

**INFORMATION ON AVAILABILITY OF CERTIFICATES**

Management system	Certificate validity	Certification authority
ISO 9001 <sup>1</sup>	18.02.2024	ROSTEKHSERT, LLC
ISO 14001 <sup>2</sup>	18.02.2024	ROSTEKHSERT, LLC
ISO 45001 <sup>3</sup>	18.02.2024	ROSTEKHSERT, LLC
ISO 50001 <sup>4</sup>	28.12.2024	Russian Register Certification Association
GOST R 56273.1-2014/CEN/TS 16555-1:2013 <sup>5</sup>	21.06.2025	ROSTEKHSERT, LLC

Main participants of the management systems:

- Board of Directors of the Company
- Company's executive bodies – General Director and the Management Board
- Representative of the Company's management on the relevant management system
- Business unit that supports the functioning of management systems
- Business units of the Company and S&As involved in the functioning of management systems

**KEY OPERATING RESULTS OF THE MANAGEMENT SYSTEMS**

<p>Increased reliability and stability of power supply</p> <hr/> <p>For more details, see <a href="#">Reliable and Efficient Operation of the Energy System section</a>.</p>	<p>Enhanced energy efficiency</p> <hr/> <p>For more details, please see the <a href="#">Energy Consumption and Energy Saving section</a>.</p>
<p>Higher safety of power supplies</p> <hr/> <p>For more details, see <a href="#">Reliable and Efficient Operation of the Energy System section</a>.</p>	<p>Environmental safety</p> <hr/> <p>For more details, please see the <a href="#">Environmental Protection</a>.</p>
<p>Labour safety and health protection during production activities, including reduction of total number of accidents in keeping with Labour Safety and Environmental Protection statutory requirements</p> <hr/> <p>For more details, please see the <a href="#">Occupational Health and Safety Section</a>.</p>	<p>Enhanced quality level of grid connection services</p> <hr/> <p>For more details, please see the <a href="#">Grid Connection section</a>.</p>
<p> In general, Management Systems demonstrated <b>positive operating results</b> over the past year.</p>	
<p>Improved procurement performance</p> <hr/> <p>For more details, please see the <a href="#">Innovative Activities section</a>.</p>	

<sup>1</sup> ISO 9001 — Quality management system.  
<sup>2</sup> ISO 14001 — Environmental management system.  
<sup>3</sup> ISO 50001 — Energy management system.  
<sup>4</sup> ISO 45001 — Labour Safety and Health Protection Management System.  
<sup>5</sup> GOST R 56273.1-2014/CEN/TS 16555-1:2013 — Innovation Management System.

**ANTI-CORRUPTION POLICY OF THE COMPANY**

Rosseti and its S&As' Anti-Corruption Policy sets forth a consistent approach to compliance with Clause 13.3 of Federal Law No. 273-FZ dated 25 December 2008 On Combating Corruption in Part that Concerns the Company's Obligations to Develop and Put in Place Measures to Prevent and Combat Corruption, including:

- Identification and further elimination of causes of corruption (anti-corruption)
- Identification, prevention and suppression of corruption and sundry offences
- Minimisation and (or) liquidation of the consequences of corruption and sundry offences

[The full text of the Anti-Corruption Policy of the Company is available in the About the Company / Anti-Corruption Policy section on the official website of Rosseti Kuban.](#)

In the reporting year, the Anti-Corruption Plan for 2022 was approved by Order of Rosseti Kuban No. 73-od dated 9 February 2022.

In 2022, the following was done to promote the Company's Anti-Corruption Policy.

Anti-corruption policy aspect	Measures taken in 2022
Establishment of the inner control and risk management process to prevent and combat corruption	Reports on the results of anti-corruption monitoring for 2021 and the first six months of 2022 were prepared and forwarded to the Management Board, the Audit Committee and further to the Board of Directors of the Company for review. The reports were reviewed and taken into account by the Audit Committee and the Board of Directors of the Company without any comment. The 2nd line of defence report for 2021, along with the results of self-assessment of control procedures efficiency as of the end of 2021 and quarterly updated passports of functional risks, business process risks, and Progress report on the Risk Management Action Plan for the Anti-corruption sub-process were prepared and forwarded to the Company's management
Identification and clearing of conflict of interests	During annual declaration of conflicts of interest of employees for 2021, 2,255 declarations were collected and 5 pre-conflict situations in the Company's branches were identified. By the end of 2022, all pre-conflict situations were resolved. Rosseti Kuban Corporate Ethics Compliance and Conflict of Interest Commission had two meetings. They reviewed the submitted statements of income, property and property liabilities born by the top managers or their immediate family members in 2021. As a result, no signs of affiliation, conflict of interest, or pre-conflict cases were identified. Conflicts of interests were declared for candidates for vacant positions at the Company. In 2022, 173 opinions were issued on the screening of candidates applying for vacant positions at Rosseti Kuban, 43 of which were negative
Development and introduction of standards and procedures to ensure good practice	In 2022, agreements on compliance with the requirements of the Anti-Corruption Policy and the Code of Corporate Ethics and Conduct of Employees were obtained from 86 new hires of the Company. The Company developed and effected six organisational decrees on anti-corruption compliance and the implementation of its Anti-Corruption Policy
Review and verification of reports of possible corruption and sundry abuses	In 2022, the Company received 11 reports of possible corruption and other abuses via the feedback form in the Anti-Corruption Policy section of Rosseti Kuban's website. The Company carefully looked into every such report. None of the reported cases was confirmed

