

Approved by the resolution of the  
general meeting of the members of  
LLC “EL 6”

dated December 7, 2022

(minutes of the extraordinary  
general meeting of members of LLC  
“EL 6” dated December 7, 2022)

# **Corporate Governance Code of Limited Liability Company “EL 6”**

**Moscow, 2022**

## **1. General provisions**

1.1. This Corporate Governance Code of Limited Liability Company “EL 6” (hereinafter, the “Code”) has been developed in accordance with the applicable law of the Russian Federation, generally accepted principles of corporate governance and the operational environment of Limited Liability Company “EL 6” (hereinafter, the “Company”).

1.2. Corporate governance shall cover the system of relations between the executive body of the Company, its Board of Directors, and its members. Corporate governance shall be a tool for determining the goals of the Company and means of achieving these goals as well as ensuring effective control over the activities of the Company by its members.

1.3. The main goals of corporate governance shall be the creation of an effective system to ensure the safety of funds provided by the members and efficient use thereof as well as reducing risks they need to manage which by the members in the long term inevitably entails a decrease in the investment attractiveness of the Company and the value of its stakes that make up the authorized capital.

1.4. As the corporate governance practice develops, the Company shall strive to develop generally accepted principles of corporate governance and provisions recommended by the Corporate Governance Code approved by the Board of Directors of the Bank of Russia on March 21, 2014, in relations arising in connection with the management of the Company.

## **2. Basic principles of corporate governance**

2.1. The Company undertakes to develop corporate relations in accordance with the principles that ensure:

- equality of conditions for all members and equal treatment of them by the Company, including an equal and fair opportunity to distribute the profits of the Company;
- formation of an effective and professional Board of Directors that is:
  - accountable to the members of the Company,
  - performing strategic management of the Company and entities controlled by the Company (hereinafter, the “Business Companies”),
  - determining the basic principles and approaches to the organization of the risk management and internal control system in the Company, and
  - implementing other key functions,
  - acting in the interests of the Company in good faith and reasonably, making decisions that meet the interests of the Company and its members,
  - comprised of a sufficient number of independent directors.
- the creation of an efficiently functioning risk management and internal control system aimed at ensuring reasonable confidence in the achievement of the goals set for the Company.
- information transparency of the Company’s activities for the members, potential investors, and other stakeholders.

### **3. General meeting of the members**

3.1. The Company shall create the most favorable opportunities for members to participate in the general meeting, the conditions for developing a reasoned position on the agenda of the general meeting as well as the opportunity to express their opinion on the issues under consideration.

3.2. The procedure for announcing the general meeting and providing materials for the general meeting shall enable the members to properly prepare for participation in it.

3.3. The notice of the general meeting shall contain all the information necessary for the members to make a decision on participation in the general meeting and the method of such participation.

3.4. During the preparation for and holding of the general meeting, the members shall have the opportunity to freely and timely receive information about the meeting and materials to it, and the Company shall create the necessary organizational and technical conditions that enable the members to ask questions to members of the executive bodies and the Board of Directors of the Company.

3.5. The exercise of the right of a member to demand the convening of a general meeting, nominate candidates to the bodies of the Company, and make proposals to the agenda of the general meeting shall not be associated with unjustified difficulties.

3.6. The resolutions of the general meeting shall be available to all the members.

3.7. The general meeting shall be held in such a way as to enable the members to adopt informed and reasoned resolutions on all issues on the agenda for which, during the general meetings, sufficient time for reports on the agenda items as well as time for discussion of these items shall be provided.

3.8. The members shall be provided with an equal and fair opportunity to receive profit from the activities of the Company.

3.9. The actions of the members carried out with the intention of causing harm to other members or the Company or any other abuse of the rights of the members, shall be prohibited.

### **4. Board of Directors**

4.1. One of the most important functions of the Board of Directors shall be to form effective executive bodies and ensure effective control over their activities. The Board of Directors shall be responsible for making timely and reasonable personnel decisions in relation to the executive body and other key positions.

4.2. The Board of Directors shall discuss, evaluate and approve the strategy, shall ensure that the process of developing the strategy of the Company and the Business Companies is supported by appropriate resources, and shall regularly monitor the implementation of the strategy and business plans of the Company by the executive bodies of the Company, paying special attention to the extent to which the results achieved correspond to those established in the strategy of the Company and the Business Companies.

4.3. The Board of Directors shall participate in the discussion of all significant changes to the previously approved goals, strategies, or business plans of the Company and the Business Companies at the earliest stage.

4.4. One of the main forms of implementation of the function of determining the strategy of the Company and Business Companies shall be the annual approval by the Board of Directors of the business plan of the Company and

the Business Companies developed and presented by the executive body of the Company.

4.5. The Board of Directors shall determine the principles and approaches to the organization of the risk management and internal control system in the Company. The Board of Directors shall evaluate both financial and non-financial risks to which the Company is exposed.

4.6. The Board of Directors shall monitor the corporate governance practice, which involves regular analysis of the compliance of the corporate governance system and corporate values in the Company with the goals and objectives of the Company, as well as the scale of its activities and the risks assumed, and also play a key role in significant corporate events of the Company.

4.7. A member of the Board of Directors shall be a person who has the knowledge, skills, and experience necessary to make decisions related to the competence of the Board of Directors and is required to effectively perform their functions.

