

Approved by
the Board of Directors of OJSC TGC-9
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OJSC Territorial Generating Company No 9
CORPORATE GOVERNANCE
CODE

2006

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1. Introduction

This Corporate Governance Code (hereinafter referred to as the Code) has been developed for the purpose of enhancing and systematizing the corporate governance system of Open Joint-Stock Company *Territorial Generating Company No 9* (hereinafter referred to as the Company), ensuring a higher level of transparency of the Company's governance and confirming that the Company steadily pursues the course of abiding by due corporate governance standards. In particular:

- The Company is to be governed based on a high level of responsibility and accountability; the governance system is to be aimed at maximizing the shareholder value;
- The Company's Board of Directors and executive bodies are to operate efficiently, in the interests of the Company and its shareholders (including minority ones), creating favorable conditions ensuring stable growth of the shareholder value;
- The governance system is to ensure due disclosure of information, transparency and efficient operation of risks management and internal control systems.

By following, regularly enhancing and strictly abiding by the provisions of this Code, the Company's Articles of Association and other internal documents, the Company confirms its intention to advance the development and improvement of the due corporate governance practice.

To strengthen confidence on the part of shareholders, employees, investors and general public, while developing this Code the Company did not limit itself to Russian legislative norms and included additional provisions based on generally recognized Russian and international¹ corporate governance standards.

The Company assumes the obligations stipulated by this Code and undertakes to adhere to the regulations and principles set forth hereunder.

2. Information about the Company

Open Joint-Stock Company *Territorial Generating Company No 9* (OJSC *TGC-9*) was created on December 9, 2004, in the course of the restructuring of the power sector; the Company combines generating capacities of the Sverdlovsk and Perm Regions, Republic of Komi.

The Company is an energy company whose shareholders comprise both Russian and foreign legal entities and individuals.

The Company plays an exceptional role in the Russian economy. Operations of the Company and its affiliated and dependent companies maintain life activities of the population and ensure the development of all industries of the Russian economy.

In its business, the Company bears responsibility to its shareholders and the state, the Company's employees, suppliers, consumers and society as a whole.

Being aware of this high level of responsibility and realizing that a high level of corporate governance is vitally important for the successful operation of the Company and for reaching mutual understanding among all parties interested in the Company's activity, the Company undertakes to be guided in its activity by the principles stipulated by this Code and to make all reasonable efforts to ensure that said principles are abided by the Company in its day-to-day operations.

3. PRINCIPLES AND STRUCTURE OF THE COMPANY'S CORPORATE GOVERNANCE

¹ Corporate Governance Principles of the OECD (Organization for Economic Cooperation and Development).

3.1. Definition and principles

Corporate governance of the Company is understood to be a complex of processes that ensure governance and control over the Company's business and involve relations among shareholders, the Board of Directors and executive bodies of the Company for the shareholders' benefit. Corporate governance is regarded by the Company as an instrument to be used to increase efficiency of the Company's operations, improve the Company's reputation and reduce costs related to fundraising.

This Code under which the Company's corporate governance is maintained is based on the Russian law, Corporate Conduct Code recommended to be followed by the Federal Commission for Securities and Exchanges as per Directive No. 421/r of 04.04.2002 (hereinafter referred to as the Code of the Federal Commission for Securities and Exchanges) and world-wide recognized corporate governance principles such as the Corporate Governance Principles of OECD (Organization for Economic Cooperation and Development).

The Company's corporate governance is based on the following principles:

- **Accountability.** The Code stipulates the accountability of the Company's Board of Directors to all shareholders in accordance with the existing law; the Board of Directors is to be guided by the Code when developing its strategy, managing and supervising the Company's executive bodies.
- **Fairness.** The Company undertakes to protect the rights of its shareholders and ensure a fair approach to all its shareholders. The Board of Directors guarantees to provide the Company's shareholders with efficient protection if shareholders' rights are infringed.
- **Transparency.** The Company ensures timely disclosure of reliable information regarding any and all essential facts related to the Company's business, including the Company's financial status, social and environmental indicators, results of the Company's activity, the structure of the Company's ownership and governance; the Company allows free access to said information for any party concerned.
- **Responsibility.** The Company acknowledges the rights of all stakeholders, stipulated by the existing law, and aims at cooperation with stakeholders to develop and ensure financial stability.

