

# Committees of the Board of Directors

Committees of the Board of Directors are consultative and advisory bodies of the Board of Directors of the Company.

Four Committees of the Board of Directors function under the Board of Directors to improve the efficiency of decisions made by the Board of Directors, to provide a more detailed preliminary review of the most important issues and to prepare relevant recommendations:

- Audit Committee
- Personnel and Remuneration Committee
- Strategy Committee
- Investment Committee

The Committees are fully accountable to the Board of Directors of the Company.

The Committees are composed of Board members and persons proposed by Board members whose skills and experience are necessary for the work of the Committees.

## Board of Directors

### Audit Committee

- Financial statements
- External and internal audit and selection of auditors
- Audit reports and findings
- Internal control
- Risks
- Anti-fraud action

### Personnel and Remuneration Committee

- Appointments and approvals
- KPI and top management remuneration
- Succession and long-term motivation
- Employee relations
- Assessment of the Board of Directors

### Strategy Committee

- Strategy and Long-Term Development Programme
- Business plan
- Dividend and credit policy
- Reports for specific areas
- Subsidiary management issues
- Transactions

### Investment Committee

- Approval and monitoring of the Investment Programme and individual projects
- Innovation matters
- Grid connection

The key task of each Committee is to preview the most important issues within the remit of the Company's Board of Directors and to develop recommendations to guide the Board of Directors in making decisions on relevant issues.

Independent experts of the Company (in particular, experts of the Strategy Committee of the Board of Directors of the Company) can take part in the work of the Committees if necessary and in order to access specialist expertise.

## Principles of Composing Committees of the Board of Directors

To guarantee optimal Committee performance and impartial, unbiased decisions and recommendations, the Company employs the following basic approaches:

- Forming the Audit Committee and the Personnel and Remuneration Committee mainly from independent directors with required expertise and experience, without any conflicts of interest on the matters under consideration, who does not hold the position of the Chairman of the Board of Directors
- Taking into account the workload of Board members as directors of the Company, as well as overlapping of their positions, and ability to effectively and apply form balanced decisions on agenda items

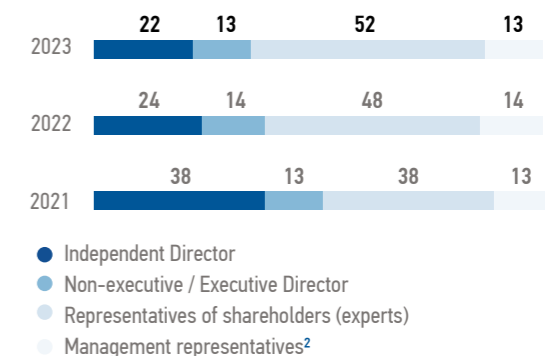
- Having dedicated Committees established to discuss materially significant matters for the sustainable operation and development of the Company (investments, key projects)
- Financing the activities of the Committees and providing them with the required resources at the expense of the Company
- Involving external experts in the activity of the Committees (both for a consideration or free of charge)
- Considering matters both under the recommendations of the Board of Directors and within individual areas, control over which is delegated to the Committees
- Chairing the Committees exclusively by Board members with regular reporting to the Board of Directors

## Work Organisation of the Committees under the Board of Directors

When evaluating the effectiveness of the Committees' activities, the following elements shall be analysed as the key metrics:

- Balanced compositions
- Number and categories of meetings, items reviewed
- Quality of Committees' work planning and organisation
- Compliance with recommendations and generally recognised governance practices

### Composition of Committees

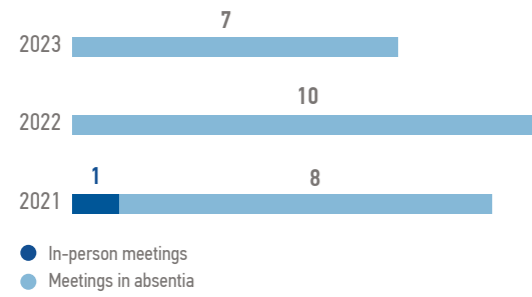


The Board of Directors of the Company reviewed and approved the reports of the Audit Committee, the Strategy Committee, the Personnel and Remuneration Committee, and the Investment Committee for 2022–2023<sup>1</sup>.

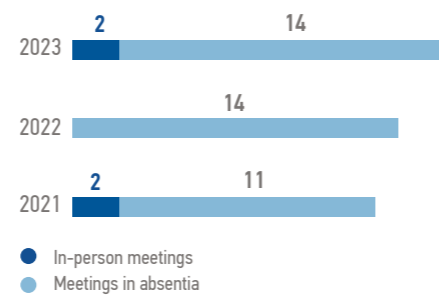
<sup>1</sup> Minutes of meeting of the Company's Board of Directors No. 626 dated 4 August 2023.

