

MANAGEMENT SYSTEMS

The Company put in place the following management systems:

Quality Management System (QMS)

QMS is a part of the Company's overall management system with the own organisational structure, processes, procedures and resources necessary for the general quality management.

QMS was implemented at Rosseti Kuban, PJSC and successfully passed certification/recertification audits for compliance with the requirements of ISO 9001 within the period from 2009 to 2022.

In 2023, during the 2-nd surveillance audit, the certification body ROSTECHSERT, LLC confirmed the compliance of the Company's QMS with the requirements of ISO 9001. The Company received confirmation of the validity of the Quality Austria Certificate Reg. No. 25523/0 dated 19 January 2021.

Environmental Management System (EMS)

EMS is a part of the Company's overall management system with its own organisational structure, mechanisms, procedures and resources necessary for management of the environmental aspects of activities through developing and achieving the environmental policy goals.

EMS was implemented at Rosseti Kuban, PJSC and successfully passed certification/recertification audits for compliance with the requirements of ISO 14001 within the period from 2009 to 2022.

In 2023, during the 2-nd surveillance audit, the certification body ROSTECHSERT, LLC confirmed the compliance of the Company's EMS with the requirements of ISO 14001. The Company received confirmation of the validity of the Quality Austria Certificate Reg. No. 04287/0 dated 19 January 2021.

Energy Management System (EnMS)

EnMS is a part of the Company's overall management system, which has a well-defined organisational structure and focuses on fulfilling the provisions stated in the energy policy through the Programme on Energy Saving and Energy Efficiency Improvement.

EnMS was implemented at Rosseti Kuban, PJSC and successfully passed certification/recertification audits for compliance with the requirements of ISO 50001 within the period from 2015 to 2022.

In 2023, during the 2nd surveillance audit, the certification body Russian Register Certification Association confirmed the compliance of the Company's EnMS with the requirements of ISO 50001. The Company received confirmation of the validity of certificate No. 21.2469.026 dated 8 December 2021.

Occupational Health and Safety Management System (OHSMS)

The OHSMS is a part of the general management system that helps manage risks and improve occupational health and safety performance.

The OHSMS was implemented at Rosseti Kuban, PJSC and successfully passed certification/recertification audits for compliance with the requirements

of the international standard ISO OHSAS 18001 within the period from 2009 to 2020 and for compliance with the requirements of ISO 45001 within the period from 2021 to 2022.

In 2023, during the 2-nd surveillance audit, the certification body ROSTECHSERT, LLC confirmed

the compliance of the Company's OHSMS with the requirements of ISO 45001. The Company received confirmation of the validity of the Quality Austria Certificate Reg. No. 01101/0 dated 19 January 2021.

Innovation Management System (IMS)

The IMS is part of the Company's overall management system, which defines the basic principles of innovation and scientific & technological development aimed at improving the efficiency of Rosseti Kuban's operations through the development and implementation of new technologies, engineering, production and market launch of new innovative products and services.

The IMS was implemented in Rosseti Kuban, PJSC and successfully passed the certification audit for compliance with GOST R 56273.1-2014/CEN/TS 16555-1:2013 in 2022.

In 2023, during the 1-st surveillance audit, the certification body ROSTECHSERT, LLC confirmed

the compliance of the Company's IMS with the requirements of GOST R 56273.1-2014/CEN/TS 16555-1:2013. The Company received confirmation of the validity of certificate No. ROSS RU.FK11. K00649 dated 21 June 2022.



The Company's management systems comply with the requirements of international standards ISO 9001, ISO 50001, ISO 14001, ISO 45001 and GOST R 56273.1-2014/CEN/TS 16555-1:2013 and are combined in an integrated management system.

Information on availability of certificates

Management system	Certificate validity	Certification authority
ISO 9001 ¹	18.02.2024	ROSTECHSERT, LLC
ISO 14001 ²	18.02.2024	ROSTECHSERT, LLC
ISO 45001 ³	18.02.2024	ROSTECHSERT, LLC
ISO 50001 ⁴	28.12.2024	Russian Register Certification Association
GOST R 56273.1-2014/CEN/TS 16555-1:2013 ⁵	21.06.2025	ROSTECHSERT, LLC

Main participants of the management systems:

- Board of Directors of the Company
- Company's executive bodies — General Director and the Management Board

- Representative of the Company's management on the relevant management system

- Business unit that supports the functioning of management systems

- Business units of the Company and S&As involved in the functioning of management systems

¹ ISO 9001 — Quality Management System.


² ISO 14001 — Environmental Management System.

³ ISO 45001 — Occupational Health and Safety Management System.

⁴ ISO 50001 — Energy Management System.


