

Approved by
the Decision of the Board of Directors of
PJSC Rosseti Moscow Region of 25.08.2020
(Protocol No. 447 of 26.08.2020)

**Anti-corruption policy of
PJSC ROSSETI and subsidiaries and affiliates of PJSC ROSSETI**

**Moscow
2020**

Contents

No table of contents entries found.

Introduction

Anti-corruption policy of the PJSC Rosseti and subsidiaries and affiliates of the PJSC Rosseti (further - Anti-corruption policy) is compiled in accordance with the fundamental legislative act in the anti-corruption sphere - federal law of December 25th, 2008. Federal law №273 'On Combating Corruption' (further - The Law on Combating Corruption).

According to the requirements stated in the article 13.3 of the Law on Combating Corruption the anti-corruption policy for the PJSC Rosseti (further - the Company) and subsidiaries and affiliates of the PJSC Rosseti (further - SA) defines measures for creating divisions, responsible for the prevention of the corruption-related or any other offences; modalities of cooperation with law enforcement in combating corruption; development and introduction in practice of the standards and procedures in order to provide conscientious work; acceptance of the ethics code and professional behaviour of the workers; preventing and resolving of any conflicts of interests; prevention of unofficial reporting and using of forged documents.

The anti-corruption policy in accordance with the National Plan to Counter Corruption for 2018-2020 (approved by a decree of the President of the Russian Federation on 29th June, 2018, №378) addressed the following goals: development and implementation of a set of organizational, explanatory and other measures to ensure that employees comply with the prohibitions, restrictions and requirements established in order to combat corruption, unify anti-corruption standards for the employees of the Company and its SA, to control the implementation of legal liability measures in cases of non-compliance with prohibitions, restrictions and requirements established for the purpose of combating corruption, including measures to prevent and (or) resolve conflicts of interest, and continuing to work on forming a negative attitude to corruption among employees.

The main group of people subjected to the anti-corruption policy include all the employees of the PJSC Rosseti and its SA as well as partners and counter parties of the PJSC Rosseti and its SA, other persons on the ground of reciprocal bindings between them and the PJSC Rosseti and its SA, including anti-corruption obligations and other anti-corruption agreements.

Having its anti-corruption policy realised, Rosseti group of companies make its anti-corruption measures public, actively implement standards and procedures that aims at providing conscientious work when interacting with partners and counter parties.

PJSC Rosseti has joined the Anti-Corruption Charter of Russian Business, is included in the Consolidated Register of Participants of the Anti-Corruption Charter, and initiated the accession to the Anti-Corruption Charter of its subsidiaries and affiliates.

Provisions of the anti-corruption charter of the Russian business community are adopted and included in the text of the anti-corruption policy.

PJSC Rosseti and its SA follow the anti-corruption standards which aim at conducting clear and honest business, minimization of the signs of corruption in the energy supply utilities that can have impact on the business reputation of the company, relationships with partners and counter parties, and as a consequence, success of objectives execution, assigned to the group of companies "Rosseti" by the leadership of the country.

Concepts and definitions

Article 13.3 of the Law on combating corruption	Article 13.3 of the Federal Law of December 25, 2008 No. 273-FZ "On Combating Corruption" provides for the obligation of organizations to take measures to prevent and combat corruption
Anti-corruption clause	The section of agreements, agreements, and contracts of PJSC Rosseti and its subsidiaries that declares the implementation of the Anti-Corruption Policy of PJSC ROSSETI and its subsidiaries and does not allow the commission of corruption and other offenses
Anti-corruption policy of the	a set of interrelated principles, procedures and specific measures aimed at preventing and combating corruption in PJSC Rosseti and Subsidiaries and Affiliates in the form of a single fundamental document
Anti-corruption liabilities	The consent of a participant in the procurement procedures of PJSC Rosseti and its subsidiaries and affiliates to comply with and comply with the principles and requirements of the Anti-Corruption Policy, including the obligation not to commit corruption and other offenses, to provide complete and reliable information about the chain of owners, including beneficiaries, including final ones, and on the composition of executive bodies with the attachment of supporting documents
Anti-corruption monitoring	Collection, analysis and generalization of all the measures implemented in PJSC Rosseti and its SA in order to prevent and combat corruption, realised with the aim of providing assessment of the effectiveness of the listed measures and in order to predict signs and features of corruption; analysing and estimation of the data obtained as a result of monitoring; development of the prognosis of the future state and tendencies for development of the needed measures
Risk owner	A management body or a head of a block/structural division of the Company responsible for all the aspects of corruption risk management, including reducing the probability of risk realisation and/or reducing the possible impact of the consequences of risk realisation. Risk owners are presented by management bodies or managers in charge of areas of activity whose goals are directly affected by this

	risk
Civil Code of the Russian Federation	Civil Code of the Russian Federation
Article 291 of the Criminal Code of the Russian Federation	Giving a bribe to an official, a foreign official, or an official of a public international organization in person or through an intermediary (including when the bribe is transferred to another individual or legal entity on the instructions of the official). A foreign official is understood as any person appointed or elected to hold any position in a legislative, executive, administrative or judicial body of a foreign state, and any person performing any public function for a foreign state, including for a public office or a public enterprise; an official of a public international organization means an international
Safety Department of the PJSC Rosseti	A structural unit responsible for the combating corruption and prevention of corruption-related crimes, implementation of the principles and requirements of the anti-corruption policy of PJSC Rosseti and its SA
Law on Personal Data Protection	Federal law of 27th July, 2006 №152-FZ "On personal data"
ABUSE of authority	The use by a person performing managerial functions in a commercial organization its powers contrary to legitimate interests of this organization and in order to obtain benefits for themselves or others or harming other persons, if the offense caused substantial harm to rights and legitimate interests of organizations or legally protected interests of society or the state. A person who performs managerial functions in a commercial or other organization, as well as in a non-profit organization that is not a state body, local government body, state or municipal institution, is a person who performs the functions of a sole Executive body, a member of the board of Directors or other collegial Executive body, as well as a person who permanently, temporarily or by special authority performs organizational and administrative or economic functions in these organizations (Article 201 of the Criminal Code of the Russian Federation)
Foreign public officials and officials of public international	In accordance with the UN Convention against Corruption of October 31, 2003, "foreign public