<sup>2</sup> Management representatives — members of the executive bodies and employees of the Company.

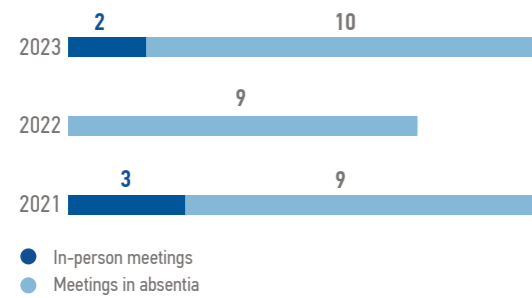
**Personnel and Remuneration Committee meetings**



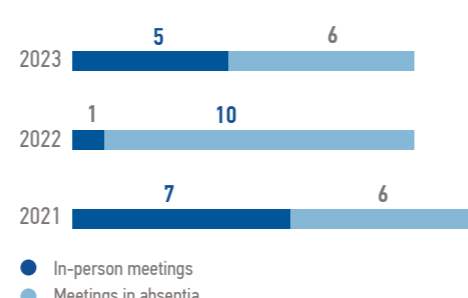
**Audit Committee meetings**



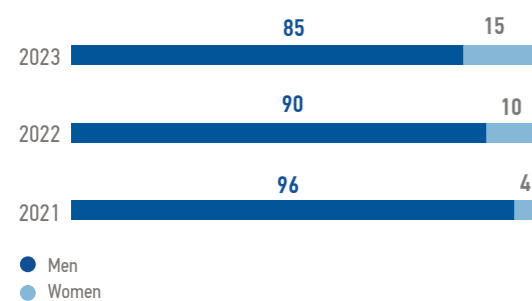
**Investment Committee meetings**



**Strategy Committee meetings**



**Gender composition of the Committees**



In the reporting year, the Committees discussed 101 items during 46 meetings. The percentage of in-person committee meetings in 2023 was 20%, and the percentage of issues considered at in-person meetings was 23%.

Committee <sup>1</sup>	AC	PRC	SC	IC
In favour	100%	100%	97.85%	94.63%
Against	-	-	2.15%	-
Abstain	-	-	-	5.37%

<sup>1</sup> Information is based of voting results recorded in the minutes of the committee meetings.

**Audit Committee**

**Dear Shareholders,**

In 2023, the Audit Committee assisted the effective work of the Company's Board of Directors by supervising the preparation of financial statements, overseeing the reliability and effectiveness of the control framework, risk management and corporate governance systems in the Company. The Committee members also engaged with the external auditor in making recommendations to the Board of Directors on issues in these areas, including during in-person meetings.

In line with the best corporate governance practices, all members of the Committee are independent directors.

In the reporting year, the Committee focused on improving corporate governance, in particular, the adoption of the Anti-Corruption Policy and documents regulating internal control, audit and risk management, as well as assessing the effectiveness of these systems and the corporate governance system as a whole.

In addition, the results of the non-core asset disposal programme, as well as internal audit reports for 3, 6 and 9 months presented in accordance with the norms of the Company's Internal Audit Policy were reviewed with relevant recommendation prepared for the Company's Board of Directors.

**Chairman of the Audit Committee of the Board of Directors of the Company**

The activities of the Audit Committee are governed by [Regulations on the Audit Committee of the Board of Directors of the Company](#) approved by the decision of the Board of Directors dated 16 November 2015<sup>1</sup> (hereinafter — the Regulations).

Given the nature of their responsibilities, the members of the Audit Committee have sufficient relevant financial experience and skills to deal with financial statements, business analysis and financial management.

**Members of the Audit Committee**

Full name, position	Composition of the Committee from 01.01.2023 to 27.03.2023 <sup>2</sup>	Composition of the Committee from 27.03.2023 to 30.06.2023 <sup>3</sup>	Composition of the Committee from 30.06.2023 to 31.12.2023 <sup>4</sup>	Participation in Committee meetings in 2023
Director 2-9 Chairman of the Committee Independent Director		+	+	14/14
Director 1-11 Independent Director	+			2/2
Director 2-10 Independent Director		+	+	14/14
Director 1-10 Independent Director	+			2/2
Director 2-11 Independent Director		+	+	14/14
Director 1-6	+			2/2

<sup>1</sup> Minutes of meeting of the Board of Directors of PJSC FGC UES No. 291 dated 19 November 2015.

<sup>2</sup> Minutes of meeting of the Company's Board of Directors No. 581 dated 1 July 2022.

<sup>3</sup> Minutes of meeting of the Company's Board of Directors No. 613 dated 30 March 2023.

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