

Corporate governance

Shareholders and investors

G

Effective corporate governance supports PJSC Rosseti's successful development and creates the required balance between the interests of creditors, investors, shareholders and employees.

Key events of the year

PJSC Rosseti's corporate governance rating — NCGR 7++

The Russian Institute of Directors (RID) assigned National Corporate Governance Rating of PJSC Rosseti at NCGR 7++ — Well-Developed Practice of Corporate Governance according to the NCGR methodology.

Following the completion of the restructuring of a number of power grid companies, the RID reassessed the corporate governance practices of the parent company of PJSC Rosseti across the following four components: shareholder rights, governance and control bodies, information disclosure, sustainable development and ESG.

Important: according to the scale of the National Corporate Governance Rating, a company with an NCGR 7++ grade follows a significant number of recommendations of the Russian Corporate Governance Code and sustainability standards. The Company is characterised by sufficiently low stakeholder risks related to the quality of corporate governance and sustainability management.

Annual Report of PJSC Rosseti — winner of the Moscow Exchange Annual Report Contest

PJSC Rosseti's 2022 Annual Report was recognised by the Moscow Exchange as the best among companies with a capitalisation of up to RUB 200 billion at the XXVI Annual Report Contest. Seven subsidiary grid operators of the Rosseti Group became winners and runners-up in various categories: Rosseti Centre, Rosseti Volga, Rosseti Kuban, Rosseti Moscow Region, Rosseti Lenenergo, Rosseti Centre and Volga Region, and Rosseti North-West.

Important: the Annual Report Contest is one of the most important events of the year in the area of corporate governance and investor relations. The efficacy of the corporate governance enhancement efforts undertaken by the Rosseti Group is the reason behind the success of the annual report of PJSC Rosseti and its subsidiaries.

15 years since the start of trading in PJSC Rosseti's shares on the Moscow Exchange

On 16 July 2008, the first trading of PJSC Rosseti's shares (at that time, OJSC FGC UES) took place on the MICEX and RTS stock exchanges (currently PJSC Moscow Exchange). Following the listing reform in 2014, the Company's shares were included in the first (top) level quotation list of the Moscow Exchange. This made it possible to significantly expand the circle of shareholders and investors, as well as bring the Company's corporate governance systems and practices in line with the requirements of the Bank of Russia and the listing rules.

Today, PJSC shares are a highly liquid instrument of the Russian stock market and are included in the main indices of the Moscow Exchange.

Important: the corporate governance of PJSC Rosseti fully meets the requirements of the listing rules for shares admitted to trading in the Level 1 quotation list.

Completion of the restructuring of the Rosseti Group

The restructuring marked the beginning of a new stage in the history of the Rosseti Group and resulted in the following changes in the corporate framework:

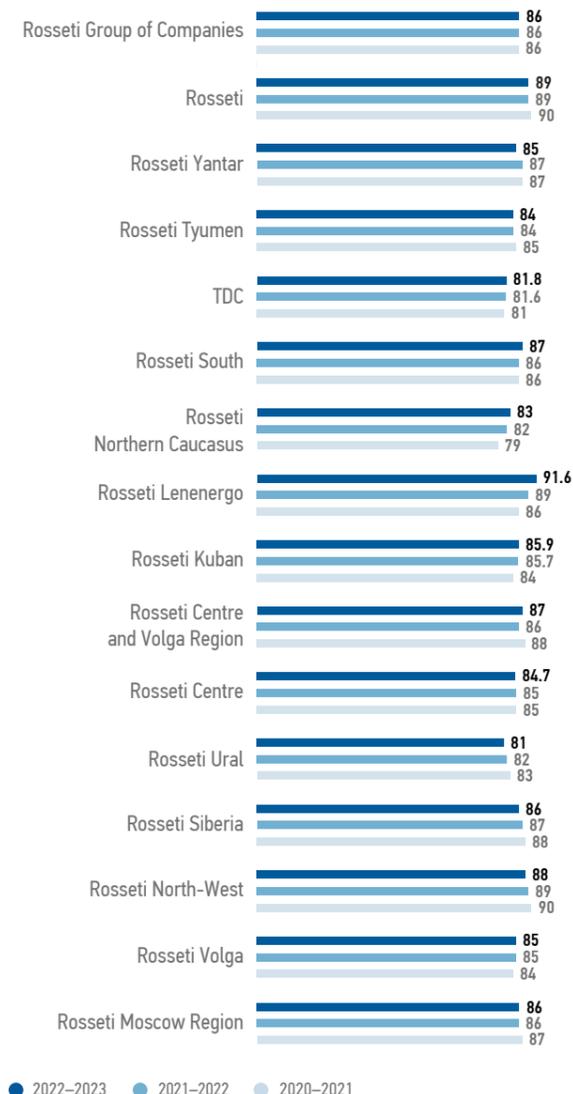
- Collegial executive body, the Management Board, was returned to the structure of the Company's governing bodies, which made it possible to divide the scope of functions pertaining to the Company's day-to-day operations among its executive bodies
- Controlling stakes in distribution grid companies, including public joint stock companies, were transferred to PJSC Rosseti

