

AUDITING COMMISSION

THE AUDITING COMMISSION IS A PERMANENT ELECTED INTERNAL CONTROL BODY OF PJSC ROSSETI KUBAN.

The Auditing Commission carries out regularly monitoring the Company's financial and business activities, its separate divisions, officials of the management bodies and subdivisions of the executive office for compliance through document audits and ex-post reviews of the following:

- Legitimacy, economic feasibility and efficiency (appropriateness) of the business and finance transactions carried out by the Company during the reporting period
- Completeness and accuracy of the representation of business and financial transactions in the Company's documents

The objectives of the Auditing Commission include:

- Control over the Company's financial and business operations
- Independent assessment of reliability of data in the Company's Annual Report, annual accounting statements, report on related-party transactions

The Auditing Commission acts in the interests of the Company's shareholders and reports to the General Meeting of Shareholders. It is independent of the Company's officials, executive bodies, and subdivision head in the executive office in the implementation of its functions.

The competence of the Auditing Commission is defined by Federal Law No. 208-FZ dated 26 December 1995 "On Joint Stock Companies", as well as the Articles of Association and Regulations on the Auditing Commission of the Company.

Pursuant to Article 24.4 of the Company's Articles of Association, the competence of the Revision Commission covers:

- inspection (audit) of the financial, accounting, payment and settlement and other documentation of the Company related to the Company's financial and economic activities for the compliance with the legislation of the Russian Federation, the Articles of Associations, and internal documents of the Company
- Checking and analysis of the financial condition of the Company, its solvency, the functioning of the internal control system and the risk management system, liquidity of assets, the ratio of own and loaned funds, correctness and timeliness of accruals and payment of interest on bonds, income on other securities

- Control over the expenditure of the Company's funds under the approved business plan and budget of the Company
- Control over the raising and expenditure of the reserve and other special funds of the Company
- Verification of the timeliness and correctness of settlement transactions with counterparties and the budget, as well as settlement transactions for remuneration, social insurance, accrual and payment of dividends and other settlement transactions
- Monitoring of the compliance with the established procedure for writing off debts of insolvent debtors to the Company's losses
- Verification of the Company's business operations carried out under the concluded agreements
- Verification of the compliance with the use of material, labour and financial resources, financial and economic activities of current agreements, norms and standards, approved estimates and other documents regulating to the activities of the Company
- Control over the safety and use of fixed assets
- Verification of the cash account and property of the Company, the efficient use of assets and other resources of the Company, identifying the causes of non-production losses and expenses, identifying reserves for improving the financial condition of the Company
- Verification of the compliance with the requirements to eliminate violations and deficiencies identified by the Auditing Commission of the Company
- Drawing-up of recommendations for the governing bodies of the Company
- Other actions (measures) related to the audit of the financial and economic activities of the Company

In its activities, the Auditing Commission abides by the laws of the Russian Federation, the Articles of Association of the Company, and the Regulation on the Auditing Commission¹.

The Auditing Commission consists of five members.

¹ The Regulation on the Auditing Commission is published on the Company's website <https://rosseti-kuban.ru> in the About the Company / Constituent and Internal Documents section.

COMPOSITION OF THE AUDITING COMMISSION

During the reporting year, there were three compositions of the Company's Auditing Commission.

MEMBERS OF THE AUDITING COMMISSION ELECTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY ON 3 JUNE 2021 (MINUTES NO. 45 DATED 4 JUNE 2021)

Svetlana Kovaleva (Chairwoman)

Year of birth	1980		
Education	Higher. Graduated: <ul style="list-style-type: none"> • Civil Aviation Academy, majoring in Jurisprudence • National Research University MPEI, majoring in Production Management and Project Management 		
Data on work experience for the last three years			
Period	Organisation		Position
from	to		
2017	present time	PJSC FGC UES	Director of Internal Audit – Head of Internal Audit
2020	present time	PJSC Rosseti	Director of Internal Audit – Head of Internal Audit (part-time)
2018	present time	JSC DVEUK	Member of the Audit Committee of the Board of Directors
2020	present time	JSC Rosseti Tyumen, JSC Yantarenergo	Chairman of the Audit Committee of the Board of Directors

