

COMMITTEES UNDER THE BOARD OF DIRECTORS

In order to provide for the efficient general governance of Rosseti Kuban, PJSC by its Board of Directors, the following committees were established.

Reliability Committee	<p>The committees have the status of collegial advisory bodies to the Board of Directors. Main tasks and functions of the Committees:</p> <ul style="list-style-type: none"> • Preliminary consideration of the issues within the competence of the Board of Directors or under investigation of the Board of Directors to oversee the activities of the Company's executive bodies • Development of necessary recommendations for the Board of Directors and executive bodies of Rosseti Kuban, PJSC • Consideration of other issues by order of the Board of Directors <p>The activities of each of the Committees are governed by respective Regulations¹.</p> <p>The personal compositions of the committees (with the exception of the Audit Committee and Strategy Committee) and their chairpersons are elected by the Board of Directors of the Company from candidates nominated by members of the Board of Directors, for a term until the first meeting of the new Board of Directors.</p>	<p>Members of Audit and Strategy Committees are elected for a term until the next election of the respective committee.</p> <p>The work of the committees is aligned with the action plans created after considering the action plan of the Board of Directors, decisions made by the Board of Directors and committees, suggestions made by the committee members, and the General Director.</p> <p>On 11 October 2022, the Board of Directors reviewed the Committees' progress reports for the 2021/2022 corporate year.</p> <p>In the reporting year, all issues to be pre-considered by the Board Committees were considered in a timely manner.</p> <p>During the reporting year, the Board committees carried out a self-assessment of their activities for the corporate year 2021/2022, rating their work and organisation fairly highly.</p>
Audit Committee		
Strategy Committee		
Personnel and Remuneration Committee		
Grid Connection Committee		

RESULTS OF THE SELF-ASSESSMENT OF THE BOARD COMMITTEE PERFORMANCE

S. No.	Committees under the Board of Directors	Performance assessment – average score ²
1	Reliability Committee	4.9
2	Audit Committee	5
3	Strategy Committee	4.9
4	Personnel and Remuneration Committee	4.6
5	Grid Connection Committee	4.6

The meeting minutes of Board Committees of Rosseti Kuban, PJSC are published on the Company's website in the [About the Company / Management / Committees under the Board of Directors](#) section.

There is a remuneration payment for the participation of committee members in committee meetings. The overall remuneration amount for the members of the Board Committees in 2022 amounted to RUB 2,828 thousand. The Company has no outstanding remuneration to the committee members.

¹ The Regulations on the Board of Directors' Committees of Rosseti Kuban, PJSC are published on the Company's website in the [About the Company / Constituent and Internal Documents](#) section.

² The maximum score is 5.

RELIABILITY COMMITTEE

Committee establishment date	15 September 2006
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No. 281/2017 dated 21 July 2017
Key tasks of the Committee	<p>Drawing up and giving recommendations (conclusions) to the Board of Directors on the following aspects of its activities:</p> <ul style="list-style-type: none"> • Expert evaluation of production programmes, plans for technical retrofitting, renovation, new construction and repair of power grid facilities, analysis of their development and execution in terms of ensuring the requirements for reliability of operation and technical condition of the power grids • Evaluation of the completeness and adequacy of measures taken based on accident investigation results, as well as control over their implementation • Expert evaluation of the quality of investigations of the causes of disturbances (accidents) • Expert evaluation of the Company's emergency planning activities (emergency preparedness, set-up and execution of emergency restoration procedures at power grid facilities) • Expert evaluation and implementation control for the programmes of prevention and personnel and third-party injury risk mitigation at the power installations of Rosseti Kuban, PJSC • Control and assessment of the Company's technical services performance in terms of ensuring operational reliability and safety of power grids • Expert evaluation of the internal technical control system in the Company • Expert evaluation of the occupational safety management system • Expert evaluation of the environmental policy implementation programme • Expert evaluation of the fire and industrial safety system
Members of the Board of Directors in office in the reporting year	<p>Members of the Committee from 20 October 2021 to 31 January 2022, from 1 March 2022 to 29 June 2022³:</p> <ul style="list-style-type: none"> • Palina Kanyuka (Committee Chairwoman), Head of Production Activity Department of Rosseti, PJSC • Alexey Mishanin, Deputy General Director for Technical Issues – Chief Engineer, Member of the Management Board of Rosseti Kuban, PJSC • Eduard Bogomolov (Deputy Chairman of the Committee), First Deputy Director for the Centre for Technical Supervision of Rosseti, PJSC <p>Current composition of the Committee elected on 14 September 2022:</p> <ul style="list-style-type: none"> • Palina Kanyuka (Committee Chairwoman), Head of Production Activity Department of Rosseti, PJSC • Vladimir Mikhailov, Deputy General Director for Technical Issues – Chief Engineer, member of the Management Board of Rosseti Kuban, PJSC since October 2022. • Aleksander Pilyugin, Deputy Director of Rosseti branch – Technical Supervision Centre