organizations	<p>official" is defined as any appointed or elected person holding any position in the legislative, executive, Administrative or judicial body of a Foreign State, and any person performing any public function for a foreign state, including for a Public Office or state enterprise. In accordance with recommendations of the international organizations and foreign competent authorities, including the Group for the development of financial measures to combat money laundering, may include the following foreign citizens in this category:</p> <ol style="list-style-type: none"> 1. Persons who have been assigned or were previously assigned (less than 1 year has passed since the resignation of their powers) to perform important state functions, namely: heads of state (including the ruling royal dynasties) or governments, ministers, their deputies and assistants, senior government officials, officials of the judicial authorities of "last resort" (Supreme, Constitutional Court), whose decision is not appealed, the state prosecutor and his deputies, senior military officials, heads and members of the Boards of Directors of National Banks, ambassadors, heads of state corporations, members of Parliament or other legislative body. 2. Persons invested with public trust, in particular: heads, deputy heads of international organizations (UN, OECD, OPEC, Olympic Committee, World Bank, etc.), Members of the European Parliament, heads and members of international judicial organizations (Court of Human Rights, The Hague Tribunal, etc.). Official of a public international organization means an international civil servant or any person who is authorized by such an organization to act on its behalf
Code of Administrative Offences	Code of Administrative Offences of the Russian Federation
Commercial bribery	<p>Illegal transfer of money, securities, or other property to a person performing managerial functions in a commercial or other organization, as well as illegal provision of property-related services, provision of other property rights (including when property is transferred, or property-related services are provided, or property rights are granted to</p>

	another individual or legal entity) for performing actions (inaction) in the interests of the giver or other persons, if these actions (inaction) are within the official powers of such person or if, by virtue of their official position, they can contribute to these actions (inaction) (Article 204 of the Criminal Code RUSSIAN Federation)
Compliance	Compliance of the organization's activities with the requirements imposed on it by Russian and foreign legislation, local regulations, and other mandatory regulatory documents
Counterparties	Any Russian or foreign entity or individual with whom an organization establish contractual relations with different rights and obligations (except labour relations) and which are not united by a common purpose
Conflict of interest	interest (direct or indirect) of the employee of PJSC Rosseti, including its ADs can influence affects or may affect the proper, objective and impartial performance of their official (professional) duties (exercise of authority)
Corruption offence	An illegal guilty act (action or omission) that has signs of corruption, for which the law establishes disciplinary, criminal, civil or administrative responsibility
Corruption risks	Risks of committing a corruption offense by an employee of the Company
Corruption in commercial organizations	Bribery, abuse of authority, commercial bribery or other illegal use by employees of their position contrary to the legitimate interests of PJSC ROSSETI and its subsidiaries in order to obtain benefits in the form of money, valuables, other property or services of a proprietary nature, other property rights for themselves or for third parties, or illegal provision of such benefits to the specified person by other individuals, as well as the commission of these acts on behalf of or in the interests of a legal entity
Personal interest	The possibility of obtaining income in the form of money, other property, including property rights, property-related services, the results of work performed or any benefits (advantages) by an

	employee of PJSC ROSSETI and (or) persons, citizens or organizations with whom an employee of PJSC ROSSETI and (or) persons who are closely related to him or her are connected by property, corporate or other close relations
Persons who are closely related to the manager/employee	Parents, spouses, children, siblings, also siblings, parents, children of a spouse and spouse's children
Material benefit	Profit in cash or in kind that can be estimated and defined as income under the tax legislation of the Russian Federation
Methodological recommendations of the Ministry of Labour	Guidelines for the development and adoption by organizations of measures to prevent and combat corruption, developed by the Ministry of Labour and Social Protection of the Russian Federation, approved on November 8, 2013.
Illegal remuneration on behalf of a legal entity	Illegal transfer, offer or promise on behalf of or in the interests of a legal entity or in the interests of a related legal entity to an official, a person performing managerial functions in a commercial or other organization, a foreign official or an official of a public international organization of money, securities or other property, providing him with property services or granting him property rights (including if, on behalf of an official, a person performing managerial functions in a commercial or other organization, a foreign official or an official of a public international organization, money, securities or other property is transferred, offered or promised, property-related services are provided or property rights are granted to another individual or legal entity) for the commission in the interests of this legal entity or in the interests of a related legal entity by an official, a person performing managerial functions in a commercial or other organization, a foreign official or an official of a public international organization of an action (inaction) related to his official position (Article 19.28 of the Administrative Code). Officials are persons who permanently, temporarily or under special authority perform the functions of a representative of the government or perform organizational and administrative, administrative and economic functions in state bodies, local self-government bodies, state and

	municipal institutions, state corporations, state companies, state and municipal unitary enterprises, joint-stock companies, the controlling stake of which belongs to the Russian Federation, subjects of the Russian Federation or municipalities, as well as in the Armed Forces of the Russian Federation, other troops and military formations of the Russian Federation (Note 1-3 to Article 285 of the Criminal Code of the Russian Federation)
Illegal employment or work implementation or service delivery of a state or municipal employee or a former state or municipal employee	Involvement by the employer or the customer of works (services) to work under the terms of an employment contract or to perform works or provide services under the terms of a civil law contract of a state or municipal employee who replaces a position included in the list established by regulatory legal acts, or a former state or municipal employee who filled such a position, in violation of the requirements provided for by the Anti-Corruption Law (Article 19.29 of the Administrative Code)
PJSC Rosseti and its Subsidiaries and Affiliates	Public Joint-Stock Company "Rossijskie seti" and its Subsidiaries and Affiliates
Organization	A legal entity, regardless of its form of ownership, organizational and legal form, and industry affiliation
Partner	Any Russian or foreign legal entity or individual with whom an organization establishes contractual relations aimed at achieving a common goal
Bribe-taking	Receipt by an official, a foreign official, or an official of a public international organization, personally or through an intermediary, of a bribe in the form of money, securities, or other property, or in the form of illegal services of a property nature, or the granting of other property rights (including when the bribe is transferred to another individual or legal entity on the instructions of the official) for committing actions (inaction) in favor of the bribe-giver or persons represented by him, if the specified actions (inaction) are within the official powers of the official or if, by virtue of his official position, he can contribute to the specified actions (inaction), as well as for the general patronage or connivance in the service (Article 290 of the Criminal Code of the Russian Federation)

