

Audit Committee

Committee establishment date	16 October 2009
Date and number of the minutes of the Board meeting, at which the Regulations on the Committee (as amended) were approved	No. 233/2016 dated 18 March 2016, as amended by No. 253/2016 dated 28 October 2016 and No. 494/2022 dated 26 October 2022
Key tasks of the Committee	<ul style="list-style-type: none"> To review the Company's financial statements and supervision of their preparation To monitor the reliability and efficiency of the internal control system, risk management system and corporate governance practices To control over external audits and selection of the auditor To ensure independence and objectivity of the internal audit function To control over the efficiency of the system for countering unfair practices of the Company's employees or third parties
Members of the Board of Directors in office in the reporting year	<p>The members of the Committee serving from 1 August 2022 to 1 August 2023:</p> <ol style="list-style-type: none"> Viktor Yavorskiy (Committee Chairman), member of the Management Board Presidium of All-Russian Non-Governmental Organisation of Small and Medium Business OPORA RUSSIA, General Director of TORI-AUDIT, LLC, member of the Board of Directors of Rosseti Kuban, PJSC Yuri Goncharov, Chief Advisor of Rosseti, PJSC, member of the Board of Directors of Rosseti Kuban, PJSC Alexander Kazakov, member of the Board of Directors of Rosseti Kuban, PJSC <p>Current membership of the Committee elected on 1 August 2023:</p> <ol style="list-style-type: none"> Anton Ulyanov (Committee Chairman), Internal Audit Director — Head of the Internal Audit Department of Rosseti, PJSC, Chairman of the Internal Audit Commission of Rosseti Kuban, PJSC Alexander Kazakov, member of the Board of Directors of Rosseti Kuban, PJSC Mikhail Medvedev, adviser to General Director of Avangard, JSC, member of the Board of Directors of Rosseti Kuban, PJSC

Performance results of the Committee in the reporting year

Indicator	2021	2022	2023
Number of Committee meetings held	17	15	14
• Including in person (in mixed format)	3	3	3
Number of issues discussed	54	43	44
Share of issues preliminarily considered by the Committee with preparation of recommendations to the Board of Directors in the total number of issues considered (%)	43.4	44.2	45.5
Average attendance of the Committee meetings by the Committee members (%)	96.2	100	100

In the reporting year, the Committee provided the Board of Directors with conclusions (recommendations) on the following critical issues:

- On approval of the following:
 - Report on the implementation of the action plan and the results of the internal audit activity, including the results of the self-assessment, as well as measures to develop and improve the internal audit activity
 - New edition of the Risk Management and Internal Control Policy, Internal Audit Policy, Anti-Corruption Policy
 - Work plan and budget of the Internal Audit Function
- On consideration of the candidate of the Company's external auditor for auditing of the Company's statements for 2023 and on determination of the compensation paid for these services
- On consideration of the following reports (information):
 - Internal audit report on the evaluation of measures to identify and dispose of non-core assets
 - Anti-corruption monitoring report
 - Internal audit report regarding the efficiency of the internal control and risk management systems of the Company
 - Internal audit report regarding the corporate governance performance for 2022–2023 corporate year
 - RAS financial statements of the Company
 - Report of the Audit Committee of the Board of Directors on its work for the 2022–2023 corporate year

In the reporting year, the Audit Committee of the Board of Directors also considered the following:

- Information of the external auditor regarding key problems in the Company's financial statements
- IFRS consolidated financial statements
- The opinion of the internal audit of the Company on the efficiency and quality of the external audit process of the Company's financial statements
- Reports (information) of the Company's management:
 - On implementation of the corrective measures to eliminate gaps identified by the Company's Auditing Commission, Company's internal audit, third-party control and supervision bodies on measures taken to address the information about potential cases of unfair practices of employees, and following the results of investigations made
 - On non-standard operations and events of the Company, as well as regarding the formation of a reserve on doubtful debts and estimated liabilities