

Table of Amendments to the RusHydro’s Articles of Association

No.	Clause in the Articles of Association	Current Wording	Proposed Wording	Substantiation
1	Cl. 4.7 Art. 4	<p>In addition to the placed shares, the Company declares placement of 1,013,796,530 (One billion thirteen million seven hundred ninety-six thousand five hundred thirty) ordinary shares with nominal value of RUB 1 each for a total nominal value of RUB 1,013,796,530 (One billion thirteen million seven hundred ninety-six thousand five hundred thirty).</p> <p>The ordinary shares declared for placement by the Company shall endow their holders with the rights provided for in Clause 6.2 of these Articles of Association.</p>	<p>In addition to the placed shares, the Company declares placement of 50,000,000,000 (Fifty billion) ordinary shares with a nominal value of RUB 1 each, for a total nominal value of RUB 50,000,000,000 (Fifty billion).</p> <p>The ordinary shares declared for placement by the Company shall endow their holders with the rights provided for in Clause 6.2 of these Articles of Association.</p>	<p>The Decree of the President of the Russian Federation dated July 19, 2021 No. 423 and the Directive of the Government of the Russian Federation dated August 7, 2021 No. 2176 specify that the Russian Federation’s contribution to the authorized capital of RusHydro PJSC shall be 100% of the publicly owned shares of Far East Energy Management Company – GeneratsiaSeti Joint Stock Company as payment for additional placement of RusHydro PJSC’s shares.</p> <p>A mandatory requirement for additional issue of shares is that the Articles of Association shall contain provisions regarding authorized capital, whereas additional placement of shares is allowed only within the amount of authorized capital (Cl. 3, Art. 28 of the Federal Law “On Joint Stock Companies”).</p> <p>Whereas the available authorized capital (1,013,796,530 shares) is insufficient for implementation of the above project, it is proposed to increase the authorized capital in the Articles of Association.</p> <p>Provisions of the Articles of Association regarding the authorized capital shall not automatically result in increasing the authorized capital. Such a resolution is specifically adopted by General Shareholders’ Meeting or by Board of Directors depending on share issue parameters.</p> <p>However, fixing the minimum amount of the authorized capital in the Articles of Association for the specific project shall limit the Company’s opportunity to promptly adopt resolutions regarding the increase of the authorized capital for implementing future projects. The Company will need to adopt an additional resolution at the General Meeting of Shareholders regarding the authorized capital, make amendments to the Articles of Association, and only thereafter adopt a resolution to increase the authorized capital.</p> <p>With the purpose of optimizing the number of corporate events, it is proposed to determine the amount of the authorized capital (50</p>

				<p>billion shares), reserved to ensure the opportunity of prompt adopting resolutions to increase the Company's authorized capital for implementing other projects (contribution of assets / budget funds for implementing the Company's investment projects, etc.). For reference (the authorized capital in previous periods): 2007 – 230 billion shares; 2008 – 191 billion shares; 2009 – 35 billion shares; 2010 – 1.8 billion shares; 2011 – 100 billion shares; 2012 – 150 billion shares; 2014 – 54 billion shares; 2017 – 14 billion shares; the current revision – 1 billion shares.</p>
2	Subcl. 44 Cl. 12.1 Art. 12	<p>The following matters shall be reserved to the competence of the Board of Directors:</p> <p>44) Approving the annual reports on corporate social responsibility and sustainable development;</p>	<p>It is proposed to delete Subclause 44 by changing subsequent numbering of Subclauses</p>	<p>Whereas, starting from 2018, the Company has been preparing annual reports in an integrated format (including both a financial report and a sustainable development report), preparation of a separate report in the field of corporate social responsibility shall not be required.</p> <p>In this regard, it is proposed to withdraw this issue from the competence of the Board of Directors.</p>
3	Cl.10.18 Art. 10	No such Clause available	<p>Shareholders may participate in General Meetings of Shareholders remotely using electronic or other technical means, if any methods are used to reliably identify the participating shareholder and to ensure his participation in discussions of the Shareholders General Meeting agenda items and voting on the Shareholders General Meeting agenda items.</p>	<p>Providing an opportunity for shareholders to participate remotely in General Meetings of Shareholders.</p> <p>Federal Law No. 225-FZ dated June 28, 2021 “On Amendments to Part One of the Civil Code of the Russian Federation” amended Clause 1 of Article 181.2 of the Civil Code of the Russian Federation, pursuant to which the Company’s Articles of Association may provide for the opportunity of shareholders’ remote participation in General Shareholders Meetings.</p> <p>It is proposed to provide for this opportunity in the Articles of Association.</p> <p>The specific procedure for holding General Meetings of Shareholders in a remote format shall be determined in the Federal Law “On Joint Stock Companies” (the bill is currently under discussed in the State Duma of the Russian Federation).</p>
4	Cl. 8.4 Art. 8	Cl. 8.4 — no such Clause available	<p>To provide adopting resolutions by the Company Board of Directors regarding the material corporate actions aimed at valuation of the Company’s and third parties’ property, appraisers shall be engaged.</p> <p>The procedure for selecting an appraiser is determined by the Company's internal documents</p>	<p>According to updated recommendations of the Bank of Russia, the company’s internal documents shall define cases and procedure for engaging an appraiser to determine the value of property to be alienated or acquired under a major transaction or related party transaction (the Letter dated December 27, 2021 No.IN-06-28/102 “On disclosing in the annual report of a public joint stock company the report regarding compliance with principles and recommendations of the Corporate Governance Code” (with “Recommendations on Compiling a Report</p>