Olga Pyatakova

Year of birth	1974		
Education	Higher. Graduated: <ul style="list-style-type: none"> • Volgograd State Academy of Architecture and Civil Engineering, majoring in Industrial and Civil Engineering • Plekhanov Russian Academy of Economics, majoring in Finance and Credit 		
Data on work experience for the last three years			
Period	Organisation		Position
from	to		
2014	present time	PJSC FGC UES	Chief Expert in the Operational Audit Division of the Internal Audit Department
2020	present time	PJSC Rosseti	Chief Expert in the Operational Audit Division of the Internal Audit Department (part-time)

Kirill Rogachyov

Year of birth	1984
Education	<p>Higher. Graduated:</p> <ul style="list-style-type: none"> • Moscow State Aviation Technological University – Tsiolkovsky Russian State Technological University, with a degree in economics and company management • Moscow Border Institute of the Federal Security Service of the Russian Federation, majoring in Jurisprudence. State-Legal. <p>Completed professional retraining courses:</p> <ul style="list-style-type: none"> • at the International Academy of Expertise and Assessment, majoring in Internal Audit and Control in Commercial Organisations, specialist in internal audit and control in commercial organisations • in NOKU “Professional standard” for process management specialisation

Data on work experience for the last three years

Period		Organisation	Position
from	to		
2010	present time	PJSC FGC UES (formerly OJSC FGC UES)	Chief Expert in the Operational Audit Division of the Internal Audit Department
2020	present time	PJSC Rosseti	Chief Expert in the Operational Audit Division of the Internal Audit Department (part-time)

Svetlana Trishina

Year of birth	1979
Education	<p>Higher. Graduated from Amur State University, majoring in Finance and Credit.</p> <p>Completed a professional retraining course at the International Academy of Expertise and Assessment, majoring in Internal Audit and Control in Commercial Organisations and refresher courses at the International Academy of Expertise and Assessment in Internal Audit</p>

Data on work experience for the last three years

Period		Organisation	Position
from	to		
2017	present time	PJSC FGC UES	Head of the Financial Audit Department; Head of the Financial Audit, Methodology and Reporting Department; Head of the Corporate Audit and Control Department of Subsidiaries; Deputy Head of the Internal Audit Department, Deputy Head of the Internal Audit Department – Head of the Subsidiaries Corporate Audit and Control Department of the Internal Audit Department
2020	present time	PJSC Rosseti	Deputy Head of Internal Audit Department – Head of Corporate Audit and Control of Subsidiaries, Internal Audit Department (part-time)

Viktor Tsarkov

Year of birth	1977
Education	Higher. Graduated: <ul style="list-style-type: none"> • Moscow Institute of Economics, Management and Law, majoring in Economics • Russian Academy of Public Administration under the President of the Russian Federation, majoring in Management

Data on work experience for the last three years

Period		Organisation	Position
from	to		
2017	present time	PJSC FGC UES	First Deputy Head of the Internal Audit Department
2020	present time	PJSC Rosseti	First Deputy Head of the Internal Audit Department (part-time)

Members of the Audit Committee elected at the annual General Meeting of the Company on 24 February 2021 (Minutes No. 44 dated 26 February 2021) and acting from 24 February 2021 to 3 June 2021:

Svetlana Kovaleva, Viktor Tsarkov and Svetlana Trishina were re-elected to the Auditing Commission at the annual General Meeting of Shareholders held on 3 June 2021. For more details see above.

Svetlana Kovaleva

Chairwoman of the Auditing Commission

Viktor Tsarkov

Svetlana Trishina

Elena Roptanova

Year of birth	1974
Education	Higher. Graduated from the Samara State Academy of Economics, majoring in Economics and Company Management

Data on work experience for the last three years

Period		Organisation	Position
from	to		
2017	2020	JSC MTCES	Chief Expert of the Internal Control Department
2020	3 June 2021	PJSC FGC UES	Chief Expert in the Division of Corporate Audit and Control of Subsidiaries, Internal Audit Department
2020	3 June 2021	PJSC Rosseti	Chief Expert in the Division of Corporate Audit and Control of Subsidiaries, Internal Audit Department (part-time)

