

Activities in 2023

In 2023, the Audit Committee met 16 times and considered 37 issues.

Meeting form	Number of meetings	Number of issues considered
In person	2	4
In absentia	14	33

Key Focus Areas of the Audit Committee in 2023

- Control over the preparation of accounting (financial) statements
- Risk management, internal control and corporate governance
- Internal and external audits
- Counteraction to dishonest actions, compliance

Matters reviewed by the Audit Committee, %



Key Issues Reviewed

- On recommendations to the Board of Directors of PJSC Rosseti on matters related to:
- Approval of internal documents on risk management, internal control and internal audit, Anti-Corruption Policy
 - Approval of the risk appetite
 - Review of the annual accounting (financial) statements of PJSC Rosseti for 2022 and interim condensed IFRS consolidated financial statements of PJSC Rosseti for 3 and 6 months of 2023
 - Assessment of the effectiveness of risk management and internal control systems, results of the internal quality assessment of the internal audit activity
 - Assessment of the quality of audit performance and efficiency of the external audit of the accounting (financial) statements of PJSC Rosseti for 2022
 - Progress evaluation of the non-core asset disposal programme
 - Assessment of corporate governance efficiency at PJSC Rosseti and the Rosseti Group based on the results of the 2022/2023 corporate year
 - Review of preliminary results of the audit of the annual accounting (financial) statements of PJSC Rosseti for 2023
 - Consideration of preliminary results of the audit of the consolidated IFRS financial statements of the Rosseti Group for 2023

Decisions were taken on all issues reviewed. Recommendations were made on those that are subject to consideration by the Board of Directors of the Company.

Internal Auditor's Report on the Performance Evaluation of the Internal Control System and Risk Management System for 2022 was considered by the Committee on 30 August

2023 (Minutes No. 161 dated 30 August 2023) and, following the Committee's recommendations, was approved by the Board of Directors (Minutes No. 631 dated 7 November 2023).

The internal auditor's report on the results of the assessment of the effectiveness of the RM&ICS at the Rosseti Group for 2023 will also be submitted for review by the Audit Committee and approval by the Company's Board of Directors.

Personnel and Remuneration Committee

Dear Shareholders,

The Committee works towards efficient implementation of the Company's HR policy. In the reporting period, the Committee continued to improve its approach to motivating key employees and members of the governing bodies.

Among the issues considered were the results of the self-assessment of the Board of Directors and Committees and the execution of the Development Plans of the subsidiaries for 2022.

The Committee worked to approve the Procedure for Calculating Key Performance Indicators (KPI) and Functional Key Performance Indicators (FKPI) for Rosseti's

management personnel and assess the achievement of these KPIs for 2023, paying special attention to the efficiency of innovation activities. Our specialist determined target values of KPIs for the forthcoming period. In preparation for the General Meeting of Shareholders, the Committee issued recommendations on the remuneration of Board members who are not civil officers.

In the next corporate year, we plan to consider the approval of 2024–2026 KPIs for the Company and its executive team.

Chairman of the Personnel and Remuneration Committee, the Board of Directors of the Company

The activities of the Personnel and Remuneration Committee are regulated by [the Regulations on the Personnel and Remuneration Committee of the Board of Directors of the Company](#) as amended and approved by the resolution of the Board of Directors dated 3 October 2016¹.

Members of the Personnel and Remuneration Committee

Full name, position	Composition of the Committee from 01.01.2023 to 27.03.2023 ²	Composition of the Committee from 27.03.2023 to 30.06.2023 ³	Composition of the Committee from 30.06.2023 to 31.12.2023 ⁴	Participation in Committee meetings in 2023
Director 2-9 Chairman of the Committee Independent Director		+	+	6/6
Director 1-11 Independent Director	+			1/1
Director 2-10 Independent Director		+	+	6/6
Director 1-10 Independent Director	+			1/1
Director 2-11 Independent Director		+	+	6/6
Director 1-6	+			1/1

¹ Minutes of meeting of the Company's Board of Directors No. 341 dated 5 October 2016.

² Resolution of the Board of Directors of the Company dated 30 June 2022 (Minutes No. 581 dated 1 July 2022).

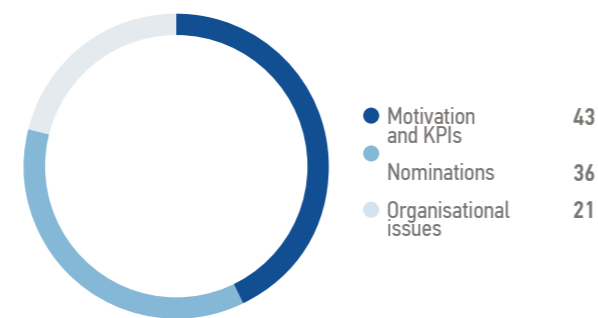
³ Resolution of the Board of Directors of the Company dated 27 March 2023 (Minutes No. 613 dated 30 March 2023).