NCGR 7++

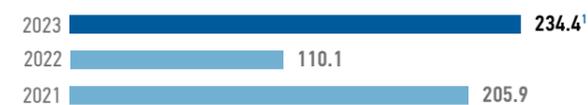
PJSC Rosseti's corporate governance rating

Key indicators

Assessment of corporate governance at the Rosseti Group, %



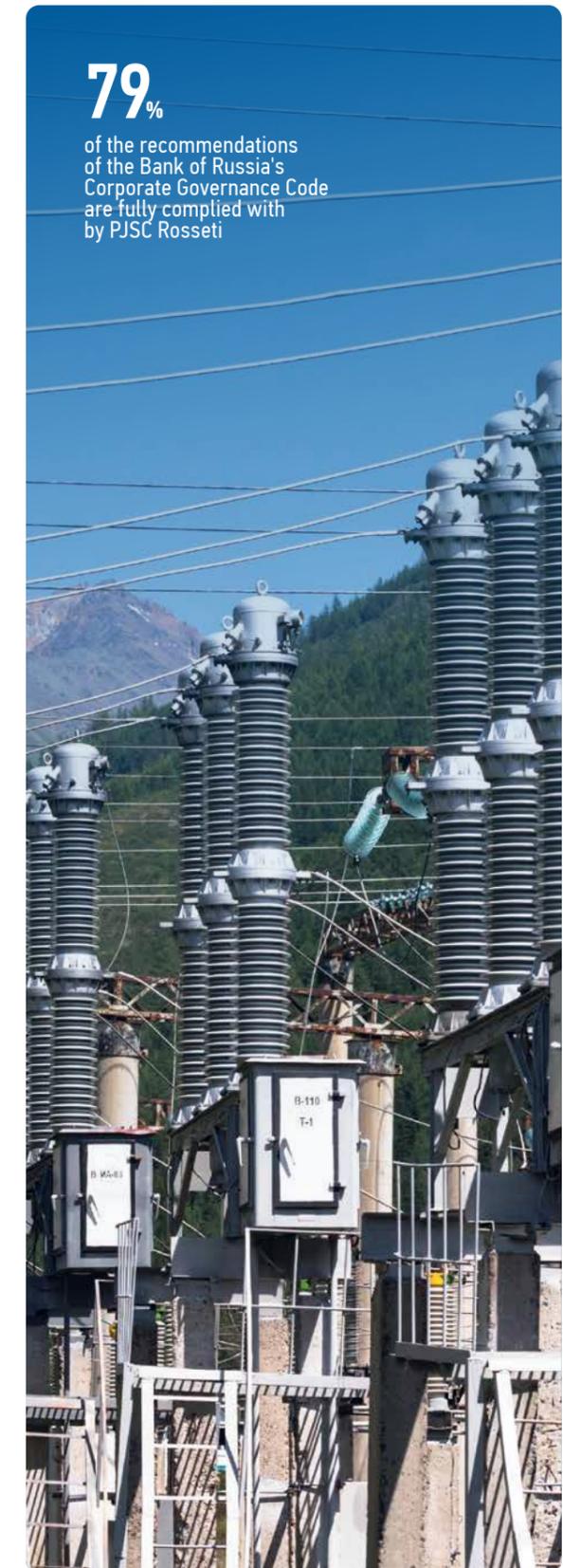
Market capitalisation of PJSC Rosseti, RUB bln



PJSC Rosseti's corporate governance efficiency assessment results, %



¹ Capitalisation for 2023 includes the outstanding shares of the additional issue.



79%
of the recommendations of the Bank of Russia's Corporate Governance Code are fully complied with by PJSC Rosseti