			regulating the Company's procurement activities.	<p>Regarding Compliance with Principles and Recommendations of the Corporate Governance Code” attached)).</p> <p>In fact, starting from 2013, the Company selects appraisers pursuant to the Board of Directors resolution (Minutes No. 172 dated February 1, 2013) which introduced the Regulations on procuring products for the RusHydro Group’s needs.</p> <p>It is proposed to bring provisions of Articles of Association in accordance with the actual practice of selecting appraisers, as well as to additionally extend the requirement to engage appraisers in all cases of property valuation for the purposes of material corporate actions.</p> <p>These amendments will increase transparency and efficiency of resolutions adopted by the Board of Directors.</p>
5	Subcl. 34 Cl. 12.1 Art. 12	<p>The following matters shall be reserved to the competence of the Board of Directors:</p> <p>34) approving the procedure for selecting appraisers and/or appraiser(s) applicant(s) to determine the cost of buyback and acquisition of the Company’s shares or property to be alienated or acquired under a major transaction or an interested-party transaction, wherever the price of that transaction (associated transactions) amounts to 10% or more of the Company’s assets book value as of the latest reporting date, and in other cases stipulated by the Federal Law “On Joint-Stock Companies”, these Articles of Association, or specific resolutions of the Company Board of Directors;</p>	<p>Due to adding Clause 8.4 to Articles of Association, it is proposed to delete Subclause 34 and change the subsequent numbering of Subclauses</p>	<p>The Board of Directors resolution dated February 01, 2013 determined that selection of appraisers for the purposes of valuating RusHydro PJSC’s shares, property and other assets shall be carried out pursuant to the Regulations of RusHydro PJSC on procuring products for the RusHydro PJSC needs (minutes dated February 01, 2013 No. 172).</p> <p>Now therefore, in fact, starting from 2013, the Company selects appraisers pursuant to internal documents and procurement legislation.</p> <p>It is proposed to bring the Company’s Articles of Association in line with the actual practice of selecting appraisers and eliminate the formal need to determine the procedure for selecting appraisers by the Board of Directors.</p>
6	Subcl. 18.8 Cl. 18	No such Clause available	<p>Supplement Clause 18 of the Articles of Association with Subclause 18.8 as follows:</p> <p>18.8. Members of the Executive Board shall be obliged to refrain from participating in voting regarding the</p>	<p>The Company follows the best practices and standards of corporate governance and ensures that the Articles of Association and internal documents comply with the recommendations of the Bank of Russia.</p>