3.2. Internal documents

This Code is a compilation of principles. Particular structures, procedures and corporate governance practices are stipulated by the Company's Articles of Association and internal documents, including:

- Regulation on the procedure for preparing and holding General Meetings of shareholders of OJSC *TGC-9*;
- Regulation on the procedure for convening and holding meetings of the Board of Directors of OJSC *TGC-9*;
- Regulation on the Management Board of OJSC *TGC-9*;
- Regulation on the Audit Commission of OJSC *TGC-9*.

The Company's internal documents listed above have been developed in accordance with the law and based on the general provisions of the Corporate Conduct Code recommended by the Federal Commission for Securities and Exchanges (Directive No. 421/r of 04.04.2002). These documents are available for study on the Company's website at: <http://www.tgk-9.ru>

3.3. General corporate governance structure

The system of the Company's management bodies comprises:

- General Meeting of shareholders is the supreme management body of the Company through which shareholders exercise their right to participate in the Company's management process;
- Board of Directors is a management body responsible for developing the Company's strategy, ensuring general governance and control over the activities of the Company's executive bodies. The Company's Board of Directors is entitled to set up committees under the Board of Directors;
- Committees under the Board of Directors (Committee for the Strategy, Development, Investments and Restructuring under the Board of Directors of Open Joint-Stock Company *Territorial Generating Company No 9*, Committee for the Budget and Finances under the Board of Directors of Open Joint-Stock Company *Territorial Generating Company No 9*, Committee for the Governance System Optimization, Human Resources and Remunerations under the Board of Directors of Open Joint-Stock Company *Territorial Generating Company No 9*, Committee for the Reliability of the Board of Directors of OJSC *TGC-9*) are consulting and advisory bodies of the Company's Board of Directors created for preliminary consideration of top-priority issues included in the competence of the Board of Directors;
- Management Board and General Director are management bodies supervising the current operations of the Company and implementing the strategy developed by the Company's Board of Directors and shareholders;
- Audit Commission: is the body controlling financial and economic operations of the Company; the audit commission is accountable directly to the General Meeting of the Company's shareholders.

4. CORPORATE GOVERNANCE PRACTICE IMPLEMENTED IN THE COMPANY

The Company believes that a professional Board of Directors is important for ensuring efficient corporate governance. The Board of Directors can influence the results of the Company's operations by providing general strategic management and controlling the activities of executive bodies for the benefit of the Company and its shareholders. The Company's executive bodies responsible for managing the current operations of the Company also perform an important function in the governance process. Effective interaction between the Board of Directors and executive bodies and a clear separation of their powers is a key factor ensuring due corporate governance practice.

4.1. Board of Directors.

4.1.1. Election, term of office and termination of powers of members of the Board of Directors. Members of the Board of Directors are elected for a term until the next annual general meeting of shareholders. The Company's Board of Directors is elected by cumulative voting.

The Company does not believe that restrictions as to how many times members of the Board of Directors can be re-elected are in the interests of the Company or its shareholders. Members of the Board of Directors with deep knowledge of the Company's business are important for ensuring efficient management.

Powers of the Board of Directors are stipulated by the Company's Articles of Association in accordance with the existing law and based on the recommendations set forth in the Code of the Federal Commission for Securities and Exchanges.

The quantitative structure of the Board of Directors is stipulated by the Company's Articles of Association.

The General Meeting of shareholders may only terminate the powers of the entire Board of Directors.

4.1.2. Independence. It is prohibited by the law to simultaneously perform functions of the sole executive body and the Chairperson of the Board of Directors. The Company believes that the Board

of Directors must be headed by a Director² who does not act, at the same time, as the sole executive body and (or) a member of the collegial executive body of the Company: this will enable the Board of Directors to perform its functions more efficiently.

The structure of the Board of Directors is to ensure the proper fulfillment of obligations related to supervision, developing the strategy and key areas of the Company's development.

The Board of Directors shall comprise not more than 25% of executive directors employed with the Company.

To ensure the objectivity of decisions taken and preserve the balance of interests of various groups of shareholders, the Company intends to have at least 3 (three) independent directors in its Board of Directors. For the purposes of this Code, independent directors complying with independence principles shall be persons that:

- at the time of election and within 3 years preceding the election, are not and have not been the Company's executive officers or employees;
- are not executive officers of another company in which any of the Company's executive officers can be a member of the HR and Remuneration Committee of the Board of Directors;
- are not spouses, parents, children, brothers and sisters of the Company's executive officers;
- are not affiliated persons of the Company, except for members of the Company's Board of Directors;
- do not act as parties under obligations with the issuer under which they can acquire property (receive monetary funds) at a value of 10 and more percent of the total annual income of said persons, except for remunerations for the participation in the work of the Company's Board of Directors;
- do not represent the state and/or local government authorities, i.e. that are not persons obligated to vote based on written directives (instructions, etc.) of authorized federal bodies, state bodies of constituent entities of the Russian Federation or local government bodies.

