborative climate and fosters working practices to respect all forms of diversity

The Code of Ethics sets out PJSC's «EL5-Energo» specific obligations towards various groups of stakeholders, therefore compliance with its provisions is an important criteria for assessing the Company's reputation.

The Code of Ethics therefore consists of:

- the **general principles** governing relations with various stakeholders and defining the values guiding PJSC «EL5-Energo» in its activities;
- the **criteria of conduct** in relations with separate categories of stakeholders, which set out the guidelines and standards to which our Company's personnel must adhere to avoid ethical violations and which we expect our stakeholders to adhere to;
- the Code **implementation mechanisms**, describing the control system for compliance with the Code of Ethics and for its continuous improvement.

The value of reciprocity

The Code of Ethics is built around a concept of cooperation to the mutual benefit of the parties involved, in accordance with the role of each. PJSC «EL5-Energo» therefore requires that each stakeholder deals with the Company in accordance with the principles and norms based on the rules of ethical conduct.

Validity and application of the Code of Ethics

The principles and provisions contained in this Code of Ethics are addressed to the managers and employees associated with PJSC «EL5-Energo» by contractual relationship of any type, including occasional and/or solely temporary, the members of the Board of Directions of PJSC «EL5-Energo» as well as controlling and supervisory bodies of its subsidiaries. Any conduct contrary to the provisions of this Code of Ethics is unacceptable both at the workplace and in any other place outside it, in situations related to the implementation of work tasks and professional duties by an employee of PJSC «EL5-Energo».

PJSC «EL5-Energo» also expects its suppliers, contractors and partners to adopt conduct in compliance with the general principles of this Code of Ethics.

I General principles

PJSC «EL5-Energo» strives to contribute to the development of the world where power serves the community, bringing development, growth, and an improved quality of life for all. In line with its mission, «Preserve and improve our heritage, develop new technologies while producing reliable and affordable energy» PJSC «EL5-Energo» places environmental, social, and economic sustainability, alongside innovation, at the core of its corporate culture and it is implementing a sustainable development system based on shared value creation, both inside and outside the Company, striving to achieve the United Nations Sustainable Development Goals (UN SDG's).

1. Impartiality and non-discrimination

In decisions affecting relations with its stakeholders (customers, shareholders, local communities, public authorities, employees, suppliers and partners), PJSC «EL5-Energo» avoids all forms of discrimination in accordance with the principles of international law and the legislation of the Russian Federation.

2. Honesty

Within the context of their professional activities, PJSC's «EL5-Energo» employees are obliged to strictly comply with the applicable laws of the Russian Federation, the Code of Ethics, and the Company's internal policies and regulations. The pursuit of PJSC's «EL5-Energo» interests cannot justify dishonest conduct under any circumstances.

3. Integrity in case of potential conflicts of interest

In the performance of any activity, situations in which the parties involved in a particular process have a conflict of interest, even if it is merely apparent, must be avoided.

This means not only actual or potential situation wherein the secondary interest (economic, financial, family or other) of the PJSC's «EL5-Energo» employee interferes with or tends to interfere with the employee's ability to make unbiased decisions in the best interest of the Company and to comply with his or her professional functions and responsibilities, and the situation wherein representatives of customers, suppliers, or public institutions cooperate with the Company in a way contradicting their obligations towards the stakeholders or is determined by their role in relations with PJSC «EL5-Energo».

4. Confidentiality

PJSC «EL5-Energo» guarantees the confidentiality of the information in its possession and does not search for confidential data except in cases wherein an express and informed authorization has been granted and always in compliance with the current legislation of the Russian Federation. Besides, the Company staff are also prohibited from using confidential information for purposes not related to the exercise of their role, as in the case of insider trading, market manipulation or other illegal activity.

PJSC «EL5-Energo» complies with the indications set down in the internal policies and Russian personal data protection regulations to guarantee full respect of the privacy of all the natural persons with whom it interacts.

5. Shareholder and investor relations

PJSC «EL5-Energo» considers it its responsibility and commitment to the market to establish an ongoing and open relationship with its shareholders and institutional investors, establishing mutual understanding of their roles, to raise their level of understanding of the operations carried out by the Company. Therefore, PJSC «EL5-Energo» maintains a dialogue with the shareholders and investors based on the principles of fairness and transparency, in compliance with the Russian federal regulations concerning antimonopoly and also in line with the best national and international practices.

PJSC «EL5-Energo» strives to preserve and increase the Company's value as a result of its business and financial activities, ensuring reasonable reward for the risk undertaken by the shareholders and investors bear when investing their funds on a long-term basis.

6. Value of people

PJSC «EL5-Energo» places its people at the centre of its operations as an enabling factor to prosper in a constantly changing world. This is the reason for PJSC's «EL5-Energo» insistence on protecting and enhancing the value of its employees by promoting continuous learning and career development.

