

GOVERNANCE AND NOMINATION COMMITTEE STATUTE

Of

THE SUPERVISORY BOARD of

GEORGIAN STATE ELECTROSYSTEM JSC

Authority and Purpose

The Governance and Nomination Committee (the “**Committee**”) of the Supervisory Board (the “**Supervisory Board**”) of **Georgian State Electrosystem JSC**, a joint stock company registered and existing under the laws of Georgia (the “**Company**”), is established pursuant to the resolution of the Supervisory Board dated 27 July 2021.

The primary purpose of the Committee is to assist with the Supervisory Board’s oversight of (1) developing the selection criteria for membership on the Supervisory Board, the General Director, the Board of Directors and identifying and recommending for nomination qualified individuals for election or re-election to the Supervisory Board, the General Director and the Board of Directors, (2) determining the composition and reviewing the criteria of the Supervisory Board, its committees and the Board of Directors, (3) establishing a process to assess effectiveness of the Supervisory Board and the General Director, and reviewing the results of the assessment, and (4) developing and implementing the Company’s Corporate Governance Code.

Pursuant to, and in accordance with, the Committee’s purpose as set forth above, and duties and responsibilities as set forth below, the Committee is granted the authority to oversee any Supervisory Board, the General Director and the Board of Directors nomination or governance matter of the Company and all employees are directed to cooperate as requested by the members of the Committee. The Committee shall have the authority to retain, at the Company’s expense, and approve the fees and other retention terms of, special legal, accounting or other consultants or experts, as it deems necessary in the performance of its duties and responsibilities. The Company shall also provide appropriate funding, as determined by the Committee, for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities.

Limitations

While the Committee has the duties and responsibilities set forth in this Governance and Nomination Committee Statute (the “**Statute**”), it is not the duty or responsibility of the Committee to assure the Company’s compliance with applicable laws, regulations and corporate policies, which is the responsibility of members of the Company’s Board of Directors headed by the General Director (“**Board of Directors**”).

Composition

The Committee shall be comprised of at least three directors of the Supervisory Board, all of whom shall be independent as provided under the Corporate Governance Code of the Company.

The Supervisory Board shall appoint members of the Committee, including the Chairperson of the Committee (the “**Chairperson**”), which members shall serve until their respective successors are duly elected and qualified, or until such member’s earlier resignation or removal. The Supervisory Board shall have the power to remove any member of the Committee, with or without cause. In order to properly and effectively discharge their duties and responsibilities, Committee members

should have or obtain sufficient knowledge of the Company's business, including the risks and exposures inherent in, and/or associated with, such business.

Duties and Responsibilities

The Committee shall be empowered, in accordance with its judgment and pursuant to its authority and purpose, with the following duties and responsibilities (which, unless otherwise specifically noted, shall be performed continuously, periodically, intermittently and/or as otherwise directed or determined by the Chairperson or applicable law or regulation):

1. The Committee shall identify and recommend the Supervisory Board and the General Director candidates for election or re-election at the general meeting of shareholders of the Company or by the Supervisory Board, as applicable, or for appointment to fill any Supervisory Board vacancy, in accordance with the criteria developed by the Committee and approved by the Supervisory Board, and the policies and principles set forth in the Company's Corporate Governance Code and this Statute and including, among other things, high standards of personal and professional integrity. The Committee shall report to the Supervisory Board periodically on the status of these efforts. The Committee shall review candidates for the Supervisory Board and the General Director recommended by the shareholder(s) and shall apply the same criteria, and shall follow substantially the same process in considering them, as it does in considering other candidates. After the Supervisory Board approval of a candidate recommended by the Committee, the invitation to fill the role of the Supervisory Board and the General Director shall be (subject, where applicable, to shareholder approval) extended by the Chairperson of the Supervisory Board of the Company.
2. The Committee shall develop for approval by the Supervisory Board the appropriate criteria (including experience, qualifications, skills, attributes or diversity in light of the Company's current business and structure) required of the Supervisory Board members and the General Director and shall review with the Supervisory Board, on an annual basis, the current composition of the Supervisory Board in light of such criteria and anticipated needs. It shall also review the criteria of membership in the Board of Directors.
3. The Committee shall review Company disclosures regarding the specific experience, qualifications, attributes or skills that led to the conclusion that each candidate and nominee should serve as a member of the Supervisory Board and as the General Director of the Company.
4. The Committee shall review periodically the size of the Supervisory Board and recommend to the Supervisory Board any appropriate changes. It shall also review and provide recommendations regarding the size and structure of the Board of Directors.
5. The Committee shall recommend to the Supervisory Board candidates to serve as members of each committee established by the Supervisory Board (including this Committee), both annually and as needed to fill committee vacancies. In addition, the Committee shall recommend to the Supervisory Board a member of each of the committees to serve as Chairperson of such committee.
6. The Committee shall, from time to time as it deems appropriate, but no less frequently than annually, review and reassess the adequacy of the Corporate Governance Code and recommend any proposed changes to the Supervisory Board for approval.
7. The Committee shall review requests from the members of the Board of Directors and the General Director to serve on the supervisory or executive boards of entities (private or

public) unaffiliated with the Company, and recommend to the Supervisory Board whether or not to approve such requests.