Anti-corruption policy aspect	Measures taken in 2022
Anti-corruption measures in interaction with partners and subcontractors	Information about signed agreements, additional agreements, and new subcontractors or business partners was added on a daily basis to the Company's automated system for collection and analysis of beneficiary data; in 2022, more than 69,000 agreements and additional agreements were uploaded there. The procurement documentation underwent the approval procedure. In 2022, the Company participated in 821 procurement procedures, reduced the initial (maximum) price in 101 procurement procedures for the total amount of RUB 17.78 million, and cancelled two procurement procedures for RUB 23.63 million. More than 6,600 agreements submitted for procurement procedures include an anti-corruption clause and a beneficiary disclosure obligation for the counterparty
Joint corporate efforts to prevent and combat corruption	The Company participated in the Knowledge Day organised by Rosseti Group on implementing the instructions of the President of the Russian Federation on the National Anti-Corruption Plan for 2021–2024 in Rosseti Group and its S&As. Innovations in Russian anti-corruption legislation
Combating bribery of foreign public officials and officials of public international organisations	The Company received no reports on bribery of foreign public officials and officials of public international organisations from representatives of state authorities and law enforcement bodies of the Russian Federation, international and other organisations in 2022
Legal education and development of law-abiding behaviour, counselling and training for employees	The Company continuously updates its legal framework and takes all the necessary measures and anti-corruption procedures to instill zero tolerance to corruption in its employees. Over 2022, 804 employees of the Executive Office and branches of Rosseti Kuban underwent training under a programme on preventing and combating corruption. The Company modified its Territory without Corruption stand to increase the efficacy of awareness, education, and other initiatives designed to combat corruption. Along with the representatives of the Security Department of Rosseti, the representatives of the Company participated in the meetings of the working group, in the meeting of Rosseti Central Commission on Compliance with Corporate Ethics and Conflict of Interest Resolution, in the end-of-year meeting

For 2023, the Company scheduled to approve and put in place its Annual Anti-Corruption Plan and to enhance the following mechanisms:

- Identification and clearing of conflict of interests
- Compliance with anti-corruption procurement standards
- Prevention of corruption in interaction with partners and subcontractors

## ECONOMIC SECURITY OF OPERATIONS

Ensuring the economic security of operations is one of Rosseti Kuban's most important tasks.

In the reporting year, to ensure the economic security of its own operations, the Company undertaken the following:

- Protecting the Company's interests against external and internal threats of an economic nature
- Combating the unaccounted electricity consumption and an increase in accounts receivable
- Interacting with law enforcement and supervisory authorities
- Conducting inspections of the following:
  - Whistleblowing reports of individuals and legal entities
  - Potential and existing subcontractors of the Company, their business reputation and financial position, and to identify and prevent possible unfair practices on their part
  - People recruited in terms of the credibility of their documents and the existence of compromising information about them

The amount of damage avoided in 2022 is 2.15 times higher than in 2021.

In the reporting year, the value of overdue accounts receivable decreased, and consequently, the General Director's KPI in this part was met.

In 2022, more than RUB 29 million of debts related to grid connections were recovered; the efforts in this area were made systematic, accounted for and controlled.

In 2022, there were 420 writs of execution for debts for electricity transmission services, which is 155 (58%) more than in 2021. In 2022, the recovery amounted to RUB 124.5 million, which is RUB 59.1 million, or 90%, more than in 2021. The amount owed under the enforcement documents, to be recovered, was RUB 1,238.63 million. There has been an increase in the number of enforcement documents.

The most significant results of economic security activities of the Company in the reporting year:

- Practices were established to counter illegal tampering and fraudulent schemes by third-party grid organisations
- Damage of more than RUB 160 million was prevented by stopping an attempt by a TGO to use fraudulent tariff schemes
- The Company participated in efforts to recover over RUB 3 billion in damages caused by a deliberate breach of contractual obligations on the part of a counterparty
- The Company initiated criminal proceedings under Article 165 of the Criminal Code against an individual entrepreneur who caused damage to the Company in the amount of RUB 1.8 million as a result of non-contractual electricity consumption. The court found the defendant guilty and sentenced him, while the civil claim of the Company against the individual entrepreneur for full compensation for damages (RUB 1.8 million) was satisfied

### KEY INDICATORS OF ECONOMIC SECURITY PERFORMANCE OF ROSSETI KUBAN IN 2020–2022

Indicators in terms of security	2020	2021	2022	Δ 2021/2022 (%)
Number of audits carried out with the involvement of branch security functions in the area of financial and economic activities to detect, prevent and recover (repay) damage	2,319	9,771	10,396	+6
Anti-corruption control of the stages of procurement activities (review of analytical notes, issues submitted to meetings of the Central Procurement Body (Central Tender Commission), anti-corruption expertise of draft agreements, check of procurement participants for possible affiliation with Company employees)	2,534	2,124	2,211	+4
Calls handled by the hotline about possible corruption and fraud	20	21	11	–10
Material damage prevented, based on the results of the work done (RUB mn)	5,170.21	132.2	284.06	+115
Percentage of security personnel trained in the Company's human rights policy or specific security procedures and their application (%)	25	29	34	+5 p.p.