In particular, PJSC «EL5-Energo» is committed not to impair personal dignity and independence through its actions, and guarantees the proper maintenance of work-life balance, as well as that the work organisation system applied takes into account the value of each employee.

7. Integrity of the individual

PJSC «EL5-Energo» guarantees the physical and moral integrity of its people, working conditions that are respectful of personal dignity and personal freedoms, and safe and healthy workplaces. The Company also applies a policy of zero tolerance to any form of harassment, intimidation, mobbing, or stalking in the workplace.

This means that any requests or threats aimed at inducing people to act in conflict with the law, the Code of Ethics, or the internal policies of the Company, or to adopt behaviour being detrimental to personal convictions and preferences of a certain employee are not tolerated.

8. Transparency, completeness, correctness and truthfulness of information

PJSC's «EL5-Energo» employees are required to provide complete, transparent, comprehensible and accurate information, allowing stakeholders to make independent interest-based decisions, the alternatives and any relevant consequences, when establishing relationship with the Company. In particular, when drafting contracts PJSC «EL5-Energo» provides its contractual counterparts with clear and easily understandable instructions concerning the conduct to be followed in foreseen circumstances.

9. Diligence and precision in operations and execution of contracts

Contracts and work assignments must be carried out in accordance with the matters intentionally agreed between the parties. PJSC «EL5-Energo» is not committed to exploiting any conditions of lack of information or incapacity to act affecting its counterparts.

In the relationship with any interested parties, situations wherein individuals or organisations acting in the name of or on behalf of PJSC «EL5-Energo» attempt to take advantage of contractual gaps or unforeseen circumstances to revise the contract solely to exploit the counterpart's position of dependency or weakness, must be unacceptable.

10. Fair competition

PJSC «EL5-Energo» adheres to the fair competition approach and refrains from collusive or predatory conduct and abuses of a dominant position.

11. Zero-tolerance to corruption and bribery

PJSC «EL5-Energo» rejects corruption and bribery in any form, whether direct or indirect.

PJSC «EL5-Energo» prohibits the use of any illegal payment of money or granting other favours to obtain an advantage in relations with stakeholders, where an advantage is understood as facilitation or guarantee of obtaining services to be rendered anyway.

12. Responsibility towards the community

PJSC «EL5-Energo» is aware of the direct and indirect influence that its activities can have on the living conditions of each individual, economic and social development, and the well-being of society as a whole, and understands the importance of obtaining public approval of its activities from the local communities.

PJSC «EL5-Energo» is thus committed to carry out its own investment activities guided by the sustainability practices, respecting local communities, their interests and needs, supporting important cultural and social initiatives aimed at the development of the territories where it operates.

13. Environmental protection

PJSC «EL5-Energo» recognises the environment as a common resource of primary importance that needs to be protected and safeguarded. Therefore, in planning and implementing its activities, the Company takes into account the rights of future generations and strives to find a balance between economic feasibility and vital environmental aspects. In addition to preventive measures eliminating the risks to the population and environment, PJSC «EL5-Energo» is committed to reducing the environmental and landscape adverse impact from its activities and it does not merely comply with the requirements of the applicable legislation but it also focuses on all the relevant scientific research and best practices. PJSC «EL5-Energo» is committed to supplying affordable and clean energy, while promoting industrial decarbonization, renewable energy development and consumer electrification.

14. Data protection

PJSC «EL5-Energo» adopts high standards in relation to the security and management of data concerning its employees, customers, and stakeholders. The Company guarantees respect for the rights of personal data subjects and adopts policies and operating instructions to enhance the security of its applications and data processing activities. Working in the digital space implies built-in protection of personal data and privacy by default, as well as risk analysis and protection of sensitive data.

II Criteria of conduct

1. Criteria of conduct in relations with shareholders and investors

1.1. Corporate governance system

PJSC's «EL5-Energo» corporate governance system complies with the principles set down in the Russian Federal Law on Joint Stock Companies, the Code of Corporate Governance of the Central Bank of the Russian

Federation, Moscow Exchange listing rules and is also inspired by best national and international practices. The corporate governance system adopted by PJSC «EL5-Energo» is basically oriented towards the goal of long-term value creation for shareholders and investors, obtaining public approval of the Company's activities, and the related need to properly consider the interests of all the parties involved.

1.2. Risk Management and Internal Control System

The Internal Control and Risk Management System («ICRMS») is composed of the set of rules, procedures, and organizational structures designed to allow the identification, measurement, management, and monitoring of the main risks within the Company.