			transaction approval in the event of a conflict of interest of a member of the Executive Board or other actual interest in respect of such transaction.	Pursuant to updated recommendations of the Bank of Russia, the Company's internal documents shall provide for restriction on the voting of members of the Executive Board having a conflict of interest as a criterion for compliance with the Corporate Governance Code (Letter dated December 27, 2021 N IN-06-28/102 "On disclosing in the annual report of a public joint stock company the report regarding compliance with principles and recommendations of the Corporate Governance Code (with "Recommendations on Compiling a Report Regarding Compliance with Principles and Recommendations of the Corporate Governance Code" attached)). Meanwhile, the Bank of Russia canceled the extended list of grounds where the company's board members are recognized as interested parties in the company's transactions. It is proposed to bring provisions of the Articles of Association in compliance with updated recommendations of the Bank of Russia.
7	Character d) Subcl. 24 Cl. 12.1 Art. 12	The following matters shall be reserved to the competence of the Board of Directors: 24) preliminary approval of resolutions regarding the Company's: d) transactions (other than those falling under exceptions provided for in Clause 2, Article 81 of the Federal Law "On Joint-Stock Companies") where a party or beneficiary is a legal entity where Board of Directors members or Executive Board members hold positions vested with managerial authority (other than positions in management bodies).	The following matters shall be reserved to the competence of the Board of Directors: 24) preliminary approval of resolutions regarding the Company's: d) to be deleted	
8	Subcl. 31 Cl. 12.1 Art. 12	Defining the position of the Company (delegates of the Company), including instructions to participate or not to participate in voting on items on the agenda or to vote for or against or abstain from voting with respect to the following items on the agenda of the management bodies of subsidiaries, unless otherwise determined by specific resolutions of the Board of Directors of the Company: ... g) On consent to or the subsequent approval of major transactions performed by the subsidiary;	Defining the position of the Company (delegates of the Company), including instructions to participate or not to participate in voting on items on the agenda or to vote for or against or abstain from voting with respect to the following items on the agenda of the management bodies of subsidiaries, unless otherwise determined by specific resolutions of the Board of Directors of the Company: ... g) On consent to or the subsequent approval of major transactions performed by the subsidiary, except transactions with companies belonging to the RusHydro Group;	Recently, the Company has developed a stable practice where the Board of Directors does not express its stand regarding major transactions of subsidiaries, if such transactions are intragroup transactions (in order minimize the presentation of technical issues to the Board of Directors). The implementation of this approach was reflected in the absentee resolutions of the Company Board of Directors: regarding intra-group loan agreements (Minutes No. 326 dated April 15, 2021); regarding intragroup lease agreements (Minutes No. 294 dated August 29, 2019). It is proposed to fix in the Articles of Association the actually established instruments for making intra-group transactions. Example: As part of implementing the RusHydro Group consolidated investment program, it is commonly accepted that construction of