4.1.3. Structure of the Board of Directors and its committees.

The Company has the following committees at the Board of Directors:

- Committee for Strategy, Development, Investments and Restructuring;
- Committee for Budget and Finances;
- Committee for the Governance System Optimization, Human Resources and Remunerations;
- Reliability Committee.

Activities of all the committees are regulated by the local regulatory documents of the Company:

- Regulation on the Committee for Strategy, Development, Investments and Restructuring,
- Regulation on the Committee for Budget and Finances,
- Regulation on the Committee for the Governance System Optimization, Human Resources and Remunerations,
- Regulation on the Reliability Committee,

which stipulate the structure, competence, operational procedures of the committees as well as rights and obligations of their members.

The Committees of the Board of Directors are set up for the preliminary consideration of top-priority issues included in the competence of the Board of Directors.

²Hereinafter referred to as a member of the Company's Board of Directors.

4.1.4. Operational procedure. The Board of Directors has its meetings according to the schedule determined at the beginning of its term of office, which ensures proper fulfillment of its obligations by the Board of Directors. Meetings of the Board of Directors are to be held at least once in a quarter. If necessary, the Board of Directors can have extraordinary meetings.

The operational procedure of the Board of Directors is stipulated by the Regulation on the procedure for convening and holding meetings of the Board of Directors. The Company's corporate secretary is to ensure that all directors are timely provided with full but brief information and notifications of a meeting of the Board of Directors; said information and notifications are to be provided within at least 11 (eleven) business days before the given meeting.

The Board of Directors is to keep Minutes of its meetings. Minutes are signed by the Chairperson of the Company's Board of Directors and the Company's corporate secretary.

4.1.5. Remuneration. Remunerations due to members of the Board of Directors are set based on the market conditions and are determined in such a manner as to attract highly-qualified specialists and motivate them to participate fairly and efficiently in the Company's operations.

The Company shall publicize information about remunerations of members of the Board of Directors.

The Company does not issue loans to members of the Board of Directors³.

4.1.6. Obligations of members of the Board of Directors. Members of the Board of Directors act in good faith and with due attention for the benefit of the Company and all its shareholders. Each Director shall try to participate in all meetings of the Board of Directors.

Members of the Board of Directors are aware of their responsibility to shareholders and see their main objective in fulfilling, in a fair and competent manner, their obligations to manage the Company, maintain and increase the value of the Company's shares, enable shareholders to exercise their rights and ensure their protection.

Members of the Board of Directors are to maintain an on-going dialogue with shareholders.

Members of the Board of Directors ensure the elaboration and implementation of the Company's development strategy.

The Board of Directors shall create and maintain mechanisms required for controlling activities of the Company's Management Board, including monitoring of said activities and evaluation of their results.

The Board of Directors shall create a system of clear and transparent criteria and procedures for appointing and replacing members of the Company's Management Board, including an efficient system for determining remunerations due to members of the Management Board.

Members of the Board of Directors shall not disclose or use confidential information about the Company in their personal interests.

Members of the Board of Directors are to refrain from actions that may result in conflicts between their own interests and interests of the Company. In case of a conflict of interests any member of the Board of Directors is to inform the other members of the Board and to refrain from voting on issues related to said conflict.

4.2. Management Board and General Director

³ Except for cases when a member of the Board of Directors acts simultaneously as the sole executive body or is a members of the collegial executive body.

3.2.1. The Company is aware that the current operations of the Company are to be managed by the sole executive body represented by the General Director. The Company is also aware that the management process involves solving complex issues that require a collective, and not an individual, approach. With this in view, the Company shall set up the Management Board headed by the General Director – the Chairperson of the Company’s Management Board.

4.2.1. Powers. The General Director and the Management Board manage the current operations of the Company to achieve the Company’s objectives and implement the Company’s strategy.

4.2.2. Quantitative structure. The General Director shall give recommendations as regards the quantitative structure of the Management Board, which is determined by the Company’s Board of Directors.