The ICRMS ensures the achievement of the Company's business objectives defined by its strategy by developing and maintaining the organizational structure, processes and resources aimed at identifying, assessing, managing, monitoring and controlling risks in the face of uncertainties and adverse impact factors. The ICRMS has been developed in accordance with the legislation of the Russian Federation, the Company's Charter, the Corporate Governance Code recommended for application by the Central Bank of the Russian Federation, as well as recommendations of international professional organizations in the field of risk management and internal control, including those set out in the Concept «Enterprise Risk Management – Integrated Framework» and the Concept «Internal Control – Integrated Framework» of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

An effective ICRMS contributes to business management in line with the objectives defined by the Board of Directors of PJSC «EL5-Energo», because it makes it possible to identify, evaluate, manage, and monitor the main risks in relation to their ability to influence the achievement of the objectives in question. Specifically, the ICRMS helps to safeguard the Company's assets, the efficiency and effectiveness of business processes, reliability of information supplied to the Board of Directors of PJSC «EL5-Energo» and to the market, compliance with laws and regulations, and with the Company's Charter and internal procedures.

1.3. The Company's audit arrangement

PJSC «EL5-Energo» assigns the task of auditing its accounting (financial) statements and consolidated financial statements in an open and transparent manner and in strict compliance with the Russian current legislation.

1.4. Market transparency

PJSC «EL5-Energo» acts in full transparency and adopts specific procedures to ensure the accuracy and truthfulness of the information disclosed by the Company (financial statements, periodic reports, information prospectuses, etc.)

and to prevent the commission of corporate offences (i.e. false corporate communications, obstructing the functions of the Russian supervisory authorities, etc.) and market abuses (insider trading and market manipulation).

Besides, PJSC «EL5-Energo» also makes available all the information needed by investors to make the decisions based on awareness and understanding of corporate governance and strategy.

PJSC's «EL5-Energo» market disclosures are characterized by their compliance with the relevant regulatory provisions and also by their easily understandable language, comprehensive nature, accuracy, timeliness, and uniformity of information provided to all investors.

PJSC «EL5-Energo» is committed to establishing an ongoing dialogue with all shareholders and institutional investors with a mutual understanding of their roles, is in the interests of the parties involved and is the Company's obligation to the market.

PJSC «EL5-Energo» undertakes to provide adequate information to institutional investors and financial analysts by means of dedicated presentations and periodic road shows; for small shareholders PJSC «EL5-Energo» is committed to ensuring

- uniformity of information, also by publishing all the documents destined for institutional investors on the corporate website;
- simultaneity with information supplied to institutional investors;
- use of dynamic web communication tools.

1.5. Control over insider information

PJSC «EL5-Energo» adopts a specific regulation for internal management and processing of confidential information and for the external disclosure of corporate documents and information, with particular reference to inside information. The regulation in question is aimed preserving the confidentiality of reserved information, simultaneously ensuring that market disclosures of corporate data and information are correct, complete, adequate, timely, and non-selective.

PJSC «EL5-Energo» has set up (and regularly updates) a register of legal entities and individuals that, by virtue of their work or professional activity or because of the tasks they perform on behalf of PJSC «EL5-Energo» or its subsidiaries, have access to privileged information.

Among other aspects, the purpose of these tools is to raise awareness among the data subjects in question concerning the privileged or significant nature of the information at their disposal, simultaneously facilitating the control activities of the Russian supervisory authority in compliance with the regulations aimed at safeguarding the integrity of markets.

PJSC's «EL5-Energo» corporate officers, employees and collaborators are expressly prohibited from adopting conduct that may give rise to the abuse of inside information and illicit disclosure thereof, or to market manipulation phenomena.

2. Criteria of conduct in relations with PJSC's «EL5-Energo» employees

2.1. Recruitment

The evaluation of personnel to hire is based on the degree to which candidate profiles match the characteristics sought and the Company's needs, in compliance with the principle of equal opportunities for all candidates. The information requested is strictly related to checking of possession of the professional characteristics and personal qualities the Company is seeking, without violating the private sphere or opinions of the candidate. Within the limits of the information available, the People and Organization Department takes appropriate measures to avoid any form of discrimination, nepotism, or cronyism during the recruitment and hiring process.

2.2. Establishment of the employment relationship

Personnel are hired with formal employment contracts. No work relationship contradicting the current legislation of the Russian Federation is permitted. When the employment relationship is entered into, each employee receives the accurate information regarding:

- characteristics of the job and the work to be performed;
- normative and remunerative aspects of the position, as governed by the national collective bargaining agreement;
- regulations and procedures to be adopted to avoid possible health risks associated with the work activity.

This information is presented to the candidate in such a way that acceptance of the position shall be based on their full and effective understanding.

In the process of entering into and managing contractual relationships governing employment obligations, EL5-Energo is committed to providing an atmosphere of fairness and objectivity, free from any abuse of authority.

2.3. Personnel management

PJSC «EL5-Energo» guarantees equal opportunities and non-discrimination in the management of its employees, recognizing and appreciating the individual contribution of each.

Both at the stage of people management and development (e.g. promotions or transfers), as well as in the recruitment phase, the decisions taken are based on the correspondence

between the required job profiles and the candidates' profiles and/or on considerations of merit (e.g. awarding of incentives based on the results).

The approach to appointments is also determined solely by the availability of the required qualifications and abilities of the applicant.