³ The positions of the members of the Board Committees are stated at the time of their election.

Performance results of the Committee in the reporting year	<p>In 2022, the Committee met 17 times by absentee ballot and reviewed 41 issues. In the reporting year, the Committee provided the Board of Directors with recommendations on the following crucial issues:</p> <p>On approval of the Company's internal documents:</p> <ul style="list-style-type: none"> • Updated digital transformation programme for the period until 2030 • 2020–2024 plan for the development of the production asset management system and its resource plan • Updated programme for renovation of the Company's power grid facilities for 2023–2027 • On amendment of Rosseti's Regulations on the uniform technical policy in the power grid sector as an internal document of the Company • Action plan for the transition to the predominant use of domestic software <p>On consideration of the following reports:</p> <ul style="list-style-type: none"> • On implementation of the Investment Programme in terms of providing its comprehensive reliability • On implementation of the development plan for the production asset management system • On implementation of the activities envisaged in the digital transformation programme • On the work done by the Reliability Committee in the 2021/2022 corporate year <p>In the reporting year, the Committee also considered the following issues:</p> <ul style="list-style-type: none"> • Maintenance and repair programme of power facilities • Quality assessment of the accident cause investigations and assessment of the adequacy and sufficiency of actions to neutralise them • Information on the level of reliability of the services provided by the Company • Action plan to de-bottleneck reliable power supply to the Company's customers • Company's management reports: <ul style="list-style-type: none"> – On the Company's performance during the heating and flood periods – On the preparedness to the operation in the autumn and winter, heating and flood periods – On the delivery of the maintenance and repair programme for the Company's facilities – On the implementation of the action plan to de-bottleneck the reliable power supply to the Company's customers – On the implementation of comprehensive programmes on mitigation of injury risks for the Company personnel and third parties <p>The share of the issues pre-considered by the Committee, with the preparation of recommendations to the Board of Directors, to the total number of issues considered by the Committee: in 2021 — 33.3%, in 2022 — 34.1%. Average participation of the Committee members in its meetings: in 2021 — 88.8%, in 2022 — 100%</p>
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AUDIT COMMITTEE

Committee establishment date	16 October 2009
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No. 233/2016 dated 18 March 2016, as amended by No. 253/2016 dated 28 October 2016 and No. 494/2022 dated 26 October 2022
Key tasks of the Committee	<ul style="list-style-type: none"> • Review of the Company's financial statements and supervision of their preparation • Monitoring of the reliability and efficiency of the internal control system, risk management system and corporate governance practices • Control over external audits and selection of the auditor • Independence and objectivity of the internal audit function • Control over the efficiency of the system for countering unfair practices of the Company's employees or third parties