Intermediary in bribery	The transfer of a bribe on the instructions of the briber or the bribetaker or other promotion of the giver and (or) the bribe-taker in achieving or implementing of an agreement between them about receiving and giving a bribe in a considerable size, and promise or offer of mediation in bribery (article 291.1 of the Criminal Code of the Russian Federation)
Pre-conflict situation	A situation in which employees of PJSC Rosseti and its subsidiaries, as well as the Customer/Organizer of purchases or its representatives, when they perform their duties or professional activities, tend to have personal interest that may lead to a conflict of interests
Provocation of bribery, commercial bribes or bribery in the procurement of goods, construction and services for the provision of public or municipal needs	An attempt to transfer money, securities, other property or services of a property nature, or other property rights to an official, a foreign official, an official of a public international organization, a person performing managerial functions in commercial or other organizations, or a person specified in part one of Article 200.5 of the Criminal Code of the Russian Federation, without his consent, for the purpose of artificially Creating evidence of a crime or blackmail (Article 304 of the Criminal Code of the Russian Federation)
Prevention of corruption	The organization's activities aimed at introducing elements of corporate culture, organizational structure, rules and procedures regulated by internal local laws ensuring the prevention of corruption offenses
Prevention of corruption practices	Activities of the organization with an aim to identify and eliminate the causes of corruption.
Strategy for the development of the Russian Federation's electricity grid	The Strategy for the Development of the Electricity grid of the Russian Federation, approved by the Decree of the Government of the Russian Federation of 3 April 2014. №511-r;
The Criminal Code of the Russian Federation	Criminal Code of the Russian Federation;
RMS	Risk management system of the Company
LCRF	Labour Code of the Russian Federation;
Procurement participant	Any legal entity or several legal entities acting on the side of one procurement participant, regardless of the

	legal form, form of ownership, or any individual or several individuals acting on the side of one procurement participant, including an individual entrepreneur or several individual entrepreneurs acting on the side of one procurement participant, who meet the requirements established by the customer in accordance with the procurement regulations
--	---

1. General Provisions

1.1. Legal Framework of the Anti-corruption Policy of PJSC Rossetti and its SA

Anti-corruption Policy of PJSC Rossetti and its SA is developed in accordance with the

1. Normative legislative acts of the Russian Federation:
 - Constitution of the Russian Federation of December 12, 1993;
 - Civil Code of the Russian Federation;
 - Code of Administrative Offences of the Russian Federation;
 - Labour Code of the Russian federation;
 - The Criminal Code of the Russian Federation;
 - Federal law of August 7, 2001-FZ №115 "On combating the legalization (laundering) of proceeds of crime and the financing of terrorism";
 - Federal Law of December 25, 2008-FZ №273 "On combating corruption";
 - Federal Law of July 27, 2010 №224-FZ "On measures to counteract the misuse of insider information and market manipulation and to change certain legislative acts of the Russian Federation";
 - Federal Law of December 3, 2012. Federal Law №230 "On controlling of the expenditure of persons holding public office and other persons against their income";
 - Federal Law of May 7, 2013. Federal Law №79 "On prohibition of certain categories of persons from opening and maintaining accounts (deposits), keeping cash and valuables in foreign banks located outside the territory of the Russian Federation, owning and (or) using foreign financial instruments";
 - Decree of the President of the Russian Federation №309 of April 2, 2013 "On measures for the implementation of certain provisions of the Federal Law" On Combating corruption»;
 - Decree of the President of the Russian Federation №613 of July 8, 2013 "Issues of Combating corruption";
 - Decree of the President of the Russian Federation №378 of June 29, 2018 "On National anti-corruption plan for 2018-2020";
 - Decree of the Government of the Russian Federation of July 5, 2013 №568 "On extending to certain categories of citizens restrictions, prohibitions and obligations established by the Federal law "On combating corruption" and other Federal laws in order to combat corruption";
 - Resolution of the Government of the Russian Federation No. 613 of July 22, 2013 "On the Submission by Citizens Applying for Positions in Organizations Created to Perform Tasks Assigned to the Government of the Russian Federation and Employees Filling Positions in These Organizations, Information on Income, expenses, Property and Property Obligations, verification of the reliability and completeness of the information provided and Compliance by employees with the requirements for official behavior";
 - Decree of the Government of the Russian Federation of January 9, 2014 №10 "On the procedure applicable to certain categories of persons of receiving gifts related with their official position or the performance of their official (professional)

duties, the handing over and evaluation of a gift, the realization (ransom) and the deposit of the proceeds from its realization";

- Decree of the Government of the Russian Federation of January 21, 2015 №29 "On the approval of rules of conveying the message by the employer about the conclusion of the labor or civil contract for performance of works (rendering of services) with the citizen who filled positions of the state or municipal service, the list of which is established by normative legislative acts of the Russian Federation";

- The Strategy for the Development of the Electricity grid of the Russian Federation, approved by the Decree of the Government of the Russian Federation of 3 April 2014. №511-r;

- other normative legislative acts in the sphere of preventing and combating corruption.

2. Protocols and instructions of State authorities of the Russian Federation:

- Protocol of the Commission under the President of the Russian Federation on the development strategy of the fuel and energy complex and environmental safety of July 10, 2013, № A-60-26-8;

- instructions of the Government of the Russian Federation of December 28, 2011 № VP-P13-9308 and no. VP-P24-1269 of March 5, 2012 on disclosure of information on the structure of counterparty owners, on submission of data on income, property and property obligations of management personnel, on prevention and detection of conflicts of interest and other abuses related to positions held in PJSC Rosseti and its subsidiaries;

- other managerial decisions.

3. Guidelines for the development and adoption by organizations of measures to prevent and combat corruption, developed by the Ministry of Labour and Social Protection of the Russian Federation, approved on November 8, 2013.

4. Methodological recommendations on the organization of corruption risk management and internal control processes in the field of preventing and countering corruption, approved by Rosimushchestvo order №80 of March 2, 2016.

5. The Code of Corporate Governance, approved on February 13, 2014 at the meeting of the Government of the Russian Federation, approved on 21 March 2014. The Code of Corporate Governance was approved by the Government of the Russian Federation. The Board of Directors of the Bank of Russia and recommended for application by joint-stock companies (further - the Corporate Governance Code).

6. Anti-corruption charter of the Russian Business of September 21, 2012. The chamber of Commerce and Industry of the Russian Federation, the Russian Union of Industrialists and Entrepreneurs, the all-Russian public organization "Delovaya Rossiya" and the all-Russian public organization "OPORA Rossii" (Certificate №496 of PJSC Rosseti of September 23, 2014).

7. International legal standards.

8. Local regulatory acts of PJSC Rosseti and organizational-administrative documents of PJSC Rosseti:

- Charter of PJSC Rosseti;

- Corporate Code of Ethics of PJSC Rosseti;

- other local normative acts and organizational and regulatory documents of the PJSC Rosseti.

1.2. Principles, goals and objectives of the anti-corruption policy

1.2.1. Principles of the anti-corruption policy:

- compliance of the anti-corruption policy with current legislation and generally accepted standards;
- compliance with legal rights and interests, protection of the business reputation of employees, partners, contractors and other persons, compliance with the trade secret regime in the implementation of anti-corruption measures;
- personal example of leadership in the formation of a culture of intolerance to corruption and the creation of an internal system for preventing and countering corruption;
- employee engagement: awareness of the organization's employees about the provisions of anti-corruption legislation and their active participation in the formation and implementation of anti-corruption standards and procedures;
- proportionality of anti-corruption procedures to the amount of possible damage and the probability of implementing the corruption risk of PJSC Rosseti and its subsidiaries;
- effectiveness of anti-corruption procedures: implementation of anti-corruption measures that ensure ease of implementation and bring significant results;
- liability and inevitability of punishment for employees of PJSC Rosseti and its subsidiaries, regardless of their position, work experience and other conditions, if they commit corruption offenses in connection with the performance of their labor duties;
- open business: informing partners, contractors, and the public about the anti-corruption business standards adopted by PJSC Rosseti and its subsidiaries;
- constant and regular control of the effectiveness of implemented anti-corruption standards and procedures, as well as monitoring their implementation.