Employees' evaluation is carried out in a broad manner, with the involvement of the managers, the People and Organization Department and, as far as possible, other parties who have interacted with the person under evaluation, but who are not functionally or administratively related to them.

Within the limits of the information available and respecting the privacy of the employees, the People and Organization Department acts to prevent all forms of favoritism.

2.4. Disclosure of personnel policies

Personnel management policies are made available to all the people in the Company by means of the corporate communication tools (compulsory acquaintance upon employment, posting on the corporate portal, in the section containing organizational documents, preparation and distribution of information messages).

2.5. Employee development and continuous learning

The managers shall use and fully exploit all the professional skills present in the organization by using the available levers to promote people growth and development.

The exchange of feedback between all the people involved to assist continuous improvement of competences is of particular importance. The Company places in-house and distance knowledge sharing and training tools at the disposal of all its people to allow continuous learning and constant accumulation of soft and technical skills with the involvement of external experts to build professional value, in compliance with personal aptitudes and also with the need to develop new skills to face new challenges.

PJSC «EL5-Energo» considers 'training' as a continuous stimulus for self-learning of the skills and know-how required to meet the needs of the various professional roles present and constantly evolving within the Company. PJSC «EL5-Energo» encourages the ability of each individual to follow a training pathway that complies with their needs, interests, and aptitude, helping people to develop their potential, which varies from one person to another, placing the empowerment of people at the center of its Company's people development strategy. For this purpose, in addition to technical-operational training PJSC «EL5-Energo» promotes experience based learning activities (through the tools such as coaching, internal coaching, mentoring), the Company maintains cooperation with universities, research institutes and other educational organizations, paying attention to the exchange

of knowledge and competences with other companies.

2.6. Management of employee working hours

Each manager is required to optimize the working time of his or her people, requiring services that are in line with the assigned roles and with work organization plans.

Requests for services, assignments of a personal nature or other demands that are not part of an employee's job duties, are not related to achieving the Company's business objectives, violate this Code of Ethics and do not imply the possibility of refusal are considered abuse of authority.

2.7. Employee engagement

Engagement of employees is essential to achieve the corporate objectives and it takes the form of active, collaborative participation based on independence of judgement.

The final decision-making process is conducted in accordance with various perspectives, as far as compatible with the requirements of the Company.

2.8. Accessibility

PJSC «EL5-Energo» is committed to creating inclusive work situations, focusing especially on physical accessibility to workplaces, digital accessibility of information, documents, and communications, and specific needs for assistive work tools.

2.9. Flexibility of work modes

PJSC «EL5-Energo» favors flexible working methods, assuring equal opportunities for contribution and fairness in the assessment of people based on the results achieved and irrespective of the method of carrying out the work.

2.10. Well-being

PJSC «EL5-Energo» strives to promote behavior oriented towards work-life balance and is actively involved in promoting personal and organizational well-being as factors enabling the engagement and innovative potential of people.

2.11. Actions on work organization changes

When reorganizing work activities, the value of people is safeguarded by providing training and/or professional retraining actions wherever necessary. To this end, PJSC «EL5-Energo» follows the criteria listed below:

- the burden of work reorganization must be distributed as evenly as possible among all people, in line with the

effective and efficient performance of the business operations;

- an employee can be assigned different responsibilities with respect to those previously carried out, in compliance with the normative provisions, taking care to accompany the acquisition of new and diverse skills by means of adequate training, wherever the need is identified.

2.12. Health and safety

PJSC «EL5-Energo» considers the health, safety, and psychological and physical well-being of people to be the most precious asset to be protected at all times of life, at work, at home and during free time, and is committed to developing, consolidating, and disseminating a robust safety culture within the entire scope of the organization.

The objective of PJSC «EL5-Energo» is to guarantee a workplace free of health and safety hazards, to protect its people. This goal is accomplished both by building systematic work within the Company and by joining efforts in co-operation with suppliers, contractors, other companies, partners and other stakeholders with whom the Company does business that directly or indirectly influence the above aspects.

To ensure safety, the Company has implemented a well-developed internal structure that responds promptly to changes in the context and emerging new risks, allowing the necessary technical and organizational changes to be made, respecting the following basic principles:

- adoption and implementation of the Health & Safety Management System in compliance with the international standard;
- assessment of all health and safety risks and adoption of a systematic approach to eliminate them at source if possible, or to minimize them;
- adoption of the best technologies and working methods, oriented towards continuous improvement;
- adoption of an information and training program for workers;
- establishing a safety culture among the Company's employees and personnel of the involved organizations.

PJSC «EL5-Energo» is also committed to ongoing improvement of the efficiency level of the organizational structures and processes that contribute to the continuity of services provided and to national security, as well as to the strengthening of Russia's energy security as a whole.

2.13. Protection of privacy

Personal data protection is assured by adopting international standards and the related methods of processing and storage of personal data are defined with the support of the Security and Services Department in compliance with the Company's policies and the Russian

federal laws. When processing personal data, PJSC «EL5-Energo» observes all principles provided for by the legislation, basic human rights and freedoms.