Members of the Board of Directors in office in the reporting year	<p>Committee members serving from 1 March 2022 to 1 August 2022:</p> <ul style="list-style-type: none"> • Viktor Yavorskiy (Committee Chairman), member of the Management Board Presidium of All-Russian Non-Governmental Organisation of Small and Medium Business OPORA RUSSIA, General Director of TORI-AUDIT, LLC, member of the Board of Directors of Rosseti Kuban, PJSC • Yuri Goncharov, Chief Advisor of Rosseti, PJSC, Member of the Board of Directors of Rosseti Kuban, PJSC • Aleksander Kazakov, member of the Board of Directors of Rosseti Kuban, PJSC <p>Current members of the Committee, elected on 1 August 2022:</p> <ul style="list-style-type: none"> • Viktor Yavorskiy (Committee Chairman), member of the Management Board Presidium of All-Russian Non-Governmental Organisation of Small and Medium Business OPORA RUSSIA, General Director of TORI-AUDIT, LLC, member of the Board of Directors of Rosseti Kuban, PJSC • Aleksander Kazakov, member of the Board of Directors of Rosseti Kuban, PJSC • Madina Kaloeva, Director for Corporate Governance – Head of Corporate Governance Department of Rosseti, PJSC Member of the Board of Directors of Rosseti Kuban, PJSC
Performance results of the Committee in the reporting year	<p>In 2022, the Committee met 15 times (three in person and the rest by absentee voting) and considered 43 issues. In the reporting year, the Committee provided the Board of Directors with conclusions (recommendations) on the following critical issues:</p> <ul style="list-style-type: none"> • On approval of the following: <ul style="list-style-type: none"> – Report on the implementation of the action plan and the results of the internal audit activity, including the results of the self-assessment, as well as measures to develop and improve the internal audit activity for 2021 – Work plan and budget of the Internal Audit Directorate for 2023 – New version of the internal audit quality assurance and improvement programme – Amendments to the Regulations on the Audit Committee of the Board of Directors • On consideration of the candidate of the Company's external auditor for auditing of the Company's statements for 2022 and on determination of the compensation paid for these services • On the approval of the Regulations on the Company's internal audit Directorate • On the approval of the remuneration for the Head of Internal Audit (setting target values for functional KPI) • On consideration of the following reports (information): <ul style="list-style-type: none"> – Internal audit report on the evaluation of measures to identify and dispose of non-core assets – Anti-corruption monitoring report – Report of organisation, functioning and improvement of the Company's internal control system – Internal audit report regarding the efficiency of the internal control and risk management systems of the Company – Internal audit report regarding the corporate governance performance for 2021/2022 corporate year – RAS financial statements of the Company – Report of the Audit Committee of the Board of Directors on its work for the 2021/2022 corporate year <p>In the reporting year, the Audit Committee of the Board of Directors also considered the following:</p> <ul style="list-style-type: none"> • Information of the external auditor regarding key problems in the Company's financial statements • IFRS consolidated financial statements • The opinion of the internal audit of the Company on the efficiency and quality of the external audit process of the Company's financial statements for 2021 • Reports (information) of the Company's management: <ul style="list-style-type: none"> – On implementation of the corrective measures to eliminate gaps identified by the Company's Auditing Commission, Company's internal audit, third-party control and supervision bodies on measures taken to address the information about potential cases of unfair practices of employees, and following the results of investigations made – On non-standard operations and events of the Company, as well as regarding the formation of a reserve on doubtful debts and estimated liabilities – On the execution of the instructions of the Audit Committee of the Board of Directors <p>The Audit Committee of the Board of Directors also approved the methodology for assessing the quality of the audit, the auditors' reports and the effectiveness of the process of external audit of the Company's accounting (financial) statements. The share of the issues pre-considered by the Committee, with the preparation of recommendations to the Board of Directors, to the total number of issues considered by the Committee: in 2021 — 43.4%, in 2022 — 44.2%. Average participation of the Committee members in its meetings: in 2021 — 96.2%, in 2022 — 100%</p>