Konstantin Venevtsev

Year of birth 1989

Education Higher. Graduated from National Research University MPEI, majoring in:

- Electrical Engineering, Electromechanics and Electrotechnology
- Organisation Management

Data on work experience for the last three years

Period		Organisation	Position
from	to		
2017	3 June 2021	PJSC FGC UES	Chief Expert in the Operational Audit Division of the Internal Audit Department
2020	3 June 2021	PJSC Rosseti	Chief Expert in the Operational Audit Division of the Internal Audit Department (part-time)

The Auditing Commission members elected at the annual General Meeting of Shareholders held on 29 May 2020 and acting up to 24 February 2021: Marina Lelekova, Svetlana Kim, Elena Kabizkina, Sergay Malyshev, Ludmila Skrynnikova. The biographies of the members of the Company's Audit Committee elected by the annual General Meeting of Shareholders on 29 May 2000 (Minutes No. 43) are published in the Company's Annual Report for 2020¹.

The members of the Auditing Commission do not have shares in the authorised capital (shares of any type) PJSC Rosseti Kuban and in the authorised capital of subsidiaries and affiliates of PJSC Rosseti Kuban.

There were no transactions between the Company and the members of the Auditing Commission in 2021. PJSC Rosseti Kuban did not file claims against members of the Auditing Commission.

Based on the questionnaires provided by the members of the Auditing Commission, the Company considers:

- The members of the Auditing Commission have no family ties (spouses, parents, children, adoptive parents, adopted children, siblings, grandparents, grandchildren) with members of the Board of Directors, members of the collegial executive body, a person holding the position (performing functions) of the sole executive body of PJSC Rosseti Kuban
- The members of the Auditing Commission were not held administratively liable for violations in the field of finance, taxes and fees, securities market, or criminally liable (including record of conviction) for economic and (or) public-order crimes
- The members of the Auditing Commission did not hold positions in governing bodies of commercial organisations during the period, when bankruptcy proceedings and/or one of the bankruptcy procedures under Article 27 of the Federal Law On Insolvency (Bankruptcy) laws were initiated against those organisations

¹ The Company's Annual Report for 2020 is published on the official website <https://rosseti-kuban.ru> in the To Shareholders and Investors / Disclosure / Annual Reports section.

TRACK RECORD OF THE AUDITING COMMISSION

During 2021, the Auditing Commission of the Company held five meetings in the form of joint attendance, which dealt with issues related to planning the work of the Auditing Commission, the election of its Chairman and Secretary, as well as issues directly related to the conduct of audits.

Decisions of the Company's Auditing Commission are posted on the Company's official website¹.

The Company's financial and economic activities for 2020 were audited in 2021.

The audit programme of the Company's financial and economic activities included the following aspects:

- Assessment of the reliability of the financial statements of PJSC Rosseti Kuban formed as of 31 December 2020
- Assessment of the reliability of the Annual Report of PJSC Rosseti Kuban for 2020
- Verification of activities of PJSC Rosseti Kuban related to the organisation of technological and price audit of progress reports on the investment programme of PJSC Rosseti Kuban, as well as measures to eliminate violations and shortcomings contained in the conclusions of expert organisations based on the results of technological and price audit of progress reports on the investment programme of PJSC Rosseti Kuban

- Assessment of the financial position of PJSC Rosseti Kuban as at 31 December 2020
- Assessment of the reliability of the data contained in the Report on related-party transactions concluded by PJSC Rosseti Kuban in 2020
- Verification of certain issues related to corporate governance of PJSC Rosseti Kuban
- Other issues related to the circumstances identified during the auditing

The conclusion of the Auditing Commission was approved by the Auditing Commission of the Company (Minutes No. 2ns dated 19 April 2021), according to which an opinion was expressed on the reliability of the data contained in the annual report for 2020, the financial statements of the Company for 2020, in all material respects. There were no facts of distortion of the information contained in the report on interested party transactions concluded in 2020. This Conclusion was included in the materials provided to the Company's shareholders in preparation for the annual General Meeting of Shareholders of the Company in 2021.



¹ Decisions of the Auditing Commission meetings are published on the Company's website <https://rosseti-kuban.ru> in the About the Company / Control of Business Activity / Auditing Commission section.