1.2.2. Goals of the anti-corruption policy

The main goal - a unified approach to implementing the requirements of the article 13.3. of the Law on Combating corruption, concerning the obligations of PJSC Rosseti and its Subsidiaries to develop and implement measures to prevent and combat corruption: identifying and then eliminating the causes of corruption (prevention of corruption); identifying, preventing and suppressing corruption and other offenses; minimizing and (or) eliminating the consequences of corruption and other offenses, including those specified in the article 19.28 of the Code of Administrative offences of the Russian Federation.

Anti-corruption policy is a fundamental document of PJSC Rosseti and its subsidiaries in the sphere of combating corruption, it contains a set of interrelated principles and procedures stipulated by article 13.3 of the Law on Combating corruption, specific measures under the act of official interpretation - the Methodological guidelines of the Ministry of Labour (Appendix - List of anti-corruption measures at PJSC Rosseti and SAs).

The anti-corruption policy is an element of the Company's internal control and risk management system, which provides a set of measures aimed at preventing corruption, reducing corruption and reputational risks, as well as the risks of applying liability measures to the Company for bribing officials.

The anti-corruption policy is aimed at implementing the requirements of paragraph 260 of the Code of Corporate Governance, in terms of defining measures to form elements of the corporate culture, organizational structure, rules and procedures that ensure the prevention of corruption. As part of the task of evaluating the internal control system, the reliability of procedures for countering illegal actions, abuse and corruption is assessed on the basis of paragraphs 269 of the Code of Corporate Governance.

1.2.3 Objectives of the anti-corruption policy:

- define key directions for implementing the requirements of the article 13.3. of the Law on Combating Corruption;
- create an effective executive mechanism of realisation of anti-corruption measures (including the set of anti-corruption events);
- fix the requirements and restrictions when interacting with state bodies that are responsible for anti-corruption issues;
- prevent corruption-related or any other criminal offences, make sure responsible for committing the crime are punished accordingly;
- form a clear understanding of the position of PJSC Rosseti and its subsidiaries on the rejection of corruption in all forms among shareholders, partners, contractors, members of management and control bodies, and employees;
- minimize the risks of involvement of PJSC ROSSETI and its subsidiaries in corruption activities.

1.2.4. Preventive measures against corruption in PJSC Rosseti and its SAs:

- Consolidation of the functions of structural divisions responsible for the prevention of corruption and other offenses;
- Development and implementation of a set of standards and procedures aimed at ensuring conscientious work;
- accepting of the Code of Ethics and official conduct of an employee;
- detection and evaluation of corruption risks;
- development and realisation of responses to corruption risks;
- prevention and resolving of conflict of interest;
- cooperation with law enforcement officials in combating corruption;
- prevention of informal reporting and the use of forged documents.

1.2.5. Range of persons covered by the anti-corruption policy realisation

The main circle of persons falling under the scope of the Anti-corruption Policy are employees of PJSC Rossetti and SA, regardless of their position and functions, as well as partners and counterparts of PJSC Rossetti and SA, other persons due to mutual obligations between them and PJSC Rossetti and SA, including anti-corruption and other obligations.

2. Implementation mechanism of the Anti-corruption Policy

2.1. Consolidation of the functions of departments and officials responsible for the prevention of corruption offenses and combating corruption

2.1.1. The Board of Directors of PJSC Rosseti and the boards of Directors of SAs, General Director of PJSC Rosseti and the sole Executive bodies of subsidiaries, Deputy General Director of PJSC Rosseti for security and those responsible for corruption prevention in PJSC Rosseti and subsidiaries, the safety Department of PJSC Rosseti and the structural unit of anti-corruption compliance at subsidiaries ensure compliance with the fundamental principles, objectives and requirements, implementation of the directions of this anti-corruption policy in PJSC Rosseti and its subsidiaries and control the effective implementation of the anti-corruption policy.

2.1.2. The Board of Directors of PJSC Rosseti and the boards of Directors of SAs:

- Determine key strategic directions of the anti-corruption policy;
- approve internal document of the Company (its subsidiaries) regulating anti-corruption policy;
- control the results of the implementation of the anti-corruption policy;
- define the main principles and approaches to the organization of corruption risk management and internal control processes in the field of preventing and countering corruption in the Company;
- approve the list of corruption risks with indication of owners of corruption risks (heads of blocks and structural divisions of the Company);
- in order to implement the principles and approaches named above, overall control over the implementation, execution discipline, and operational efficiency is executed, and all measures possible within the scope of their authority to ensure that this process complies with the principles and approaches defined by the Board of Directors for its organization are taken;

General Director of PJSC Rosseti and the sole Executive Bodies of the Subsidiaries and Affiliates:

- responsible for organizing all activities aimed at implementing the principles and requirements of the anti-corruption policy, including the appointment of persons responsible for the development of anti-corruption procedures, their implementation and control;
- ensure that an annual report on compliance with the anti-corruption policy is submitted to the Board of Directors of PJSC Rosseti and to the boards of Directors of Subsidiaries and Affiliates.

2.1.3. The division responsible for combating corruption in the Company is given sufficient powers to carry out anti-corruption measures, including those in relation to persons holding senior positions in PJSC Rosseti, as well as providing the necessary human and technical resources.

The division of the Company responsible for prevention of corruption offenses and combating corruption in PJSC Rosseti is determined by the center for coordination and control of the activities of subsidiaries in the sphere of prevention and combating corruption within the framework of fulfilling one of the goals of article 3 of the company's Charter.

2.1.4. Corruption prevention and compliance control units - structural

divisions of subsidiaries and affiliates responsible for the prevention of corruption offenses (article 13.3 of the Law on Combating corruption) are subordinate to persons responsible for combating corruption, who are subordinate to the sole Executive bodies of subsidiaries and affiliates, and are given powers sufficient to carry out anti-corruption measures, including in relation to persons holding senior positions in subsidiaries and affiliates, as well as providing the necessary personnel and technical resources.

2.1.5. The Company's division responsible for preventing corruption offenses and countering corruption in PJSC Rosseti organizes annual seminars and meetings on improving anti-corruption activities in the Rosseti Group of companies with the heads of anti-corruption and compliance control departments.