Data protection standards also prohibit the disclosure/ dissemination of the data subject's personal data without prior express permission, except in the cases provided for by law, and they establish the rules to allow each individual to consult the data protection practices.

2.14. Integrity and protection of people

PJSC «EL5-Energo» promotes principles of [diversity, inclusion and equal opportunities](#) and it is committed to creating a workplace in which people are treated fairly, guaranteeing the right to working conditions that are respectful of their personal dignity.

PJSC «EL5-Energo» is committed to protecting the physical and psychological integrity and personhood of each individual and opposes all forms of behaviour resulting in discrimination in relation to gender, age, disability, nationality, sexual orientation, ethnicity, religion, political opinions and all other forms of individual diversity, being is detrimental to the person and his or her convictions or preferences.

Disparity of treatment is not considered discriminatory if it is motivated by objective criteria.

2.15. Employee responsibilities

While performing their professional obligations, the employees of PJSC «EL5-Energo» must act in good faith to meet the obligations undertaken on signing the employment contract and to comply with the provisions of the Code of Ethics, assuring the required work activities. Employees should report any incidents of misconduct through the communication channels outlined in this Code of Ethics.

2.16. Conflict of interest

PJSC «EL5-Energo» recognizes and respects the diversity and importance of its employees' outside goals and interests.

At the same time, the Company cannot be indifferent to the situation when, as a result of personal, family and other circumstances, an employee loses (or may lose) loyalty and objectivity towards the Company. The resulting conflict of personal interests with the Company's interests may adversely affect the Company's efficiency. In this regard, PJSC «EL5-Energo» takes a number of actions to prevent such conflicts.

PJSC «EL5-Energo» has implemented a set of preventive and control procedures designed to prevent abuse of office and conflict of interest situations. If signs or facts of unlawful actions, abuses and conflict of interest situations are identified, official proceedings are conducted, and,

if necessary, sets of additional measures are developed and implemented to establish the causes and conditions of violations.

All PJSC «EL5-Energo» employees are required to avoid real or apparent situations wherein a secondary interest (economic, financial, family or other) of PJSC's «EL5-Energo» person interferes with or tends to interfere with the ability to make an unbiased decision in the best interest of the Company and to comply with the functions and responsibilities assigned.

Examples of situations that can give rise to a conflict of interest include, without limitation:

- holding a senior position (General Director, Director, Unit Head, Senior Manager, Manager) and maintaining economic interests in suppliers, customers, or competitors (ownership of shares, holding of professional offices, etc.), also via family members;
- handling relations with suppliers, customers, or commercial partners unrelated to the Company's activities while holding interests in them (e.g. conducting work/consultancy activities), also via a family member or an external party connected to PJSC's «EL5-Energo» personnel.

An PJSC «EL5-Energo» employee who believes he or she is in a position of conflict of interest must refrain from making decisions related to the processes or issues in which the conflict of interest arises and report the matter using the methods provided for by the Company's procedures.

It is prohibited to hide the fact of a conflict of interest and its causes.

3. Criteria of conduct in customer relations

3.1. Impartiality and non-discrimination

PJSC «EL5-Energo» undertakes to avoid subjecting its customers to arbitrary discrimination.

3.2. Contracts and communications to customers

Contracts and communications to PJSC «EL5-Energo» customers (including advertising messages) must be:

- clear and understandable, mostly using common vocabulary, drafted in accordance with applicable rules and regulations, without using ambiguous or contrary to law language (e.g., including provisions or clauses that are oppressive to consumers);
- reflecting all necessary information and not omitting anything that may be important for the customer's decision making.

PJSC «EL5-Energo» ensures timely and complete provision of information regarding the following items:

- possible changes to the contract;
- possible changes in economic and technical conditions of service provision and/or product realization;
- results of inspections for compliance with the standards required by the regulatory authorities.

PJSC «EL5-Energo» undertakes to always take into account suggestions and respond to complaints received from consumers or their associations through appropriate operational communication systems (e-mail, feedback forms on the Company's official website, etc.).

3.3. Quality and customer satisfaction control

PJSC «EL5-Energo» is committed to guarantee appropriate quality standards for the products and services offered, to maintain them at the specified level, and to perform periodic quality control.

4. Criteria of conduct in relations with suppliers and partners

4.1. Supplier selection

Purchasing processes are designed to obtain the maximum competitive advantage for PJSC «EL5-Energo» while granting equal opportunities to all suppliers; they are also based on pre-contractual and contractual behaviour characterized by essential and reciprocal good faith, transparency, and collaboration.

In addition to guaranteeing the necessary quality standards, supplier services must proceed in step with the commitment to adopt best practices in terms of human rights and working conditions, occupational health and safety, environmental responsibility, and respect for data protection by design and by default.