STRATEGY COMMITTEE

Committee establishment date	5 February 2010
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No.358/2019 dated 16 August 2019
Key tasks of the Committee	<p>Development of recommendations (conclusions) concerning the following issues and submission of them to the Board of Directors:</p> <ul style="list-style-type: none"> • Strategic development and business priorities • Company's innovation development • Organisation of business processes • Business planning • Dividend Policy • Risk management • Efficiency assessment for the operations of the Company and its S&As
Members of the Board of Directors in office in the reporting year	<p>Board Committee acting from 19 July 2021 to 5 September 2022:</p> <ul style="list-style-type: none"> • Dmitriy Andropov (Committee Chairman), Head of Finance Department of Rosseti, PJSC • Konstantin Guselnikov, General Director of Fininvestkonsalting, LLC • Kirill Iordanidi, Deputy General Director for Economics and Finance, of Rosseti South, PJSC, Deputy General Director for Economics and Finance (part-time) and member of the Management Board of Rosseti Kuban, PJSC • Elena Kovaleva, Deputy Head of Corporate Governance Department of Rosseti, PJSC • Daniel Krainskiy, Deputy General Director for Legal Support of Rosseti, PJSC, Chairman of the Board of Directors of Rosseti Kuban, PJSC • Mikhail Medvedev, adviser to General Director of Avangard, JSC, member of the Board of Directors of Rosseti Kuban, PJSC • Dmitriy Mikheev, Head of the Department for Service Sales of Rosseti, PJSC • Egor Prokhorov, Deputy General Director for Strategy of Rosseti, PJSC • Andrey Tulba, Director for Economics and Finance – Head of Economic Planning and Tariff Setting Department of Rosseti, PJSC <p>Current composition of the Committee elected on 5 May 2022:</p> <ul style="list-style-type: none"> • Marina Lavrova (Committee Chairperson), Deputy Head of Economics Department of Rosseti, PJSC • Antoniades Alekos Archimedes, Acting Investment Director – Head of Investment Planning Department • Konstantin Guselnikov, General Director of Fininvestkonsalting, LLC • Kirill Iordanidi, Deputy General Director for Economics and Finance of Rosseti South, PJSC, Deputy General Director for Economics and Finance (part-time) and member of the Management Board of Rosseti Kuban, PJSC • Madina Kaloeva, Director for Corporate Governance – Head of Corporate Governance Department of Rosseti, PJSC • Daniel Krainskiy, Deputy General Director for Legal Support of Rosseti, PJSC, Chairman of the Board of Directors of Rosseti Kuban, PJSC • Yulia Leshchevskaya, Acting Deputy General Director for Strategy of Rosseti, PJSC • Mikhail Medvedev, adviser to General Director of Avangard, JSC, member of the Board of Directors of Rosseti Kuban, PJSC • Dmitriy Mikheev, Head of the Department for Service Sales of Rosseti, PJSC

Performance results of the Committee in the reporting year	<p>In 2022, the Committee met 23 times (two – in person and the rest – by absentee voting) and considered 48 issues. Recommendations were made to the Board of Directors concerning the following critical issues:</p> <ul style="list-style-type: none"> • On proposals to the General Meeting of Shareholders regarding the amount of dividends on the Company's shares, the procedure for their payment and the determination of the record date (on which the list of persons entitled to receive dividends is drawn up) • On approval of the following: <ul style="list-style-type: none"> – Updated digital transformation programme for the period until 2030 – Company's business plan – Roadmap for the development of additional (non-tariff) services – Amendments to Rosseti's Regulations on the uniform technical policy in the power grid sector as an internal document of the Company – Amendments made to the Methodology for Calculating and Evaluating KPIs of the General Director – Action plan for the transition to the predominant use of domestic software – Time-phased-action plan to reduce overdue amount for electricity transmission services rendered and to resolve disputes – KPI targets for General Director – Reports on the achievement of the KPIs of the Company's General Director and on the delivery of the innovation development programme – Updated non-core asset register of the Company • On the approval of the investment programme and its amendments • On consideration of the following reports: <ul style="list-style-type: none"> – Report of the Strategy Committee of the Board of Directors on the work done in the 2021/2022 corporate year – On the implementation of the Company's business plan, investment programme and development plan – On the progress of the higher-priority investment projects – On the organisation, functioning and effectiveness of internal control and risk management systems – On the implementation of charging infrastructure development programmes, digital transformation, development of smart electricity metering, etc. <p>The share of the issues pre-considered by the Committee, with the preparation of recommendations to the Board of Directors, to the total number of issues considered by the Committee: in 2021 — 90%, in 2022 — 89.6%. Average participation of the Committee members in its meetings: in 2021 — 99.6%, in 2022 — 100%</p>
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PERSONNEL AND REMUNERATION COMMITTEE

