

# Remuneration Report

The remuneration structure for members of the Company's governing bodies is largely determined by the Board of Directors and the Personnel and Remuneration Committee of the Board of Directors, which also undertakes preliminary analysis of matters pertaining to the establishment of an efficient and open compensation practice within the Company.

The remuneration structure for members of the Company's governance bodies is designed to attract, motivate and retain individuals with the skills and expertise required for the Company's efficient management, the accomplishment of its set strategic objectives and the completion of assigned tasks.

The principles and recommendations of the Bank of Russia's Corporate Governance Code, as well as the Company's current approach to accruing salary and compensation, serve as the foundation for the development of the remuneration plans for members of its governing bodies.

## Regulating Documents

The payment of compensation and remuneration to the members of the Board of Directors of the Company shall be made in accordance with [Regulations on Payment of Remuneration and Compensation to the Members of the Board of Directors of the Company](#)<sup>1</sup>. The current practices in the Company in the field of determining remuneration and compensation to members of the Board of Directors meet the principles of efficiency, transparency, accountability, sufficiency and take into account the input of these persons in the Company's activities.

The procedure for remuneration of persons who are members of the Committees under the Board of Directors, but who are not Board members, is determined by [the Regulations on Payment of Remuneration And Compensation to Members of the Committees of the Board of Directors of the Company](#)<sup>2</sup>.

## Remuneration Practices

- A lump-sum payment is made to the members of the Company's Board of Directors as compensation for their performance throughout the corporate year, which runs from the date of election to the date on which their powers are terminated.
- The resolution on the payment of remuneration is made by the Annual General Meeting of Shareholders of the Company.

In order to foster greater engagement among Board of Directors members and a vested interest in the Company's attainment of higher financial success, Board member remuneration is correlated with the Company's financial performance.

The remuneration is calculated on the basis of the base part of the remuneration, which is determined depending on the volume of the Company's revenue<sup>3</sup> for the financial year preceding the remuneration payment year.

Revenue for the Financial Year	Value of the Base Part of the Remuneration
Over RUB 200 bln	RUB 1,000,000
Over RUB 30 bln	RUB 900,000
Over RUB 10 bln	RUB 800,000
Over RUB 1 bln	RUB 700,000
Over RUB 600 mln	RUB 600,000
Less than RUB 600 mln	No remuneration is payable

The **base remuneration** for Board members in the 2022–2023 corporate year was RUB 1,000,000.

The **actual remuneration** of a Board member is calculated by considering the following guidelines:

- The total remuneration of a member of the Board of Directors of the Company **cannot exceed the base remuneration** for the corporate year.
- Remuneration for participation in the Board meetings** is determined by taking into account both the actual number of meetings attended and the amount of the **basic part** of remuneration.
- The size of allowances is determined as follows:**

**+30% of remuneration for attending Board meetings** for the Chairman of the Board of Directors

**+20% of remuneration for attending Board meetings** for the Chairman of a Committee under the Board of Directors

**+10% of remuneration for attending Board meetings** for a member of a Committee under the Board of Directors

In accordance with clause 3.7 of the Regulations on Payment of Remunerations and Compensations to the Members of the Board of Directors of the Company, the total amount of remuneration to a member of the Board of Directors of the Company cannot exceed RUB 900,000.

More details on the calculation formula for attending Board meetings, please see [the Regulations on Payment of Remuneration and Compensation to Members of the Board of Directors of the Company](#).



## Compensations

The Board members' actual expenses, such as travel costs to and from meetings of the Board of Directors and Committees, accommodation costs and other costs associated with the Company's operations, are reimbursed according to the Regulations on Payment of Remunerations and Compensations to the Members of the Board of Directors of the Company.

The total compensation for each member will be shared later once the members of the Board of Directors have given their consent for this information to be disclosed.

## Remuneration in the Reporting Year

### Remuneration for Members of the Board of Directors

Annual General Meeting of Shareholders of the Company<sup>1</sup> decided to pay remuneration to members of the Board of Directors of PJSC Rosseti, who do not hold public office, in the amount determined in accordance with the Regulations on Payment of Remuneration and Compensation to Members of the Board of Directors of the Company.

#### Remuneration for membership in the Board of Directors

$$R_{act} = R_{base} \times 100 / 130 \times (a/b)$$

$$R_{base} = \text{RUB } 1,000,000$$

a – number of Board meetings the Board member attended

b – total number of Board meetings held between annual meetings of shareholders

#### Additional remuneration

Remuneration to the Chairperson of the Board of Directors <sup>2</sup>	$R_{act} \times 30\% / 100\%$
Remuneration to the Chairperson of the Committee <sup>2</sup>	$R_{act} \times 20\% / 100\%$
Remuneration for Committee membership <sup>2</sup>	$R_{act} \times 10\% / 100\%$

#### Information on the number of meetings of the Board Committees

Audit Committee	15
Personnel and Remuneration Committee	10
Strategy Committee	10
Investment Committee	8

#### Aggregate remuneration of Board members in 2021–2023, RUB '000

	2021	2022	2023
	6,430.70	6,956.18	3,619.14

<sup>1</sup> Approved by the resolution of the General Meeting of Shareholders of the Company on 14 September 2022 (Minutes No. 27 dated 15 September 2022).

<sup>2</sup> Approved by the resolution of the Board of Directors (Minutes No. 280 dated 24 August 2015).