4.2.3. Election, term of office and termination of the powers of the General Director and the Management Board. The General Director is elected by the Company’s Board of Directors, by a majority of votes of its members. The General Director, in his/her turn, may propose candidates to be elected to the Management Board for approval of the Board of Directors.

The Board of Directors may at any time terminate powers of members of the Management Board and of the Company’s General Director.

4.2.4. Structure of the Management Board. The Management Board comprising competent and experienced officers ensures efficient management of the current operations of the Company. Every member of the Management Board, including its Chairperson, has sufficient experience, knowledge and qualification required for due performance of his/her functions.

4.2.5. Operational procedure of the Management Board. The Management Board holds regular meetings; members of the Management Board are provided in advance with information related to the issues on the agenda. The operational procedure of the Management Board is stipulated by the Regulation on the Company’s Management Board.

4.2.6. Remuneration and performance evaluation. The system of remuneration for the General Director and members of the Management Board is determined by the Board of Directors. Remuneration comprises a permanent component and a variable component. The variable component depends on the performance indicators (hereinafter referred to as indicators) used for evaluating the work of executive bodies; it is connected with personal contributions made for maintaining a long-term development of the Company for the benefit of its shareholders.

Indicators are understood to be a system of financial and non-financial indicators influencing, in quantitative and qualitative terms, the results of the Company’s activity with respect to the Company’s strategic goal.

When determining indicators for executive bodies, the Company’s Board of Directors focuses on a limited number of the most essential, “key” performance indicators, excluding minor ones. The number of indicators is limited (to make them practicable to achieve and ensure the quality of monitoring).

The system of indicators is created to present the Company’s strategy as a set of indicators reflecting the Company’s performance, determining the main parameters of the measurement and governance system. This set of performance indicators serves as the basis for the Company’s strategy and includes quantitative indicators for informing executive bodies about the key factors of success at present and in future. When developing its strategy, the Company sets a particular goal and creates conditions for its accomplishment.

4.2.7. Obligations of executive bodies. The General Director and members of the Management Board act in good faith and with due attention in the interests of the Company and all its shareholders.

The General Director and members of the Management Board shall refrain from actions that may result in a conflict between their interests and the interests of the Company. In case of a conflict of interests the General Director and members of the Management Board are to inform the Board of Directors about said conflict and are to refrain from discussing and voting on issues related to said conflict.

The Company is aware that experience, public relations, knowledge and qualification of members of the Management Board, including knowledge and experience obtained during their work in the Company, allow them to conduct business (both private and collective – by owning stakes, shares) that is not connected with the Company's interests.

At the same time, members of the Management Board guarantee that said business:

- will not hinder them in any manner from performing their functions of members of the Management Board;
- will not be connected with the use of material and intellectual resources of the Company;
- will not cause material damage to the Company;
- will not damage the Company's business reputation;
- will not create competition for the Company.

In case of failure to meet at least one of the conditions listed above, or in case of circumstances preconditioning said failure, the member of the Management Board undertakes to cease any business connected with said failure.

To prevent possible adverse consequences for the Company, members of the Management Board are to disclose information about any business conducted by them, not connected with the Company's interests, according to the procedure stipulated by the Company's internal regulatory documents.

4.3. Interaction between the Board of Directors and executive bodies.

Efficient corporate governance requires an open transparent dialogue between the Company's Board of Directors and the Company's executive bodies. The Company's Management Board is accountable to the Board of Directors and to the General Meeting of the Company's shareholders.

5. THE COMPANY'S SHAREHOLDERS

5.1. Shareholders' rights and their protection

The Company's shareholders possess an entirety of rights with respect to the Company; observance and protection of shareholders' rights are to be guaranteed by the Company's Board of Directors and the Management Board.

The register of the Company's shareholders is kept by an independent registrar possessing all required technical facilities and a spotless reputation enabling the Company to ensure reliable and effective registration of ownership to the Company's shares and other securities.

Shareholders are entitled to be regularly and timely provided with information about the Company's business to the extent and according to the procedure compliant with legislative requirements.

To ensure due observance and protection of the given right the Company undertakes to meet information disclosure requirements stipulated by the law.

On a quarterly basis, the Company discloses its financial statements according to Russian legislative requirements and the International Financial Reporting Standards (IFRS).

All information subject to disclosure is published on the Company's Internet site.

