

# CORPORATE GOVERNANCE ASSESSMENT

The Company carries out the annual self-assessment of the corporate governance level in order to provide the Board of Directors of the Company, the Board's Audit Committee and the executive bodies of the Company with objective and independent information on the current state of corporate governance and its efficiency, as well as to develop recommendations to improve the same.

In the reporting year, the Company's internal audit conducted an assessment of corporate governance at the end of the 2020/2021 corporate year concerning its compliance with the laws of the Russian Federation, principles and recommendations of the Corporate Governance Code

of the Bank of Russia, Listing Regulations of the Moscow Exchange and the best corporate practices. The assessment employed the Company's methodology, which corresponds to the standard corporate governance assessment method adopted at Rosseti's S&As.

Following the results, the internal audit recognised the Company's corporate governance as corresponding to the developed practice level; it also noted that the potential for improvement on a number of issues depends on the standing of the main shareholder and other external factors that the Company cannot have influence on.

## THE RESULTS OF THE ASSESSMENT OF THE COMPANY'S CORPORATE GOVERNANCE IN THE 2020/2021 CORPORATE YEAR BY THE INTERNAL AUDIT

Component	Maximum score	For the 2020/2021 corporate year		Reference: compliance with the established criteria in 2019/2020 corporate year (%)	Reference: compliance with the established criteria in 2018/2019 corporate year (%)
		The Company's score	Compliance with the established criteria (%)		
Shareholders' rights	71	67	94.4	93	89
Board of Directors	154	119.5	77.6	74	63
Executive management	40	22	55.0	85	85
Transparency and disclosures	130	112	86.2	82	82
Risk management, internal control, and internal audit	63	61	96.8	97	95
Corporate social responsibility, business ethics, and compliance	31	31	100.0	100	87
Total score	489	412.5	84.4	84	79