2.1.6. The Company's division responsible for prevention of corruption offenses and anti-corruption of PJSC Rosseti and structural divisions for prevention of corruption, compliance control of subsidiaries and affiliates:

- conduct activities aimed at implementing the principles and requirements of anti-corruption policy;
- develop a complex of anti-corruption measures;
- carry out compliance monitoring of the activities of PJSC Rosseti and subsidiaries and affiliates;
- conduct control measures aimed at detecting corruption and other offenses;
- organize the assessment of corruption risks;
- organize anti-corruption expertise of organizational and administrative documents, QMS documents (for subsidiaries with the introduced quality management system) and their projects;
- consider reports on cases of inducing employees to commit corruption and other offenses in the interests or on behalf of another organization, as well as possible facts of committing corruption and other offenses by employees, partners, contractors of PJSC Rosseti and subsidiaries and other persons;
- organize the filling in and review of declarations of conflict of interest;
- organize verification of declarations of information about property, income and property obligations of the heads of PJSC Rosseti and subsidiaries and their family members;
- organize training events on the prevention and counteraction of corruption and individual counseling of employees;
- organize an increase in the effectiveness of information propaganda and educational measures aimed at creating an atmosphere of intolerance to the signs of corruption in a company;
- assist authorized representatives of control and law enforcement officials in conducting inspections of the activities of PJSC Rosseti and its subsidiaries on issues of preventing and countering corruption;
- assist authorized representatives of law enforcement officials in carrying out measures to prevent or investigate corruption crimes, including operational investigative measures;
- evaluate the results of anti-corruption work and prepare relevant reporting materials to the organization's management;
- carry out activities to prevent and counteract corruption and other offenses,

conflicts of interest;

- develop anti-corruption standards and provide methodological assistance in the implementation of measures to combat and prevent corruption and assist in legal education of the employees;
- coordinate the activities of structural divisions in the implementation of anti-corruption policy;
- participate in holding summits, scientific and practical seminars, conferences on the Russian and international level in the sphere of combating and preventing corruption;
- interact with state and local government bodies, scientific and educational organizations and institutions in the sphere of combating and preventing corruption;
- organize and monitor the implementation of the Russian, applicable foreign and international anti-corruption legislation and monitor changes made to them, as well as relevant judicial practice;
- conduct scheduled and unscheduled inspections of compliance with the principles of this anti-Corruption policy, make reports on the results of inspections;
- proceed with the development of the documents in the sphere of combating and preventing corruption and initiate updating of these documents in connection with changes in the anti-corruption legislation of the Russian Federation.

2.1.7. Subsidiaries and affiliates make contributions to the process of realisation of prevention and combating corruption measures implemented by PJSC Rosseti.

2.1.8. The Central Commission for compliance with corporate ethics and conflict of interest resolution is a collegial body of PJSC Rosseti:

- reviews issues related to the settlement of disputes/conflicts of interest in PJSC Rosseti in compliance with the provisions of the anti-Corruption policy, the Code of Corporate Ethics and the Code of Corporate Governance;
- considers issues submitted by the Commission on compliance with corporate ethics standards and settlement of conflicts of interests of subsidiaries and affiliates.

2.1.9. The Commission on observance of norms of corporate ethics and settlement of conflicting interests - collegial bodies of the SA of PJSC Rosseti, performs the consideration of issues related to the settlement of pre/conflict of interests in subsidiaries, subject to the provisions of anti-corruption policies, codes of ethics and codes of corporate governance of the subsidiaries.

2.2. Organization of the corruption risk management process

2.2.1. Corruption risk management processes are organized in order to ensure a unified approach of PJSC Rosseti and its subsidiaries and affiliates to the development and implementation of measures aimed at preventing and countering corruption, in accordance with the corporate risk management system.

2.2.2. The overall approach to identifying and assessing corruption risks should be structured in a way to ensure timely and complete identification and accurate assessment of corruption risks.

2.2.3 The following procedure of organizing corruption risk management has been established:

- description of risks (development of passports and registers of corruption

risks of the Company);

- assessment of corruption risks;
- forming of a card of corruption risks;
- identification of risks (identification of areas (processes, areas of activity) and business operations that are subject to corruption risks, formation of a list of positions associated with high corruption risk);
- development of a set of measures to eliminate and minimize corruption risks;
- establishment of special anti-corruption procedures and requirements, including regular completion of the Declaration of conflict of interest;
- evaluating the effectiveness and monitoring of existing measures to minimize corruption risks;
- development of new measures and improvement of those already existing to minimize corruption risks.

2.2.4. When checking the corporate risk management system, the effectiveness of the corruption risk management process is regularly evaluated in accordance with the Risk Management Policy of PJSC Rosseti.

2.3. Organization of internal control process in the sphere of corruption prevention

In order to ensure the efficiency and effectiveness of operations, the safety of assets, compliance with the requirements of regulatory legal acts and local regulations applicable to the Company, ensuring the reliability and timeliness of financial (accounting) and other reports, PJSC Rosseti and its subsidiaries:

2.3.1. When implementing corporate and process controls and conducting internal audits, take into account the requirements of the anti-corruption policy:

- verification of compliance with organizational procedures and regulations that are significant from the point of view of work on prevention of the corruption;
- verification of the economic validity of operations carried out in areas with a high risk of corruption.

2.3.2. Carry out tests of the organization of work on prevention of corruption, compliance with the requirements of the legislation of the Russian Federation, international legislation on combating corruption in subsidiaries and affiliates.

2.4. Prevention and resolving of a conflict of interest

In order to limit the influence of private and personal interests of employees on the way they perform work functions and make business decisions, PJSC Rosseti and its subsidiaries take measures to identify, prevent and resolve conflicts of interest:

2.4.1. Develop and adopt internal documents establishing the procedure for identifying and resolving situations of pre-conflict of interest that arise among the employees of PJSC Rosseti and its subsidiaries in the course of performing their professional duties.

2.4.2. Inform all employees about the acceptance of these documents and the obligation to comply with the requirements contained in them.

2.4.3. To be guided by the following principles when performing work on conflict of interest management:

- mandatory disclosure of information about a real or potential conflict of interest;
- individual review and assessment of reputational risks when identifying each conflict of interest and its resolution;
- confidentiality of the conflict of interest disclosure and resolution process;
- maintaining the balance of interests of PJSC Rosseti and its subsidiaries and their employees in resolving conflicts of interest;
- protection of an employee from prosecution in connection with reporting a conflict of interest.

Responsibilities for the employees of PJSC Rosseti and subsidiaries and affiliates:

- when making business decisions and the execution of duties be guided by the interests of PJSC Rosseti and subsidiaries and affiliates;
- avoid situations and circumstances that may lead to a conflict of interest;
- disclose any (real) or potential conflict of interest, including reporting the occurrence of a conflict of interest and filling out declarations of conflict of interest;
- contribute to the resolving of an existing conflict of interest.