Shareholders owning voting shares are entitled to participate in the General Meeting of shareholders with the right to vote on all issues included in its competence.

To ensure due observance and protection of the given right the Company undertakes to hold the General Meeting of shareholders to minimize material and time expenses for shareholders participating in said meeting and to ensure that all shareholders are treated equally.

The Company undertakes to provide its shareholders with materials related to the issues included in the agenda of the General Meeting of shareholders to the extent and within the deadlines so as to enable shareholders to make reasonable decisions.

In cases stipulated by the law and by the Company's Articles of Association the Board of Directors shall prepare objective and reasonable recommendations for shareholders.

All information related to the General Meeting of shareholders is to be published on the Company's website.

Shareholders are entitled to receive part of the Company's net profit as dividends.

To ensure due observance and protection of the given right the Company undertakes to pay declared dividends within the deadlines determined by the General Meeting of shareholders.

Shareholders' rights are stipulated by the Company's Articles of Association and internal documents.

5.2. General meeting of shareholders

The Company has adopted the Regulation on the procedure for preparing and conducting the General Meeting of shareholders, which describes in detail the procedure for the preparation, conducting of and decision-making at the General Meeting of shareholders.

5.2.1. Preparation for the meeting. Every shareholder is entitled to participate in the General Meeting of shareholders, vote on the issues on the agenda, be notified in advance of the Meeting and its agenda and be provided with reliable, objective and timely information required to make decisions on the issues on the agenda. It is the Company's executive bodies that are responsible for the preparatory stage.

There is a fair and efficient procedure used in the Company for proposing issues to be included in the agenda of the General Meeting of shareholders, including issues related to nominating candidates to be elected to the Board of Directors. After the agenda of the General Meeting is approved by the Board of Directors it cannot be amended.

5.2.2. Conducting the meeting. The Company takes all necessary measures to ensure the participation of its shareholders in the General Meeting and the voting on the issues on the agenda.

The place of conducting the General Meeting of shareholders is to be accessible for all shareholders. The registration procedure shall be convenient for participants and allows a quick and free access to the place of the meeting.

If applicable, the Company shall ensure that the General Meeting of shareholders is attended by members of the Board of Directors, executive bodies, the Company's Audit Commission and the Auditor and authorizes them to answer shareholders' questions. Shareholders are entitled to speak on the issues on the agenda, make proposals and ask questions. The Chairperson of the general meeting of shareholders ensures efficient organization of the meeting.

Voting is conducted by voting ballots.

The procedure for counting votes at the General Meeting of shareholders shall exclude any possibility of manipulating voting results. The functions of the counting commission are performed by the Company's independent registrar.

5.2.3. Results of the Meeting. Voting results and other necessary materials are provided to shareholders on the day of the General Meeting or immediately afterwards; said results and materials are also published in due time on the Company's website and in mass media.

5.3. Dividend policy

The dividend policy of the Company stipulates:

- creation of a transparent and clear mechanism for determining the size of dividends;
- a dividend payment procedure convenient for shareholders;
- measures preventing partial or late payment of declared dividends.

6. DISCLOSURE OF INFORMATION AND TRANSPARENCY

6.1. Information disclosure policy and practice

The main purpose of the Policy on Disclosing Information about the Company, used in the Company, is to ensure a maximum level of trust on the part of shareholders, potential investors, counterparties and other concerned persons to the Company; the Company implements this Policy by providing said parties with information about the Company, its business and securities to the extent enabling said parties to make reasoned decisions with respect to the Company and its securities.

When disclosing information about itself, the Company does not limit itself to the information subject to disclosure in accordance with the Russian legislation; the Company additionally discloses other information that ensures a high level of the Company's transparency and allows the attainment of the purposes of the Information Disclosure Policy implemented by the Company.

Information to be disclosed by the Company, the procedure and the deadlines for said disclosure are stipulated by the Regulation on the Information Policy of OJSC *TGC-9*, approved by the Company's Board of Directors.

When disclosing information, the Company is guided by the following principles:

Completeness and reliability of information subject to disclosure: based on this principle, the Company provides all interested parties with information that corresponds to the real state of affairs, without hiding negative information about the Company, to the extent allowing interested parties to form a most objective opinion on the Company and results of its activity;

- **Information availability:** based on this principle, the Company discloses information about its activity with the use of communication channels which enable free access to such information for shareholders, creditors, potential investors and other interested parties;

- **Information balance:** this principle implies that the information policy of the Company is based on a reasonable balance between the Company's transparency for all interested parties, on the one hand, and confidentiality, on the other hand, to ensure that shareholders are able to exercise their rights to obtain information about the Company's activity, given that confidential and insider information is protected;

- **Regular and timely disclosure of information:** based on this principle, the Company discloses information about its activity to shareholders, creditors, potential investors and all interested parties within the deadlines stipulated by the Russian law and internal documents of the Company.

