

Anti-corruption policy aspect	Measures taken in 2023
Joint corporate efforts to prevent and combat corruption	Rosseti Kuban PJSC's declaration of compliance with the Anti-Corruption Charter of Russian Business was updated and sent to the Chamber of Commerce and Industry of the Russian Federation (Certificate of Accession No. 2319 dated 24 September 2015); information on the declaration was updated on the Chamber of Commerce and Industry of the Russian Federation website
Combating bribery of foreign public officials and officials of public international organisations	The Company received no reports on bribery of foreign public officials and officials of public international organisations from representatives of state authorities and law enforcement bodies of the Russian Federation, international and other organisations in 2023
Legal education and development of law-abiding behaviour, counselling and training for employees	<p>The Company continuously updates its legal framework and takes all the necessary measures and anti-corruption procedures to instil zero tolerance to corruption in its employees.</p> <p>Over 2023, 700 employees of the Executive Office and branches of Rosseti Kuban underwent entry training under a programme on preventing and combating corruption.</p> <p>In November 2023, all employees of Rosseti Kuban, PJSC who have labour relations, except for those who received training in 2023, received repeated training and screening testing on the course "Preventing and Combating Corruption in the Rosseti Group" through the corporate educational portal of Rosseti, PJSC.</p> <p>The Company modified its Territory without Corruption stand to increase the efficacy of awareness, education, and other initiatives designed to combat corruption.</p> <p>Along with the representatives of the Corporate Governance Department and Security Department of Rosseti, the representatives of the Company participated in the meetings of the working group, in the meeting of Rosseti Central Commission on Compliance with Corporate Ethics and Conflict of Interest Resolution, in the end-of-year meeting</p>

For 2024, the Company scheduled to approve and put in place its Annual Anti-Corruption Plan and to enhance the following mechanisms:

1

Identification and clearing of conflict of interests

2

Compliance with anti-corruption procurement standards

3

Prevention of corruption in interaction with partners and subcontractors

ECONOMIC SECURITY OF OPERATIONS

Ensuring the economic security of operations is one of Rosseti Kuban's most important tasks.

In the reporting year, to achieve this task, the Company was involved in:

- Protecting the Company's interests against external and internal threats of an economic nature
- Combating the unaccounted electricity consumption and an increase in accounts receivable
- Interacting with law enforcement and supervisory authorities
- Checking up:
 - Whistleblowing reports of individuals and legal entities
 - Potential and existing subcontractors of the Company, their business reputation and financial position, and to identify and prevent possible unfair practices on their part

- People recruited in terms of the credibility of their documents and the existence of compromising information about them

The most significant results of economic security activities of the Company in the reporting year:

- RUB 3.8 billion in damage caused by the failure of the Company's counterparty to fulfil its contractual obligations was compensated
- The Company developed a practice of countering illegal encroachments by unscrupulous applicants for grid connections (splitting of land plots, using front persons, etc.)
- The amount of damage prevented in 2023 is 6% more than in 2022

- The process of engaging third-party service providers to recover doubtful and bad debts under enforcement documents was initiated due to the growing number of enforcement documents on debts for electricity transmission services.

3.8 RUB bln

in damages due to non-fulfilment of contractual obligations by the Company's counterparty recovered

Key performance indicators related to economic security of Rosseti, Kuban, PJSC in 2021–2023

Indicators	2021	2022	2023	Change 2023/2022 (%)
Number of audits carried out with the involvement of security divisions in the area of financial and economic activities to detect, prevent and recover (repay) damage	9,771	10,396	2,347	Decrease by 4.4 times (the deviation is due to changes in the grid reporting methodology)
Anti-corruption control of the stages of procurement activities (review of analytical notes, issues submitted to meetings of the Central Procurement Body (Central Tender Commission), anti-corruption expertise of draft agreements, check of procurement participants for possible affiliation with Company employees)	2,124	2,211	1,960	-11.4%
Number of considered reports about possible corruption and fraud received through the hotline	21	11	17	+54.5%
Material damage prevented, based on the results of the work completed, RUB mln	132.20	284.06	302.29	+6.4%
Share of security personnel trained in the Company's human rights policy or specific security procedures and their application, %	29	34	28	-6 p.p.