2.4.5. Various types of disclosure of conflicts of interest are established: when applying for a job, when appointing to a new position, as situations of conflict of interest arise, during annual declarations of conflict of interest and certifications for compliance with ethical business standards.

2.4.6. Provide mandatory completion of declarations of conflict of interest by a certain group of persons.

2.4.7. Determine the persons responsible for receiving information about emerging conflicts of interest.

2.4.8. Establish a ban on signing contracts with persons in relation to which the presence of a conflict of interest, affiliation and other abuses are established.

2.4.9. Ways of resolving a conflict are established.

2.4.10. Typical situations of pre / conflict of interest are defined.

2.4.11. Ensure the functioning of commissions controlling the compliance with corporate ethics and conflict of interest resolution.

2.5. Development and implementation of standards and procedures aimed at ensuring fair work

PJSC Rosseti and subsidiaries and affiliates implement anti-corruption standards of the employees conduct into the corporate culture PJSC Rosseti and subsidiaries and affiliates, in this regard:

2.5.1. Develop and adopt codes of ethics and official conduct of the employees of PJSC Rosseti and its SAs that determine:

- common values and principles of the PJSC Rosseti and its SAs;
- certain rules and standards of behaviour of the employees, concerning overall ethics of business relations and aimed at forming ethical, conscientious behavior of employees.

2.5.2 Perform verification of information on income, property and property obligations in respect of citizens applying for positions subject to Declaration, and employees who fill these positions in PJSC Rosseti and its subsidiaries, and their close

relatives, in accordance with the internal organizational and regulatory documents of the Company and its subsidiaries, in order to identify conflicts of interest, affiliation and other abuses.

2.5.3. Guided by the principles of honesty and impartiality in the formation of personnel (including management) staff:

- employees are appointed or transferred to higher positions only based on their business qualities;
- there is a ban on employment of persons of close kinship, if the performance of official duties is related to the direct subordination or control of one of them to the other;
- employees are required to provide the information specified in paragraph 2.5.2 of the anti-corruption policy.

2.5.4. Recognize the exchange of gifts with business partners as an integral part of business ethics, if these actions are open, comply with generally accepted standards of business etiquette, the requirements of the legislation of the Russian Federation and internal organizational and administrative documents, and do not pose a risk to the business reputation of the Company and its employees.

2.5.5. Establish the obligation of employees to notify the Company about the all cases of receiving a business gift in connection with their official position or in connection with the performance of their labor (official) duties of their direct Manager.

2.5.6. Establish a ban on giving business gifts by employees of the Company in the form of cash or non-cash funds, securities, jewelry and other luxury items.

2.5.7. Carry out charitable and sponsorship activities independently or through their employees on the basis of the principle of transparency, without seeking to obtain or maintain an advantage in the commercial activities of PJSC Rosseti and its subsidiaries, in accordance with the requirements of the legislation of the Russian Federation and internal organizational and administrative documents.

2.5.8. Implement measures for combating illegal use of insider information and market manipulation in PJSC Rosseti and subsidiaries and affiliates;

2.5.9. Conduct anti-corruption expertise of local regulations of PJSC Rosseti and its subsidiaries and issue regulatory legal acts that establish additional guarantees for ensuring independent anti-corruption expertise of regulatory legal acts (draft regulatory legal acts).

2.6. Review and verification of information about possible corruption

2.6.1. PJSC Rosseti and its subsidiaries receive requests from employees of PJSC Rosseti /its subsidiaries, partners, contractors and other (individuals and legal entities) about possible corruption using an interactive channel of interaction with applicants, a telephone hotline, as well as by mail and in person.

2.6.2. PJSC Rosseti and its subsidiaries take measures to protect persons who have provided the information specified in clause 2.6.1 from any form of pressure (including dismissal, harassment, or any form of discrimination).

2.6.3. PJSC Rosseti /SAs strive to create a set of effective measures to verify information about possible facts of corruption, and if they are confirmed, to eliminate (minimize) their consequences and the causes that contribute to them.

2.7. Formation of the fundamentals of law-abiding behavior of the employees and legal education

2.7.1. PJSC Rosseti and its subsidiaries carry out information and awareness-raising activities for employees of PJSC Rosseti and its subsidiaries in order to prevent corruption:

- create and improve the sections "Anti-Corruption policy" and "Anti-Corruption Charter of Russian business" on the official websites of PJSC Rosseti and its subsidiaries;
- publish information about the measures to implement this anti-Corruption policy in the corporate newspaper, in all mass media in free access;
- ensure the dissemination of positive experience in countering attempts of corruption pressure by employees and the Company in cooperation with the mass media;
- organize anti-corruption events and social campaigns;
- provide professional development of employees whose job responsibilities include participation in anti-corruption, according to the educational program of two levels (basic - for first-time students and advanced - for those who have previously completed training);
- encourage employees to provide confirmed information about corruption and other offenses in PJSC Rosseti and its subsidiaries;
- guarantee that no employee will suffer either in career or financial terms if they refuse to commit corruption, even if such refusal will lead to losses for PJSC Rosseti and its subsidiaries;
- practice employee responsibility by signing an agreement on compliance with the principles and requirements of the anti-corruption policy and anti-corruption legislation;
- declare the need to develop mechanisms of corporate influence for committing corruption and other offenses.

2.7.2. Compliance by employees of PJSC Rosseti and its subsidiaries with the principles and requirements of the anti-corruption policy is taken into account when forming the personnel for promotion to higher positions, when conducting employee certification.

2.8. Consulting and training of employees of the organization

PJSC Rosseti and its subsidiaries organize various forms of training for employees on the prevention of corruption:

2.8.1. Conduct educational and awareness-raising events (briefings, trainings, seminars, questionnaires and testing of employees of PJSC Rosseti and its subsidiaries) aimed at informing employees about the requirements of the legislation of the Russian Federation, international legislation on anti-corruption, and the formation of anti-corruption awareness of employees, and explain:

- the concept of corruption in the public and private sector;
- responsibility for commission of corruption-related crimes;
- requirements of the legislation and internal documents of PJSC Rosseti and its subsidiaries on the prevention of corruption and the procedure of their

application;

- procedure of identifying and resolving conflicts of interest when employees perform their professional duties;
- behavior in situations of corruption risk, in particular, in cases of extortion of bribes by officials of state and municipal organizations;
- the procedure of interaction with law enforcement officials on prevention and combating corruption.

2.8.2. Conduct individual consultations of employees on issues of prevention and counteraction of corruption in a confidential manner.

2.8.3. Provide regular public lectures on anti-corruption issues in the Company's divisions, branches and subsidiaries in cooperation with educational and scientific organizations.

2.8.4. Organize possibilities for professional development with the involvement of scientific and educational organizations of employees of departments whose official duties include participation in anti-corruption, according to programs of additional professional education.