<sup>3</sup> Calculated under RAS.

<sup>1</sup> Held on 30 June 2023, Minutes No. 29 dated 30 June 2023.

<sup>2</sup> No bonuses for chairmanship and membership in the Board Committee are paid if less than three Committee meetings were held during the corporate year.

**Remuneration to the members of the Board of Directors of PJSC Rosseti elected by resolution of the Annual General Meeting of Shareholders of PJSC FGC UES dated 28 June 2022<sup>1</sup>, whose powers were terminated ahead of schedule by resolution of the Extraordinary General Meeting of Shareholders of PJSC Rosseti dated 21 March 2023<sup>2</sup>**

Member of the Board of Directors	a	b	Remuneration (R <sub>act</sub> ), RUB	Membership in dedicated committees under the Board of Directors	Additional remuneration, RUB			Total, RUB	Maximum payment, RUB	Limitations on payments	Total paid, RUB
					To Board Chairman	To Committee Chairman	To Committee member				
Director 1-1	29	43	–	–	No remuneration is paid (civil officer)						
Director 1-9	32	43		Investment Committee (Chairman)	No consent for disclosure of personal data has been obtained						
Director 1-10	28	43	500,894.45	1. Audit Committee	0	0	50,089.45	601,073.35	900,000.00	none	601,073.35
Director 1-11	30	43		1. Audit Committee (Chairman) 2. Personnel and Remuneration Committee (Chairman)	No consent for disclosure of personal data has been obtained						
Director 1-2	30	43	–	–	No remuneration is payable (employee)						
Director 1-3	32	43	–	–	No remuneration is payable (employee)						
Director 1-4	31	43		Chairman of the Board of Directors	No remuneration is payable (employee)						
Director 1-5	30	43		Strategy Committee	No remuneration is payable (employee)						
Director 1-6	30	43	536,672.63	1. Personnel and Remuneration Committee 2. Audit Committee	0	0	53,667.26	644,007.16	900,000.00	none	644,007.16
Director 1-7	30	43	–	–	No remuneration is payable (employee)						
Director 1-8	27	43		Strategy Committee (Chairman)	No remuneration is paid (civil officer)						
<b>Total</b>											<b>2,683,363.1</b>

**Remuneration and/or compensation to members of the Board of Directors of PJSC Rosseti elected by resolution of the Extraordinary General Meeting of Shareholders of PJSC Rosseti dated 21 March 2023<sup>1</sup>**

Member of the Board of Directors	a	b	Remuneration (R <sub>act</sub> ), RUB	Membership in dedicated committees under the Board of Directors	Additional remuneration, RUB			Total, RUB	Maximum payment, RUB	Limitations on payments	Total to be paid, RUB
					To Board Chairman	To Committee Chairman	To Committee member				
Director 2-9	11	43		1. Audit Committee (Chairman) 2. Personnel and Remuneration Committee (Chairman)	No consent for disclosure of personal data has been obtained						
Director 2-10 <sup>2</sup>	11	43		1. Audit Committee 2. Personnel and Remuneration Committee 3. Investment Committee (Chairman)	No consent for disclosure of personal data has been obtained						
Director 2-1	11	43		Chairman of the Board of Directors	No remuneration is paid (civil officer)						
Director 2-2	10	43	–	–	No remuneration is paid (statement of waiver of remuneration)						
Director 2-3	10	43	178,890.88	–	No remuneration is paid (statement on waiver of remuneration payment)						
Director 2-11	10	43		1. Audit Committee 2. Personnel and Remuneration Committee 3. Strategy Committee (Chairman)	No remuneration is paid (statement of waiver of remuneration)						
Director 2-4	11	43	196,779.96	–	0	0	0	196,779.96	900,000.00	none	196,779.96
Director 2-5	10	43	–	–	No remuneration is payable (employee)						
Director 2-6	11	43	–	–	No remuneration is paid (civil officer)						
Director 2-7	11	43	–	–	No remuneration is paid (civil officer)						
Director 2-8	11	43	–	–	No remuneration is paid (civil officer)						
<b>Total</b>											<b>935,778.20</b>

<sup>1</sup> Minutes No. 26 dated 28 June 2022.

<sup>2</sup> Minutes No. 28 dated 21 March 2023. Remuneration information is provided in compliance with the consents granted by the Company's Board of Directors.

<sup>1</sup> Minutes No. 28 dated 21 March 2023. Remuneration information is provided in compliance with the consents granted by the Company's Board of Directors.

<sup>2</sup> In accordance with clause 3.7 of the Regulations on Payment of Remunerations and Compensations to the Members of the Board of Directors of the Company, the total amount of remuneration to a member of the Board of Directors of the Company cannot exceed RUB 900,000. Subject to this restriction, the amount of remuneration payable to Sergey Ivanov for sitting on the Company's Board of Directors elected by resolution of the Extraordinary General Meeting of Shareholders of PJSC Rosseti dated 21 March 2023 (Minutes No. 28 dated 21 March 2023), is calculated in such a way that, taking into account the remuneration payable to Sergey Ivanov for sitting on the Company's Board of Directors elected by resolution of the Annual General Meeting of Shareholders of PJSC FGC UES dated 28 June 2022 (Minutes No. 26 dated 28 June 2022), the total amount of remuneration does not exceed RUB 900,000: 900,000 – 686,940.97 = 213,059.03