		<p>h) On the execution by the subsidiary of transactions (including several associated transactions) that involve the alienation or potential alienation of the property of the subsidiary, comprising fixed assets, intangible assets, and construction in progress designated for the production, transfer, dispatching, and distribution of electricity and heat, except for cases defined by specific resolutions of the Company's Board of Directors;</p> <p>i) On the performance of transactions by the subsidiary for the disposal, pledge, or other encumbrance (by making one or more related transactions) of shares and stakes in secondary subsidiaries producing, transferring, dispatching, distributing, and selling electric power and heat;</p>	<p>h) On the execution by the subsidiary of transactions (including several associated transactions) that involve the alienation or potential alienation of the property of the subsidiary, comprising fixed assets, intangible assets, and construction in progress designated for the production, transfer, dispatching, and distribution of electricity and heat, except transactions with companies belonging to RusHydro Group, and individual cases covered by specific resolutions of the Company's Board of Directors;</p> <p>i) On the performance of transactions by the subsidiary for the disposal, pledge, or other encumbrance (by making one or more related transactions) of shares and stakes in secondary subsidiaries producing, transferring, dispatching, distributing, and selling electric power and heat, except transactions with companies belonging to the RusHydro Group;</p>	<p>facilities are accounted on the balance sheet of a separate subsidiary — the customer-developer.</p> <p>Thus, a significant number of intra-group transactions is predetermined:</p> <ul style="list-style-type: none"> • Transactions of construction funding come first (through lending or through capital); • Next are transactions of ensuring operation schemes: temporary scheme (lease to the operating company), and permanent scheme thereafter (sale to the operating company). <p>All of these transactions are of a purely technical and intragroup nature.</p> <p>For example, in 2021 alone, the following transactions regarding intragroup structuring of assets were performed: purchase and sale of Nizhne-Bureiskaya HPP, Verkhnebalkarskaya SHPP, Barsuchkovskaya SHPP, Ust-Dzhegutinskaya SHPP, SHPP on the river. B. Zelenchuk, SPD (scheme of power distribution) and SHD (scheme of heat distribution) of CHPP in the city of Sovetskaya Gavan, SPD, motor roads and water supply facilities of Sakhalinskaya PP-2, peak-load boiler of Yakutskaya PP-2, SPP of Batagay settlement, Amur high-voltage line Chita-Khabarovsk, etc.</p> <p>Since key parameters of investment projects are stipulated in the investment program approved by the Company Board of Directors, additional Board of Directors' approval of certain transactions between the Group companies to be performed pursuant to the approved investment program, seems to be meaningless.</p> <p>It is proposed to relieve the Board of Directors from approving technical intra-group transactions.</p>
9	Cl. 15.5 Art. 15	No such paragraphs available	<p>Supplement the Clause with the following paragraphs</p> <p>In the event that the number of directors that are not interested in the transaction and that meet requirements established by Clause 3, Article 83 of the Federal Law "On Joint Stock Companies", do not constitute a quorum specified by this Articles of Association for holding the Board of Directors meeting, the price (monetary value) of the property shall be determined by the</p>	<p>Since RusHydro PJSC is the managing company of RAO ES of the East JSC, all members of the RusHydro PJSC Board of Directors shall be interested parties in any transaction between the Company and RAO ES of the East JSC, and therefore such transactions shall be subject to approval by Shareholders General Meeting.</p> <p>The mandatory requirement for making such a transaction shall be the unanimous resolution of all Board Members (Cl. 1 Art. 77 of the Federal Law "On Joint Stock Companies").</p> <p>Whereas situations may arise when unanimous resolution of all Board Members will be impossible (for example, due to vacation or illness of the Board Member, or otherwise), it is proposed to</p>

			<p>Board of Directors' unanimous resolution, while votes of retired Board of Directors members shall not be taken into account.</p> <p>If Board of Directors members fail to adopt unanimous resolution regarding the price (monetary value) of the property, the price (monetary value) of the property is subject to determination by the General Meeting of Shareholders resolution to be adopted in the manner prescribed by Clause 4, Article 83 of the Federal Law "On Joint Stock Companies".</p>	<p>provide in the Company's Articles of Association the opportunity of determining the price of the transaction at the General Meeting of Shareholders, if unanimous resolution of the Board of Directors on this issue is not adopted.</p> <p>This opportunity of amending the Articles of Association is provided for in Par. 5 Cl. 1 Art. 77 of the Federal Law "On Joint Stock Companies".</p>
Revising and technical amendments				
10	Cl. 8.1 Art. 8	Issues stipulated by Subclauses 2, 5, 6 and 20 of Clause 10.2 and Subclauses 30, 36 and 37 of Clause 12.1 of these Articles of Association, as well as transactions specified in Clause 8.2 of these Articles of Association, shall be material corporate actions of the Company.	Issues stipulated by Subclauses 2, 5, 6 and 20 of Clause 10.2 and Subclauses 30, 35 and 36 of Clause 12.1 of these Articles of Association, as well as transactions specified in Clause 8.2 of these Articles of Association, shall be material corporate actions of the Company.	Revision in connection with deleting from the Articles of Association of Subclause 34 of Clause 12.1 of Article 12 of the Articles of Association and renumbering of subclauses of clause 12.1. of Articles of Association.
11	Par. 1 Cl. 15.6.	The Board of Directors resolutions regarding issues provided for by Subclauses 1, 6, 16, 17, 17.1, 17.2, 19, 23, 24, 25, 30, 31, 37 of Clause 12.1 of these Articles of Association, as well as regarding the following issues:	The Board of Directors resolutions regarding issues provided for by Subclauses 1, 6, 16, 17, 17.1, 17.2, 19, 23, 24, 25, 30, 31, 36 of Clause 12.1 of these Articles of Association, as well as regarding the following issues:	Revision in connection with deleting from the Articles of Association of Subclause 34 of Clause 12.1 of Article 12 of the Articles of Association and renumbering of subclauses of clause 12.1. of Articles of Association.