Committee establishment date	6 August 2010
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No. 194/2014 dated 1 August 2014
Key tasks of the Committee	<p>Developing of recommendations (conclusions) concerning the following issues and submission of them to the Board of Directors:</p> <ul style="list-style-type: none"> Establishing criteria for selecting and evaluating candidates for the Board of Directors and executive bodies of the Company Establishing principles and criteria for determining the remuneration of members of the Company's governing bodies Determining the material terms of contracts with Board members and executive bodies Conducting regular assessment of the performance of the Director General and members of the Management Board Determining remunerations for the members of the Board of Directors
Members of the Board of Directors in office in the reporting year	<p>Members of the Committee from 20 October 2021 to 31 January 2022, from 1 March 2022 to 29 June 2022, current members elected on 20 July 2022:</p> <ul style="list-style-type: none"> Aleksander Kazakov (Chairman of the Committee), member of the Board of Directors of Rosseti Kuban, PJSC Yulia Kuznetsova, Acting Deputy General Director for HR Management of Rosseti, PJSC Irina Kosinskaya, Deputy Head of HR Management Department of Rosseti, PJSC
Performance results of the Committee in the reporting year	<p>There were 13 meetings of the Personnel and Remuneration Committee by absentee ballot in 2022 and 26 issues were considered.</p> <p>Recommendations were made to the Board of Directors concerning the following issues:</p> <ul style="list-style-type: none"> On the evaluation of the Board of Directors and its committees and on consideration of the results On changes to the composition of the Company's Management Board On amendments to the methodology for calculating and assessing the Director General's KPIs and KPI targets On approval of the Company's collective bargaining agreement for 2023–2025 On approval of target KPI values for General Director On approval of General Director KPI achievement reports On preliminary approval of candidates for the positions defined by the Board of Directors of the Company On reviewing of the report of the Personnel and Remuneration Committee on works performed in the 2021/2022 corporate year On Approval of the Corporate Secretary performance report <p>In addition, the Personnel and Remuneration Committee of the Board of Directors reviewed the status of the management and youth talent pools and approved their members.</p> <p>The share of the issues pre-considered by the Committee, with the preparation of recommendations to the Board of Directors, to the total number of issues considered by the Committee: in 2021 — 82.1%, in 2022 — 69.2%.</p> <p>Average participation of the Committee members in its meetings: in 2021 — 98.8%, in 2022 — 100%</p>

GRID CONNECTION COMMITTEE

Committee establishment date	11 October 2011
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No. 281/2017 dated 19 July 2017
Key tasks of the Committee	<p>Development of recommendations (conclusions) to the Board of Directors concerning the following issues:</p> <ul style="list-style-type: none"> Improvement of the legal framework of the anti-trust law and provision of equal-opportunity access to the grid connection services Improvement of the Company's internal standards for ensuring equal-opportunity access to the grid connection services Development of principles and criteria for assessing the Company's performance efficiency regarding connecting customers to power grids Assessment of the Company's performance related to grid connection of consumers Assessment of the Company's performance efficiency in the improvement of power grid development plans in the regions of presence Analysis of the current situation in the Company and the preparation of suggestions for the Board of Directors concerning customers' grid connection and the future development of the grid in general
Members of the Board of Directors in office in the reporting year	<p>Members of the Committee serving from 20 October 2021 to 31 January 2022:</p> <ul style="list-style-type: none"> Alexey Molskiy (Committee Chairman), Deputy General Director for Investment, Capital Construction and Service Sales of Rosseti, PJSC, member of the Board of Directors of Rosseti Kuban, PJSC Vladimir Davydkin, Head of the Office of the Department for Grid Connection and Infrastructure Development of Rosseti, PJSC Dmitry Zhuravlev, Deputy General Director for Development and Grid Connection of Rosseti South, PJSC Oksana Zaitseva, Head of Grid Connection Department of Rosseti Kuban, PJSC Alexander Kalinichenko, Acting Deputy General Director for Development and Grid Connection of Rosseti Kuban, PJSC <p>Committee members serving from 10 March 2022 to 29 July 2022:</p> <ul style="list-style-type: none"> Alexey Molskiy (Committee Chairman), Deputy General Director for Investment, Capital Construction and Service Sales of Rosseti, PJSC, member of the Board of Directors of Rosseti Kuban, PJSC Vladimir Davydkin, Head of the Office of the Department for Grid Connection and Infrastructure Development of Rosseti, PJSC Dmitry Zhuravlev, Deputy General Director for Development and Grid Connection of Rosseti South, PJSC Oksana Zaitseva, Head of Grid Connection Department of Rosseti Kuban, PJSC Alexander Chepusov, Acting Deputy General Director for Development and Grid Connection of Rosseti Kuban, PJSC <p>Current members of the Committee, elected on 17 August 2022:</p> <ul style="list-style-type: none"> Alexey Molskiy (Committee Chairman), Deputy General Director for Investment, Capital Construction and Service Sales of Rosseti, PJSC, member of the Board of Directors of Rosseti Kuban, PJSC Marina Gazdanova, Deputy Head of Grid Connection and Infrastructure Development Department, Head of Additional Services and Customer Services Development Department of Rosseti, PJSC Dmitry Zhuravlev, Deputy General Director for Development and Grid Connection of Rosseti South, PJSC Oleg Klinkov, Director for Customer Relations – Head of Technological Development Department of Rosseti, PJSC Alexander Chepusov, Acting Deputy General Director for Development and Grid Connection of Rosseti Kuban, PJSC