In particular, PJSC's «EL5-Energo» employees involved in procurement processes must:

- not deny anyone in possession of the specified prerequisites the possibility of competing for contracts, adopting objective and transparent criteria when choosing the shortlist of bidders;
- ensure a sufficient level of competition in every tender with an adequate number of bidders. PJSC «EL5-Energo» draws on a list of suppliers whose qualification criteria do not constitute an access barrier.

The key prerequisites for PJSC «EL5-Energo» are:

- appropriately documented availability of means, also financial, organizational structures, competences etc.;
- the existence and effective implementation of adequate corporate management systems in cases where PJSC's «EL5-Energo» specifications so require.

In any case, if a supplier should act in the manner incompatible with the general principles expressed in this Code of Ethics in the performance of its activities on behalf of PJSC «EL5-Energo», PJSC «EL5-Energo» is entitled to take all the appropriate actions, including the preclusion of other opportunities for collaboration.

4.2. Integrity and independence in relations

In PJSC «EL5-Energo», relations with suppliers are governed by shared principles and are subject to constant monitoring.

Entering into contact with a supplier must always be based on extremely clear relationships, avoiding forms of dependence wherever possible. For example:

- avoid persuading the supplier to enter into a contract that is unfavourable to it by making it clear that an agreement with more favourable terms may be signed in the future;
- the Company generally avoids long-term binding projects subject to continual renewals and price revisions and requiring short-term contracts;
- special care must be taken in drawing up and managing contracts with an estimated value of particular significance when considered in relation to the supplier's turnover.

To guarantee the utmost transparency and efficiency in the procurement process, periodic rotation of the people in charge of purchasing is encouraged, adopting also the following measures:

- separation of roles between the unit requesting the supplies and the unit signing the contract;
- adequate capacity to track the decisional process;
- retention of information and official tender and contractual documents for the periods established by statutory legislation.

Finally, to ensure transparent business relations, PJSC «EL5-Energo» carries out an assessment of the ownership structure of its suppliers whenever conditions exist to recommend this course of action.

5. Criteria of conduct in relations with third parties

5.1. Information processing

PJSC «EL5-Energo» processes stakeholder information with full respect for the confidentiality and privacy of the parties involved.

To this end, specific policies and procedures for the protection of information are applied and kept constantly up to date. In particular, PJSC «EL5-Energo»:

- establishes an organizational structure for information processing to ensure proper separation of roles and responsibilities;
- classifies information according to increasing levels of sensitivity and adopts appropriate countermeasures in each processing phase;
- requires the third parties involved in information processing to sign confidentiality agreements.

5.2. Relationships with political parties, trade union organizations and professional associations

PJSC «EL5-Energo» refrains from any form of political participation, all forms of pressure, direct or indirect, on politicians, does not finance political parties, their representatives or candidates, and does not sponsor any events or activities whose exclusive purpose is political propaganda.

At the same time, the Company does not restrict the freedoms of its employees to elect or be elected, provided that such activity is in no way associated with the Company, its activities, projects and initiatives.

PJSC «EL5-Energo» does not make donations to organizations with which a conflict of interest may arise (e.g. trade unions, environmental organizations or consumer protection associations). At the same time, PJSC «EL5-Energo» admits the possibility of both financial and non-financial cooperation with such organizations within the framework of specific projects that meet the following criteria:

- objectives are similar to the Company's mission and values;
- purpose of the funding is clear, the allocation of resources and the direction of expenditure can be documented and confirmed;

5.3. Relations with state authorities and municipal government

All interaction with the Russian or international bodies and agencies is based exclusively on forms of relationship designed to assess the consequences of legislative and administrative governmental activities for PJSC «EL5-Energo», to respond to requests or actions of controlling and oversight bodies, or to present the opinion of PJSC «EL5-Energo» on topics relevant to its current or future activities.

To this end, PJSC «EL5-Energo» is committed to:

- establish, without any form of discrimination, stable channels of relations with all agencies at the international, national and regional levels;
- represent the interests and positions of subsidiaries in a transparent, straightforward and consistent manner,

refraining from collusion.

To ensure maximum clarity and transparency in relationships, contacts with the authorities are made exclusively through the Company's designated representatives.

5.4. Competition and regulatory authorities

PJSC «EL5-Energo» fully complies with the requirements of the antimonopoly legislation, as well as resolutions of market regulators. PJSC «EL5-Energo» does not conceal information, does not refuse to provide it, does not commit any manipulations and does not delay the provision of any information legally required by authorized antimonopoly or other regulatory authorities in the course of their inspection activities, and actively cooperates in any investigations.

To ensure maximum transparency, PJSC «EL5-Energo» is committed to prevent any conflicts of interest that may involve representatives of any authorized body or their family members.

5.5. Charity work and sponsorship

With the tools provided for by the legislation in force (such as charitable donations, sponsoring events or concluding special agreements), PJSC «EL5-Energo» supports initiatives that may concern:

- social issues;
- environmental protection;
- development of sports;
- support for culture and the arts;
- dissemination of scientific and technical knowledge.