8. The Committee shall develop the self-evaluation methodology to be used by the Supervisory Board and its committees, initiate and oversee annually a self-evaluation by the Board and its committees of their performance and effectiveness, and report the findings of such evaluation back to the Supervisory Board.
9. The Committee shall (i) review the Supervisory Board's and the Board of Directors' leadership structure in light of the specific characteristics and circumstances of the Company and recommend any changes to the Supervisory Board and the Board of Directors for approval, and (ii) review Company disclosures relating to Supervisory Board and the Board of Directors leadership structure.
10. The Committee shall review the appropriateness of continued service on the Supervisory Board of a member whose term is expiring, who has reached retirement age, or whose circumstances, including business or professional affiliations or responsibilities, have changed.
11. The Committee shall develop and oversee the orientation process for newly elected members of the Supervisory Board and assist the Supervisory Board in its implementation.
12. The Committee shall regularly assess the adequacy of and need for additional continuing training and education programs for the Supervisory Board, the General Director and the Board of Directors. The Company shall pay expenses relating to continuing training and education in accordance with guidelines established by the Supervisory Board.
13. The Committee shall evaluate and recommend the processes and practices through which the Supervisory Board shall conduct its business, including (i) the structure, statute, leadership and membership of committees of the Supervisory Board, and (ii) committee member qualifications, appointment and removal.
14. The Committee shall advise the Supervisory Board periodically with respect to significant developments in the law and practice of corporate governance as well as the Company's compliance with the Company's Corporate Governance Code and applicable laws and regulations, and make such recommendations to the Supervisory Board on all matters of corporate governance and on any corrective action to be taken, in each case as the Committee may deem appropriate.
15. Report to the Supervisory Board its activities, findings and recommendations after each Committee meeting, and apprise the Supervisory Board, through minutes and special presentations, as necessary, of significant developments in the course of performing the Committee's duties and responsibilities.
16. Review (as applicable) and recommend to the Supervisory Board for approval, as applicable, any appropriate supplements to, or changes in, the activities, duties and responsibilities of the Committee or to this Statute.
17. To facilitate review of Committee activities, duties, responsibilities and this Statute, the Committee shall:
 - a. Complete a self-assessment process annually, including if appropriate, surveying the Supervisory Board, the General Director and the Board of Directors on the role of the Committee in order to identify possible changes, and review the results with

the Supervisory Board. This Statute should be re-evaluated in light of assessment results.

b. Review and reassess the adequacy of this Statute on no less than an annual basis.

18. To the extent not reviewed by the full Supervisory Board, the Committee shall review periodically with the Chairperson and the Board of Directors short- and long-term leadership development and succession plans and processes, including temporary delegations of authority for the General Director and the other members of the Board of Directors in emergency circumstances. At least annually and to the extent not reviewed by the full Supervisory Board, the Committee shall review management's succession plans with respect to the members of the Board of Directors and coordinate with the independent members of the Supervisory Board in reviewing the General Director succession plans. The Committee shall also make recommendations to the Supervisory Board with respect to the process for selection, and the selection, of individuals to occupy these positions.

Meetings

The Committee is to meet as many times as it deems necessary, but at a minimum, four times per year. Fifty percent (50%) or more of the members present at a meeting of the Committee shall constitute a quorum.

It is the responsibility of the Chairperson to schedule all meetings of the Committee and to provide the members of the Committee with a written agenda prior to each meeting.

Attendance

The Committee may request any officer or employee of the Company, the Company's external auditor, the Company's insurance broker and/or the Company's counsel to attend a meeting of the Committee or to otherwise meet with any member of, or consultants to, the Committee. The Committee shall meet with the General Director and other members of the Board of Directors in separate executive sessions at least annually to discuss any matters that the Committee or the General Director or other members of the Board of Directors desires to discuss in private. The Committee may, in its discretion, conduct discussions with consultants or experts without the General Director and other members of the Board of Directors present.

Minutes

The Company's corporate secretary/administrative assistant, or a person designated by the Chairperson to act as secretary for purposes of a meeting, will prepare the minutes of each meeting and provide a copy of the minutes to the Committee members and members of the Supervisory Board who are not members of the Committee.