Performance results of the Committee in the reporting year

There were eight meetings of the Committee in 2022 (two – in person and the rest – by absentee voting) and 17 issues were considered, among other things:

- Recommendations to the Board of Directors on the consideration of the report of the Committee for Grid Connection on the work done for the 2021/2022 corporate year, on the approval of the roadmap for the development of additional (non-tariff) services with due regard to the Digital Transformation 2030 concept
- Oversight of the Company's actions concerning the connection of consumers to the Company's grids
- Review of the following management reports:
 - On the Company's participation in the development of the roadmap for the development of the electric power sector in the Krasnodar Territory and the Republic of Adygeya
 - On the Company's current activities in connection of consumers to the power grid
 - On the preparation of comprehensive development programmes for electric grids with a voltage of 35 kV or above in the Krasnodar Territory and the Republic of Adygeya
 - On the progress on the roadmap for the development of additional (non-tariff) services
 - On the decommissioning of electricity generation facilities

The share of the grid connection issues pre-considered by the Committee, with the preparation of recommendations to the Board of Directors, to the total number of issues considered by the Committee: in 2021 — 25%, in 2022 — 23.5%. Average participation of the Committee members in its meetings: in 2021 — 95.0%, in 2022 — 100%

EXECUTIVE BODIES

The General Director, who is the sole executive body, and the Management Board (the collective executive body) are in charge of executive management of Rosseti Kuban, PJSC.

The General Director and the Management Board are accountable to the General Meeting of Shareholders and the Board of Directors.

Following the Articles of Association of the Company, the General Director is elected by the Board of Directors and chairs the Management Board. All the Management Board members are also elected by the Board of Directors, as suggested by the General Director, in the number to be determined by a decision of the Board of Directors.

Each member of the Management Board, including its chairperson, shall have the experience, knowledge and qualifications necessary for the proper discharge of the duties entrusted to him/her. The General Director and the members of the Management Board act in good faith and the best interests of the Company and all of its shareholders. To prevent any conflicts of interests and the related adverse impacts for the Company, the members of the Management Board shall disclose to the Company all and any information about their business activities outside the interests of the Company.

GENERAL DIRECTOR

Following the Articles of Association of Rosseti Kuban, the General Director is change of the executive management of the Company according to decisions of the General Meeting of Shareholders, the Board of Directors and the Management Board.

All of the aspects of current operations management in the Company, except for matters reserved for the General Meeting of Shareholders, the Board of Directors, and the Management Board, fall within the remit of the General Director.

The General Director shall act on behalf of the Company without a power of attorney, subject to the restrictions stipulated by the legislation of the Russian Federation, the Article of Association and decisions of the Board of Directors of Rosseti Kuban, PJSC.

Relations of the General Director with the Board of Directors:

- The Board of Directors approves the Procedure for Calculating and Evaluating KPIs of the General Director, their target values and reports on their performance
- The General Director regularly submits to the Board of Directors reports on the Company's performance results, including reports on implementation of the duties and resolutions of the General Meeting of Shareholders and the Board of Directors by the General Director

The functions of the sole executive body (General Director) of the Company in the reporting year were performed by Boris Ebzeev (Acting General Director, part-time)¹.



¹ For more details on Boris Ebzeev, please see the current Board of Directors and Management Board section.