2.9. The adoption of measures for the prevention of corruption in cooperation with partners and counter parties

PJSC Rosseti and its subsidiaries are focused on establishing and maintaining business relationships with partners and counter parties who:

- support anti-corruption policy;
- conduct business relations in a conscientious and honest manner;
- care about their own reputation;
- show support for high ethical standards;
- implement measures of their own on combating corruption;
- participate in collective anti-corruption initiatives.

2.9.1. PJSC Rosseti and its subsidiaries inform partners and contractors about programs, standards of conduct, procedures and rules aimed at preventing and combating corruption.

2.9.2. PJSC Rosseti and its subsidiaries inform partners and contractors about joining the anti-Corruption Charter of Russian business, as well as about the inclusion of PJSC Rosseti in the "Register of reliable partners".

2.9.3. PJSC Rosseti and its subsidiaries implement the requirements of the unified anti-corruption standard when conducting anti-corruption control in procurement activities.

The anti-corruption standard includes verification of procurement documentation and procurement participants/contractors in order to assess their level of trustworthiness and integrity, settlement of conflicts of interest, exclusion of affiliation and other abuses related to positions held in PJSC Rosseti and its subsidiaries.

2.9.4. The audit procurement documentation is controlled in 3 stages: pre - validation of the draft Procurement Plan; current - test analytical and explanatory notes, confirming the validity of the proposed transaction; subsequent checking of the explanatory notes supporting the conclusion of additional agreements and

consideration of complaints and appeals of contractors and other individuals and legal entities about possible corruption.

2.9.5. As part of the audit of procurement participants/contractors and (or) third parties engaged by the counter party to fulfill their obligations under the contract, the assessment of their reliability and integrity is carried out to disclose the structure of the owners of contractors, including the beneficiaries, including the end ones, as well as the composition of their Executive bodies; to check their reputation and duration of activity in the market, participation in corruption scandals, etc.; to resolve conflicts of interest, exclude affiliations and other abuses related to positions held in PJSC Rosseti and its subsidiaries.

As part of the audit, the following requirements are set for purchasing participants/contractors:

- signing of anti-corruption obligations - consent of the participant in procurement procedures of PJSC Rosseti and its subsidiaries to comply with the principles and requirements of the anti-Corruption policy, including the obligation not to commit corruption and other offenses, to provide complete and reliable information about the chain of ownership, including beneficiaries, including the end ones, as well as the composition of Executive bodies with supporting documents attached;
- providing information about the presence of conflict of interests and/or relationships in the nature of affiliation with employees of PJSC Rosseti and subsidiaries and affiliates;
- providing information about the entire chain of owners, including beneficiaries (including end ones), as well as information about the structure of their Executive bodies;
- providing information about the involvement of third parties in the performance of their obligations under contracts before entering into a contract with these persons, including providing information about the entire chain of owners of these third parties, including the end beneficiaries, as well as information about the structure of their Executive bodies, with copies of supporting documents attached;
- consent to process personal data;
- signing of an anti-corruption clause to the agreement declaring the implementation of an anti-corruption policy by PJSC Rosseti and its subsidiaries and not allowing the commission of corruption and other offenses.

2.9.6. When fulfilling their obligations, the Counterparty and PJSC Rosseti / SAs, their affiliates, employees or intermediaries do not perform actions that are qualified by applicable law as giving (article 291 of the Criminal Code of the Russian Federation)/receiving (article 290 of the Criminal Code of the Russian Federation) bribes, mediation in bribery (article 291.1 of the Criminal Code of the Russian Federation), commercial bribery (article 204 of the Criminal Code of the Russian Federation), abuse of authority (article 201 of the Criminal Code of the Russian Federation), illegal remuneration on behalf of a legal entity (article 19.28 of the Code of Administrative offences), illegal employment or performance of works or services of a state or municipal employee or a former state or municipal employee (article 19.29 Code of Administrative offences of the Russian Federation), as well as any other illegal act (action or omission) that has signs of corruption, for which the law establishes disciplinary, criminal, civil or administrative liability.

The counterparty and PJSC Rosseti /subsidiaries and affiliates refuse to provide incentives to each other's employees in any way, including by providing monetary amounts, gifts, gratuitous performance of works (services) to them, and other methods not mentioned here that place the employee in a certain dependence and are aimed at ensuring that this employee performs any actions in favor of the stimulating party (the Counterparty and PJSC Rosseti /subsidiaries).

The actions of an employee performed in favor of the stimulating party (the Counterparty or PJSC Rosseti / subsidiaries) are understood as:

- providing unjustified advantages comparing to other contractors;
- the provision of any guarantees;
- acceleration of existing procedures;
- other actions performed by an employee within the scope of their official duties, but going against the principles of transparency and openness of relations between the Counterparty and PJSC Rosseti /SAs.

2.9.7. Compliance with the conditions in the contract and anti-corruption clause, changes in the chain of owners of the counter party is controlled at the stage of execution of the contract, in the event of non-compliance with these requirements contractual relationship in PJSC Rosseti and SAs will be terminated in a determined order.

2.9.8. PJSC Rosseti and its subsidiaries refuse to provide incentives to employees of contractors in any way, including by providing monetary amounts, gifts, gratuitous performance of works (services) to them, and other methods not mentioned here that place the counterparty's employee in a certain dependence and are aimed at ensuring that this employee performs any actions in favor of PJSC Rosseti and its subsidiaries.

2.10. Countering bribery of foreign public officials and officials of public international organizations

2.10.1. PJSC Rosseti takes measures to counteract bribery of foreign public officials or officials of public international organizations in accordance with international standards, regulatory legal acts of the Russian Federation, and paragraph 12 of the anti-Corruption Charter of Russian business.

2.10.2. Bribery of foreign public officials and officials of public international organizations - intentional offering, promising or giving by any person, directly or indirectly, any illegal property or other benefits to a foreign official, for the benefit of such official or a third party with the aim to make official commit an act or omission in the performance of official duties to obtain or retain business or other undue advantage in relation to the implementation of international commercial transactions, complicity, including incitement, and aiding and abetting, as well as authorizing acts of bribery of a foreign official, attempted bribery or conspiracy to bribe a foreign official (article 16 of The United Nations Convention against corruption, art. 1, 2, 4, 5, 6, 9 Convention on criminal liability for corruption, article 1 of the Convention on combating bribery of foreign officials in international commercial transactions, paragraph 12 of the anti-Corruption Charter of Russian business).

2.10.3. Russian legislation states criminal responsibility for individuals for bribing foreign public officials and officials of public international organizations:

article 291 of the Criminal Code of the Russian Federation (giving a bribe), article 291.1 of the Criminal Code of the Russian Federation (mediation in bribery, promise or offer of mediation in bribery).

