

Remuneration of Executive Bodies

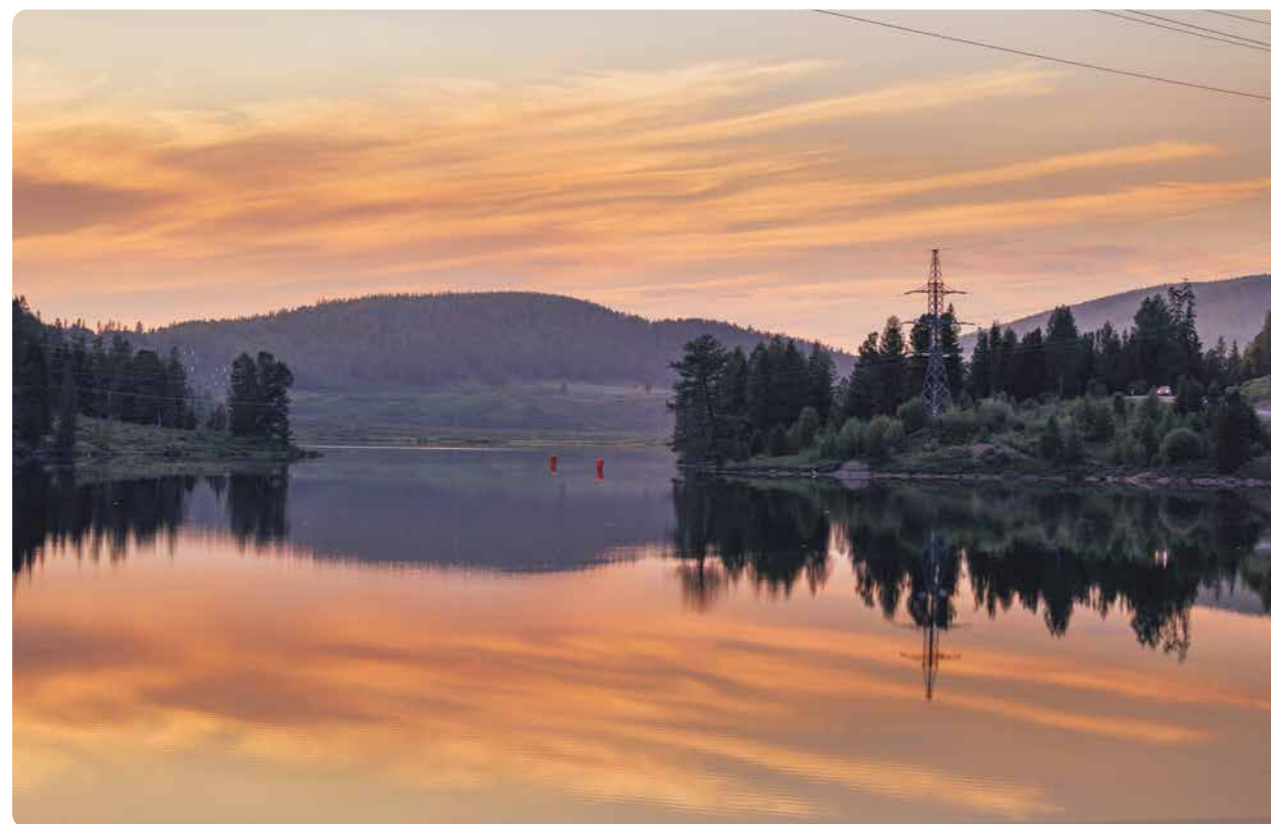
Remuneration in the Reporting Year

Total (aggregated) amount of remuneration to the members of the Management Board and the Chairman of the Management Board, RUB '000

Indicator	Amount
Remuneration for sitting on executive body ¹	–
Salaries	205,734.2
Bonuses	196,831.2
Fees	–
Other types of remuneration	5,631.4
TOTAL	408,196.8
Additionally Amount of accrued insurance premiums	64,688.20

Total remuneration of the Company's executive officers (members of the Management Board, General Director, Deputy General Directors, Chief Accountant) received in 2023

Indicator	RUB '000	Indicator	people
Total remuneration (official salaries, compensatory payments, incentive payments and other payments stipulated by the Regulation on Labour Remuneration)	599,890.8	Number of executive officers of the Company (members of the Management Board, General Director, Deputy General Directors, Chief Accountant)	15



¹ No remuneration has been set for the members of the Management Board. The Deputy General Directors carry out the duties of the Management Board members, and their remuneration is determined by their primary positions.

Controls and Risk Management



Dear Shareholders!

In 2023, following the completed restructuring of the Company, we successfully merged the risk management system and the internal control system into a single corporate risk management and internal control system — RM&ICS.

The Rosseti Group has a common methodology in place for identifying, assessing, monitoring risks, and developing internal control measures and procedures.

We are committed to boosting customer satisfaction with our Company's services. The corporate RM&ICS, which takes into consideration the economic, social, and geographic features of each region of operation, enables the Group's companies to respond flexibly to changes in internal and external environmental factors.

The RM&ICS's development priorities are focused on timely solution of problems facing the Rosseti Group as well as the proactive detection of unfavourable events and mitigation of any repercussions that could impair the effectiveness of the Company's production operations and financial stability.

Vladimir Makarov,
Director for Internal Control and Risk Management — Head of the Internal Control and Risk Management Department

Internal Control and Risk Management System

Seeing the completion of the Company's restructuring in 2023, active efforts were made to update the methodological framework, and regulations were adopted that govern updated approaches to the organisation and functioning of the Rosseti Group's Risk Management and Internal Control System (RM&ICS).

[The Risk Management and Internal Control Policy](#) of PJSC Rosseti and subsidiaries (the Rosseti Group)¹ was approved in 2023 in order to implement and maintain an effective RM&ICS that complies with generally accepted practices and standards of risk management and internal control, as well as with the requirements of regulators. This policy outlines the goals of the Company's RM&ICS functioning, the primary roles and responsibilities of RM&ICS participants, and forms of RM&ICS efficiency assessment.

In addition, the Risk Management and Internal Control Arrangement Procedure of PJSC Rosseti and subsidiaries (the Rosseti Group)² was approved to stipulate hands-on aspects of the application of the rules set forth in the Risk Management and Internal Control Policy of PJSC Rosseti and its subsidiaries (the Rosseti Group). The control matrices (matrices of risk and control procedures) contain the control procedures for the core and supporting business operations, as well as the management Processes of the company.

The following regulatory documents in the field of risk management and internal control have been in force in the Company since 2023:

- Glossary on risk management and internal control³
- RM&ICS Development Programme⁴
- Preparation guidelines for a report on the organisation, functioning and effectiveness of RM&ICS⁵
- Typical list of risks⁶
- Risk Assessment and Monitoring Methodology⁷
- Risk Appetite Determination Procedure⁸

¹ Resolution of the Board of Directors of the Company dated 17 April 2023 (Minutes No. 616 dated 18 April 2023).

² Company Order No. 203 dated 15 May 2023 (as amended by Order No. 575 dated 12 December 2023).

³ Company Order No. 8 dated 12 January 2023.

⁴ Company Order No. 208 dated 19 May 2023.

⁵ Company Order No. 209 dated 19 May 2023.

⁶ Company Order No. 69 dated 16 February 2023 (as amended by Order No. 479 dated 31 October 2023).

⁷ Company Order No. 516 dated 23 November 2023.

⁸ Company Order No. 423 dated 25 September 2023.