Information disclosed by the Company is published on the Company's website which has an English-language version.

Responsibility for disclosure of information is borne by executive bodies of the Company. Members of the Board of Directors disclose to the Company information about themselves in order to enable the Company to disclose information subject to disclosure according to the Russian law and the Regulation on the Company's Information Policy.

6.2. Financial statements

The Company keeps accounting records and prepares financial statements under the Russian accounting and financial reporting standards. The Company prepares consolidated financial statements under the International Financial Reporting Standards (IFRS) and publishes said statements on the Company's website.

Financial statements are supplied with detailed commentary allowing the reader to correctly interpret the data about financial results of the Company's activity. Financial data are accompanied by comments and analytical reviews of the Company's management team and are supplied with expert opinions of the Company's Auditor and Audit Commission. The Company prepares consolidated financial statements (of the Company and its affiliated and dependent companies) under the International Financial Reporting Standards (IFRS).

6.3. Control over financial and economic operations

Being aware of the need to minimize the possibility of circumstances preventing the accomplishment of goals set by the Company and resulting in losses, also due to decisions made based on incorrect opinions, human factor, intentional evasion of control, as well as being aware of a strong need for protection of shareholders' investments and integrity of the Company's assets, the Company shall create a system of supervision over financial and economic operations.

Internal supervision over financial and economic operations is aimed at attaining the following objectives:

- ensuring completeness and reliability of financial, accounting, statistical, management and other reporting documents;
- ensuring compliance with the Russian legislation, resolutions of the Company's management bodies and the Company's internal documents;
- ensuring integrity of the Company's assets;
- ensuring attainment of the goals set by the Company in a most effective way;
- ensuring efficient and cost-effective use of the Company's resources;
- ensuring timely identification and analysis of financial and operational risks that can have a significant adverse (negative) impact on attaining the Company's goals, related to its financial and economic operations.

The system of supervision over financial and economic operations of the Company comprises monitoring procedures stipulated by the Russian law, resolutions of the general meeting of shareholders and the Company's Board of Directors, and all bodies of the Company in charge of internal control: the Audit Commission, the Board of Directors and Internal Audit Subdivision conducting the internal control.

Functions, rights, obligations and responsibility of subdivisions operating within the Company are stipulated by order and organizational documents of the Company.

To supervise financial and economic operations of the Company on a systematic basis, internal control procedures are carried out by the Company's authorized subdivision in charge of the internal control, in cooperation with other bodies and subdivisions of the Company.

Particular procedures, bodies and officers responsible for conducting internal control procedures are stipulated by the Regulation on the Company's internal control procedures approved by the Company's Board of Directors.

6.4. Ownership structure

The Company shall disclose information about real owners of five and more percent of the Company's voting shares. Said information also specifies corporate relations within a group of companies. The Company shall do its best to ensure transparency of the structure of the Company's shareholder capital.

7. INTERACTION WITH AFFILIATED AND DEPENDENT COMPANIES

7.1. Principles and procedures of interaction with affiliated and dependent companies

The Company aims at a balanced development based on effective corporate governance mechanisms.

The Company interacts with its affiliated and dependent companies in accordance with the Russian legislative requirements, the Company's Articles of Association and internal documents, Articles of Association of affiliated and dependent companies.

The main purposes of the Company's interaction with its affiliated and dependent companies are:

- to ensure stable financial development, cost effectiveness of operations, and to increase the investment potential of the Company and its affiliated and dependent companies;
- to ensure protection of rights and interests of shareholders of the Company and its affiliated and dependent companies protected by law;
- to harmonize relations among shareholders, executive officials and employees of the Company and its affiliated and dependent companies to prevent conflicts among said persons and within said groups;
- to develop and implement a well-coordinated and efficient investment policy of the Company and its affiliated and dependent companies.

When developing the corporate governance practice, the Company shall aim at developing corporate governance principles with respect to its affiliated and dependent companies.

8. Final provisions

This Code will become effective upon its approval by the Company's Board of Directors.