⁴ Resolution of the Board of Directors of the Company dated 30 June 2023 (Minutes No. 624 dated 3 July 2023).

Activities in 2023

In 2023, the Personnel and Remuneration Committee held 7 meetings (all in absentia) and considered 14 issues.

Categories of the matters reviewed by the Personnel and Remuneration Committee, %



Key Focus Areas of the Personnel and Remuneration Committee

- Development of policies for remuneration of Board members, senior officials and supervision over their implementation
- Preliminary assessment of the key workers of the Company based on the results of the year
- Development of terms of employment contracts with members of the Management Board and key workers of the Company
- Development of recommendations to the Board of Directors on determining the amount of remuneration and principles for remuneration of the Corporate Secretary of the Company
- Assessment of the performance of the Board of Directors and its members, determination of priority areas to reinforce the composition of the Board of Directors
- Preparation of recommendations to shareholders regarding voting on the election of candidates to the Board of Directors
- Development of top management succession policies
- Planning of personnel appointments (talent pool) of senior officials, recommendations to the Board of Directors regarding candidates for the positions of senior officials and the Corporate Secretary of the Company

Key Issues Reviewed

- On recommendations to the Board of Directors of PJSC Rosseti on matters related to:
- Results of self-assessment of the Board of Directors and Committees for 2022
 - Approval of internal documents on labour remuneration and material incentives, as well as calculation of KPIs for PJSC Rosseti's management personnel
 - Calculation of KPIs and FKPIs of the Company's management personnel
 - Approval of the progress report of the Development Plans of subsidiaries of PJSC Rosseti
 - Approval of the 2022 KPI achievement report for the Company's top managers, including in the field of innovation activities

All the decisions proposed by the management were approved by the Committee members.

Strategy Committee

Dear Shareholders,

In 2023, the Strategy Committee traditionally considered issues of a strategic nature, the decisions on which were aimed at ensuring high performance of the Company.

Within the scope of its functions, the Committee reviewed the deliverables of business plans, including those of IFRS consolidated plans the Long-Term Development Programme, as well as the achievement of key performance indicators.

In addition, the Committee made recommendations to the Board on updating the Business Planning Standard in connection with the restructuring of the Company and on the formation of the business plan for the forthcoming period and forecast figures for 2025–2028.

Particular attention was paid to work on the consolidation of power grid facilities and management of non-core assets, namely, updating the register and approving the Non-Core Asset Disposal Programme. The Committee members also paid attention to such an important and pressing area as the implementation of the concept of development of charging infrastructure for electric vehicles, the purpose of which is to promote the development of the charging infrastructure market for electric vehicles.

Chairman of the Strategy Committee of the Board of Directors of the Company

The activities of the Strategy Committee are regulated by [the Regulations on the Strategy Committee of the Board of Directors of the Company](#) as amended and approved by the resolution of the Board of Directors of PJSC FGC UES dated 11 August 2021¹.

Members of the Strategy Committee

Full name, position ²	Composition of the Committee from 01.01.2023 to 07.06.2023 ³	Composition of the Committee from 07.06.2023 to 31.12.2023 ⁴	Participation in Committee meetings in 2023
Director 2-11 Chairman of the Committee Independent Director		+	9/9
Director 1-8	+		2/2
Aleksey Valineev Deputy Head of the Competitive Pricing Development Department of NPP Market Council Association	+	+	10/11
Alexey Zhukov Vice-President of OPORA Association	+		2/2
Andrey Maksimov Director of the Power Engineering Development Department of the Ministry of Energy of Russia		+	8/9
Elena Medvedeva Director of the Department of Operational Management in the Fuel and Energy Complex of the Ministry of Energy of Russia	+	+	11/11
Sergey Pavlushko First Deputy Chairman of the Management Board of JSC SO UPS	+	+	10/11
Director 1-5	+		2/2
Maria Tikhonova Deputy General Director or Corporate Governance of PJSC Rosseti	+	+	11/11
Vladimir Tulsky Director of National Research University "Moscow Power Engineering Institute"		+	9/9

¹ Minutes of meeting of the Company's Board of Directors No. 550 dated 12 August 2021.

² Position and place of employment are as of the date of the last election to the Committee.

³ Resolution of the Board of Directors of the Company dated 19 August 2022 (Minutes No. 587 dated 22 August 2022).

⁴ Resolution of the Board of Directors of the Company dated 7 June 2023 (Minutes No. 620 dated 7 June 2023).