⁵ GOST R 56273.1-2014/CEN/TS 16555-1:2013 — Innovation Management System.

Key operating results of the Management Systems

1 

Increased reliability and stability of power supply

For more details, see Reliable and Efficient Operation of the Energy System section

2 


Higher safety of power supplies

For more details, see Reliable and Efficient Operation of the Energy System section

3 


Labour safety and health protection during production activities, including reduction of total number of accidents in keeping with Labour Safety and Environmental Protection statutory requirements

For more details, please see the Occupational Health and Safety section

4 


Enhanced energy efficiency

For more details, please see the Energy Saving and Energy Efficiency Improvement section

5 

Environmental safety

For more details, please see the Environmental Protection

6 

Enhanced quality level of grid connection services

For more details, please see the Rosseti Kuban Grid Connection section

7 

Improved procurement performance

For more details, please see the Innovative Activities section



In general, Management Systems demonstrated positive operating results over the past year.

ANTI-CORRUPTION POLICY OF THE COMPANY

Rosseti and its S&As' Anti-Corruption Policy sets forth a consistent approach to compliance with Clause 13.3 of Federal Law No. 273-FZ dated 25 December 2008 "On Combating Corruption" in part that concerns the Company's obligations to develop and put in place measures to prevent and combat corruption, including:

- Identification and further elimination of causes of corruption (anti-corruption)
- Identification, prevention and suppression of corruption and sundry offences

- Minimisation and (or) liquidation of the consequences of corruption and sundry offences

On 12 September 2023, the Company's Board of Directors approved a new version of the Anti-Corruption Policy of Rosseti Kuban, PJSC¹.

The full text of the Anti-Corruption Policy of the Company is available in the

[About the Company / Anti-Corruption Policy](#) section on the official website of Rosseti Kuban, PJSC.

In the reporting year, Rosseti Kuban, PJSC approved the Anti-Corruption Plan for 2023 by Order No. 107-od dated 20 February 2023.

In 2023, the following was done to promote the Company's Anti-Corruption Policy:

Anti-corruption policy aspect	Measures taken in 2023
Establishment of the inner control and risk management process to prevent and combat corruption	Reports "On the results of anti-corruption monitoring" for 2022 and 6 months of 2023 were prepared and submitted to the Management Board, Audit Committee, and then to the Board of Directors of the Company; the reports were reviewed and taken into account by the Audit Committee and the Board of Directors of the Company without any comments. The 2nd line of defence report for 2022, along with the results of self-assessment of control procedures efficiency and quarterly updated passports of functional risks, business process risks, and Progress report on the Risk Management Action Plan for the Anti-corruption sub-process were prepared and forwarded to the Company's management
Identification and clearing of conflict of interests	The annual declaration of conflicts of interest of employees for 2022 was undertaken; 2,434 declarations were collected. No cases of conflicts of interest and pre-conflict situations were identified. Corporate Ethics Compliance and Conflict of Interest Commission of Rosseti Kuban, PJSC had one meeting. They reviewed the submitted statements of income, property and property liabilities born by the top managers or their immediate family members in 2022. As a result, no signs of affiliation, conflict of interest, or pre-conflict cases were identified. Conflicts of interests were declared for candidates for vacant positions at the Company. In 2023, 197 opinions were issued on the screening of candidates applying for vacant positions at Rosseti Kuban, 51 of which were negative
Development and introduction of standards and procedures to ensure good practice	In 2023, agreements on compliance with the requirements of the Anti-Corruption Policy and the Code of Corporate Ethics and Conduct of Employees were obtained from 56 new hires of the Company. The Company developed and effected three organisational decrees on anti-corruption compliance and the implementation of its Anti-Corruption Policy
Review and verification of reports of possible corruption and sundry abuses	In 2023, the Company received 17 reports of possible corruption and other abuses via the feedback form in the Anti-Corruption Policy section of Rosseti Kuban's website. The Company carefully looked into every such report. None of the reported cases was confirmed
Anti-corruption measures in interaction with partners and subcontractors	Information about signed agreements, additional agreements, and new subcontractors or business partners was added on a daily basis to the Company's automated system for collection and analysis of beneficiary data; in 2023, more than 67,000 agreements and additional agreements were uploaded there. The procurement documentation underwent the approval procedure. In 2023, the Company took part in 698 procurement procedures. For 15 procurement procedures, the initial (maximum) price was reduced to a total amount of RUB 38.12 mln, and 2 procurement procedures totalling RUB 117.95 mln were cancelled. More than 6,700 agreements submitted for procurement procedures include an anti-corruption clause and a beneficiary disclosure obligation for the counterparty

¹ Minutes No. 532/2023 dated 13 September 2023.