4.8. The composition of the Board of Directors shall be balanced, including the qualifications of its members, their experience, knowledge, and business qualities, and shall earn the trust of the members. The quantitative composition of the Board of Directors of the Company shall make it possible to organize the activities of the Board of Directors in the most efficient way, including the possibility of forming committees of the Board of Directors.

4.9. The Board of Directors shall include a sufficient number of independent directors. Independent Directors shall make a significant contribution to the discussion and decision-making, primarily on such issues as the design of the Company's development strategy and assessment of the Company's compliance with its development strategy, prevention of corporate conflicts, assessment of the quality of the work of executive bodies, assessment of the Company's activities for compliance with the interests of all of the members, reorganization and increase of the authorized capital of the Company, introduction of significant changes to the Articles of Association of the Company affecting the rights of the members as well as on other important issues solving of which may affect the interests of the members.

4.10. The members of the Board of Directors shall act reasonably and in good faith, and perform their duties with due diligence and prudence in the interests of the Company and its members in order to achieve sustainable and successful development of the Company.

4.11. The Board of Directors shall make decisions in compliance with the adopted environmental and social standards.

4.12. The Company may insure the liability of the members of the Board of Directors at its own expense, so that in the event of damage to the Company or third parties by the actions of the members of the Board of Directors, these losses can be reimbursed.

4.13. The obligation to act reasonably and in good faith in the interests of the Company is also imposed on the executive body of the Company by the law. In this regard, the provisions regarding reasonable and good faith actions of the members of the Board of Directors as well as insurance of liability of members of the Board of Directors shall apply to the executive body of the Company.

4.14. The rights and obligations of the members of the Board of Directors shall be clearly formulated and fixed in the internal documents of the Company.

4.15. All members of the Board of Directors shall have an equal opportunity to access the documents and information of the Company.

4.16. A prerequisite for the effective implementation of the functions of the Board of Directors shall be the establishment of committees of the Board of Directors. The committees of the Board of Directors shall be intended for preliminary consideration of the most important issues and preparation of recommendations to the Board of Directors for decision-making on issues within its competence.

4.17. The work of the strategy committee shall contribute to the improvement of the Company's efficiency in the long term.

4.18. For the preliminary consideration of issues related to the control over financial and economic activities, the Audit Committee has been established in the Company. The Audit Committee, if necessary, may invite to its meetings any officials of the Company, the head of the internal audit unit, and representatives of the external auditors of the Company.

4.19. For preliminary consideration of issues related to the formation of an effective and transparent remuneration practice, with the implementation of personnel planning, the Personnel and Remuneration Committee has been established in the Company.

4.20. The Committees, if necessary, may invite any officials of the Company to their meetings as well as on a permanent or temporary basis to involve independent consultants (experts) in the work of the audit committee to prepare materials and recommendations on the agenda items.

4.21. The Committees shall submit annual reports on their work to the Board of Directors.

## **5. Risk management and internal control system**

5.1. The Company shall strive to maintain an efficiently functioning risk management and internal control system aimed at ensuring reasonable confidence in the achievement of the goals set for the Company.

5.2. The Board of Directors of the Company determined the principles and approaches to the organization of the risk management and internal control system in the Company.

5.3. When creating a risk management and internal control system, generally accepted concepts and practices in risk management and internal control shall be applied.

5.4. The organization of the risk management and internal control system shall be formalized in the internal documents of the Company by defining the role and tasks of the Board of Directors, executive bodies, the Internal Audit Department, and other divisions of the Company as well as the procedure for their interaction.

5.5. The executive body of the Company shall ensure maintaining an effective risk management and internal control system in the Company.

5.6. For a systematic independent assessment of the reliability and efficiency of the risk management and internal control system, the Company shall organize an internal audit. For these purposes, a separate structural unit has been created — the Internal Audit Department.

5.7. When organizing an internal audit, it is recommended to apply generally accepted standards of activities in internal audit.

## **6. Information transparency**

6.1. The Company and its activities shall be transparent to its members.

6.2. An important part of the information policy of the Company shall be the interaction of the Company with members, potential investors, consumers, and other interested parties.

6.3. The Company's website on the Internet shall be the main source of information disclosure by the Company; therefore, it shall contain information sufficient to form an objective idea about the material aspects of the Company.

6.4. The Company shall disclose information to its members and the Board of Directors both about itself and the Business Companies. In particular, an important aspect of disclosure within the group shall be informed about the role performed by each of the Business Companies, the key activities of the Business Companies, the functional relations between the Business Companies, and the mechanisms that ensure accountability and controllability within the group.

6.5. The annual report, being one of the most important tools of information exchange with the members, shall contain information making it possible to assess the results of the Company's activities for the year.

6.5. Information and documents shall be provided by the Company at the request of the members in accordance with the principles of equal and unhindered access. Exercise of the right to access the documents and information of the Company by the members shall not be associated with unjustified difficulties.

6.6. The Company shall provide information and documents to its members in a manner and form convenient for the members, including using electronic media and modern means of communication (taking into account the wishes of those who sent the request for the provision of documents and information as to the form of provision thereof, confirmation of the correctness of copies of the documents and the method of delivery thereof).