These initiatives are implemented by the Company, with its support or participation, exclusively in the areas of its current operation or future activities, aimed at ensuring mutual benefit for all parties involved, with strict compliance by all parties to the process with ethical principles.

The Company always takes special care to avoid all possible conflicts of interest at a personal or corporate level before agreeing to provide charity or sponsorship support.

5.6. Gifts, gratuities and benefits

Any form of gift that exceeds or can be construed as exceeding normal commercial practices or courtesy, or that is in any way intended to obtain favorable treatment in the pursuit of any activity connected to PJSC «EL5-Energo», is prohibited. Specifically, it is prohibited to make any form of gift to Russian or foreign public officials, auditors, PJSC's «EL5-Energo» directors, members of the control and supervisory bodies or their family members, capable of influencing their independence of judgement or securing any type of advantage.

Each employee, regardless of his/her position, takes a cautious and reasonable attitude, avoiding the offer, solicitation or acceptance of gifts, souvenirs, favors.

The term «gift» refers to any type of benefit (participation in conferences free of charge, hospitality, promise of employment, etc.) that is received from or provided to a third party. PJSC «EL5-Energo» anyway repudiates practices not permitted by the Russian law, by commercial practice, or by the codes of ethics, if known, of the companies or entities with which it maintains relationship (provided that these companies have made PJSC «EL5-Energo» familiar with their codes of ethics).

Corporate souvenirs of PJSC «EL5-Energo» are intended solely to promote the brand image of PJSC «EL5-Energo». Gifts worth over RUB 1,500 offered by PJSC «EL5-Energo» to third parties are recorded in the gift register (specifying: full name, position, organization of the recipient; full name, position of an employee of PJSC «EL5-Energo»; nature, value or estimated value of the gift (if any); date of the event). This register is under the control of the Communications Directorate. The stationery (pens, notebooks, organizers, diary books, flash cards, etc.), as well as items of a symbolic nature (T-shirts, baseball caps, mugs with the Company's logo, etc.) are not subject to inclusion in the register.

In all cases of accepting or offering gifts, the employees of PJSC «EL5-Energo» are obliged to:

- make sure that the gift cannot be regarded as a benefit offered to influence decision-making;
- make sure that the gift will not cause a conflict of interest;
- take into account international procedures or national regulations applicable to third parties, which may be more restrictive than the provisions of this document and may not be considered as bribery;
- inform his/her manager.

In case of doubt as to the value of the gift received, such value or the value of equivalent items shall be verified by searching for information in available public sources or by making a direct request to a third party.

If it is difficult to refuse a gift at the time of its offer (for example, if business customs do not allow rejection of the gift, there is a risk of offending the giver by refusing it, etc.), the gift shall be accepted with immediate notification of the immediate manager and, if necessary, the Company's Anti-Corruption Committee. If such a request is made, the Anti-Corruption Committee registers the situation in written form (specifying: full name, job duties and organization of the recipient; full name, job duties and organization of the offering person; nature and value or estimated value of the gift/invitation; date of the event), makes an assessment and decides on further actions.

If there are any doubts about the acceptability of a gift or other questions regarding the procedure for handling

gifts, an employee should seek clarification from his/her manager. Depending on the situation, after consulting with the Anti-Corruption Committee and providing the third party with an explanation of PJSC's «EL5-Energo» position on gifts, the gift will be (i) returned, (ii) donated to charity or (iii) otherwise (at the discretion of the Anti-Corruption Committee).

PJSC «EL5-Energo» prohibits accepting any gifts with a price exceeding the amount stipulated by Article 575 of the Civil Code of the Russian Federation.

5.7. Authorized bodies for the protection of the rights of personal data subjects

PJSC «EL5-Energo» cooperates with the authorized bodies of the Russian Federation for the protection of the rights of personal data subjects through the Security and Services Directorate, which deals with communications and investigation issues, in accordance with the Company's policies and legislation on personal data protection.

5.8. External communications

PJSC's «EL5-Energo» communications to its stakeholders (also via the mass media) are formulated in respect of the right to information; the release of false or misleading information or comments is prohibited in all circumstances.

All communications comply with the law, rules, and practices of professional conduct and are made in a clear, transparent, and timely manner, safeguarding also price-sensitive information and trade secrets.

The Company shall avoid any forms of pressure or attempts to obtain favor in its dealings with the mass media.

In order to ensure maximum access to information, all press releases are published on the Company's official website: <https://www.el5-energo.ru/en/>. The official website of PJSC «EL5-Energo» also contains a number of thematic channels for obtaining more detailed information on issues related to the main aspects of the Company's activities (information on the Company's production assets, strategic issues of the Company's development, issues of building a career in PJSC «EL5-Energo», on sustainable development, including environmental protection, social aspects and principles of corporate governance, rational use of resources, etc.), as well as for sharing knowledge, opinions with stakeholders online.

To guarantee completeness and consistency of information PJSC's «EL5-Energo» media relations can be maintained exclusively with the coordination of the designated functions in accordance with the relevant internal procedures.

Participation of the representatives of PJSC «EL5-Energo» in conferences, seminars, round tables, as well as publication of scientific, technical, social or economic papers related to the Company's activities is allowed provided that corporate principles and requirements of internal documents regulating these issues are observed.

III The Code implementation methods

1. Tasks of the Audit and Corporate Governance Committee regarding implementation of the Code of Ethics

- In relation to the Code of Ethics, the Audit and Corporate Governance Committee of the Board of Directors of PJSC «EL5-Energo» is responsible for the following tasks:
- examining the periodic reports prepared by the Head of the Internal Audit Department concerning violations of the Code of Ethics;
- examining any amendments or additions to the Code of Ethics to be submitted to the Board of Directors of PJSC «EL5-Energo» for approval.

2. Duties of the Sustainability Unit

In terms of environmental safety, social responsibility and corporate governance responsibilities based on the principles of the Code of Ethics and defined as the Company's commitment to sustainable development, the Sustainability Unit is responsible for the following:

- dissemination of the sustainable development concept inside and outside the Company, strengthening the Company's commitment to the idea of sustainable economic development with a focus on interaction with competent divisions of PJSC «EL5-Energo»;
- communication with analytical and rating agencies on sustainable development issues in order to promote the best practices of PJSC «EL5-Energo» focused on sustainable development and management of ESG aspects (environmental safety, social responsibility and good management practices), thus stimulating the interest of responsible investors in PJSC «EL5-Energo»;
- development of the Sustainability Plan and preparation of the Sustainability Report, as well as relevant periodic reports and analyses;
- engaging stakeholders in an open dialogue on sustainable development issues, defining the Company's sustainable development objectives and preparing the Sustainable Development Report;
- co-operation with PJSC «EL5-Energo» divisions in defining social and environmental responsibility goals, developing relevant projects, as well as jointly drafting a business plan on sustainable development and assessing risks related to ESG aspects management (including climate risks);
- periodically informing the CEO and the Strategy and Sustainable Development Committee of the Board of Directors about critical issues related to ESG aspects and sustainable development.

3. Communications and training

The Code of Ethics is brought to the attention of the internal and external stakeholders through the relevant communication activities (e.g. consignment of a copy of the Code of Ethics to all PJSC «EL5-Energo» people, dedicated sections of the Company's Intranet and its website, inclusion of specific ethical clauses in all contracts, and so forth).

To ensure that all PJSC «EL5-Energo» people have a correct understanding of the Code of Ethics, the People and Organization Department prepares and implements an information and training plan to familiarise employees with ethical principles and standards. Training activities are assigned depending on the functional duties and responsibilities of employees. Employees who are hired undergo mandatory familiarisation and induction training, which covers the provisions of the Code of Ethics that must be strictly observed.

4. Stakeholder reports

PJSC «EL5-Energo» maintains permanent accessible communication channels through which any stakeholder may send a report on a violation of this Code.

Alternatively, any PJSC's «EL5-Energo» stakeholder may report violations or suspected violations of the Code of Ethics to the Internal Audit Department, which analyses the report, contacting the author if necessary, and the person responsible for the alleged violation.

Company personnel who receive a report on violation of the Code of Ethics through unofficial communication channels shall immediately inform the Internal Audit Department of such reports and hand over the original appeal and its accompanying attachments (if any) to the Department's employees.

PJSC «EL5-Energo» takes steps to ensure that informers are not subject to any acts of retaliation, meaning actions that may give rise even to the suspicion of discrimination or penalization.

In addition, confidentiality is guaranteed with regard to the identity of informers, without prejudice to legal obligations.

5. Violations of the Code of Ethics

The Internal Audit Department investigates cases of potential violation of the Code of Ethics identified on the basis of stakeholder reports or as a result of audits. The Audit and Corporate Governance Committee of the Board of Directors of PJSC «EL5-Energo» is informed of the results of the audits and proposed measures, which, in turn, assesses the need to report the most important cases to the Company's Board of Directors.

6. Sustainability report

PJSC «EL5-Energo» is committed to publish annually a Sustainability report to present non-financial indicators disclosing the Company's economic, social and environmental responsibility, guided by the best national and international standards.

The Sustainability report is a balanced, comparable, accurate and understandable statement of the results obtained in all areas of stakeholder relations, in accordance with the principles and commitments set out in the Code of Ethics, and with improvement targets set from time to time. The report pays special attention to extraordinary or exceptional events (such as changes in the Company's area of operations or implementation of new business development projects).

7. External audit

To carry out the procedure of external verification and independent assurance of the Company's Sustainability report, PJSC «EL5-Energo» may engage a special accredited organisation. Also, the Company may participate in national and international activities to finalise standards and criteria in the field of ESG and sustainable development.