2.10.4. In accordance with part 2 of article 3 of the Convention on combating bribery of foreign public officials in international commercial transactions, legal entities are criminally liable for bribery of foreign public officials.

If the country's legal system does not imply criminal responsibility of legal entities, other types of responsibility, including financial sanctions, may be applied to legal entities.

2.10.5. Russian legislation states administrative responsibility for legal entities in case of bribes of foreign public officials and officials of public international organizations: article 19.28 of the Code of the Administrative offences Russian Federation (Illegal remuneration on behalf of a legal entity).

2.10.6. PJSC Rosseti and its subsidiaries take the following measures to counteract bribery of foreign public officials or officials of public international organizations:

- inform the Investigative Committee of the Russian Federation about the facts of bribery of officials;
- when performing duties outside the Russian Federation, if necessary, seek advice and support from the diplomatic and trade missions of the Russian Federation abroad;
- control the compliance by employees of PJSC Rosseti and its subsidiaries with the requirement to refrain from making promises, offers, or granting to a foreign public official or an official of a public international organization, personally or through intermediaries, any unlawful advantage for the official or other natural or legal person, so that this official commits any act or omission in the performance of his / her official duties in order to obtain, maintain a commercial or other unlawful advantage;
- keep records of foreign public officials and officials of public international organizations with which PJSC Rosseti and its subsidiaries interact within the framework of contractual and non-contractual relations, as well as keep records of employees of PJSC Rosseti and its subsidiaries who participate in such interaction;
- ensure the functioning of internal control mechanisms in terms of anti-corruption regulation;
- report to law enforcement bodies about the revealed facts of bribery of foreign public officials and officials of public international organizations and carry out subsequent interaction (point 2.11 of the anti-corruption policy);
- publish data on the measures taken in PJSC Rosseti and its subsidiaries aimed at preventing bribery of foreign public officials and officials of public international organizations in their annual social reports (paragraph 2.1.2 of the anti-corruption policy);
- interact with representatives of state authorities and law enforcement agencies (paragraphs 2.11 and 2.12 of the anti-Corruption policy), international and other organizations in order to develop and improve measures to counter bribery of foreign public officials and officials of public international organizations in PJSC

Rosseti and its subsidiaries;

- monitor the effectiveness of measures taken to counteract bribery of foreign public officials and officials of public international organizations (paragraph 7 of the anti-corruption policy).

2.11. Interaction with state bodies performing oversight functions

PJSC Rosseti and its subsidiaries pay special attention to the issues of interaction between employees and civil servants due to the high corruption risks that arise:

2.11.1. Establish the obligations of employees of PJSC Rosseti and its subsidiaries to refrain from any proposals, the acceptance of which may put the civil servant in a situation of conflict of interest.

2.11.2. Take measures aimed at preventing PJSC Rosseti and its subsidiaries from being subjected to administrative responsibility under article 19.28 of the Code of Administrative offence, including the prohibition on:

- transfer, offer or promise on behalf of and in the interests of PJSC Rosseti and its subsidiaries to a state or civil servant of money, securities, or other property, provision of property-related services, or provision of property rights for performing an action (omission) related to the position held by the employee in the interests of his position;

- offer and attempts to transfer any gifts (including those that cost less than three thousand rubles) to the Government and civil service inspectors.

2.11.3. Establish the procedure of reporting to the law enforcement bodies information about violations of the requirements for official behavior of state and civil servants in the implementation of control and supervision measures in PJSC Rosseti and its subsidiaries, as well as the pre-trial procedure for appealing their actions.

2.11.4. Ensures the implementation of the requirements of the legislation of the Russian Federation, orders of the Prime Minister of the Russian Federation¹ and decisions of the Commission under the President of the Russian Federation on the issues of strategic development of the fuel and energy complex² as a part of ensuring of transparency of financial-economic activity of PJSC Rosseti and ADs.

2.12. Cooperation with law enforcement bodies in countering corruption

Cooperation with law enforcement authorities is an important indicator of the real commitment of PJSC Rosseti and subsidiaries to the declared anti-corruption standards of conduct.

2.12.1. PJSC Rosseti and its subsidiaries make a public commitment:

- report to the relevant law enforcement agencies about cases of corruption and other offenses that PJSC Rosseti and its subsidiaries and affiliates became aware of;

- refrain from any sanctions against their employees who have reported to

¹ Instructions of the Government of the Russian Federation of December 28, 2011. №VP-P13-9308 and № VP-P24-1269 of March 5, 2012 on disclosure of information on the structure of counterparty owners, on submission of data on income, property and property obligations of management personnel, on prevention and detection of conflicts of interest and other abuses related to positions held in the Company.

² Protocol of the Commission under the President of the Russian Federation on the development strategy of the fuel and energy complex and environmental safety of 10.07.2013 № A-60-26-8.

law enforcement bodies the information that has become known during the performance of their labor (official) duties about the preparation or Commission of a corruption or other offense;

- to prevent undue interference of employees of PJSC Rosseti and subsidiaries and affiliates in the activity of law enforcement bodies at carrying out of anti-corruption measures.

2.12.2. PJSC Rosseti and its subsidiaries support the detection and investigation of corruption by law enforcement bodies, take the necessary measures to preserve and transmit to law enforcement agencies documents and information containing data on corruption offenses, and cooperate with law enforcement agencies by providing assistance to authorized representatives of law enforcement agencies:

- when they conduct inspections of the organization's activities on issues of preventing and countering corruption;
- when carrying out measures to prevent or investigate corruption crimes, including operational investigative measures.

2.13. Participation in collective initiatives to prevent and combat corruption

2.13.1. PJSC Rosseti and its subsidiaries not only independently implement measures to prevent and combat corruption, but also participate in collective anti-corruption initiatives.

2.13.2. PJSC Rosseti and its subsidiaries participate in:

- in holding events to implement the provisions of the anti-Corruption Charter of Russian business in accordance with the Regulations on the conditions and procedure for implementing the provisions of the anti-Corruption Charter of Russian business;
- use of standard anti-corruption clauses in joint agreements;
- in public refusal to engage in business activities with organizations involved in corruption crimes;
- in organizing and conducting joint training on prevention and combating corruption;
- participation of specialists of PJSC Rosseti and subsidiaries and affiliates in international and other anti-corruption initiatives.

2.14. Subsidiaries and affiliates

PJSC Rosseti and its subsidiaries and affiliates, within the limits of their competence, as well as in accordance with the corporate governance system and the Corporate Governance Code in force in PJSC Rosseti and its subsidiaries, initiate the implementation of their own anti-corruption policies similar to this one, and make reasonable efforts to ensure that the fundamental principles and requirements of the Anti-Corruption policy are observed in joint ventures, companies and associations where PJSC Rosseti and its subsidiaries participate.

2.15. Duties of employees relating to the prevention of corruption

For employees of PJSC Rosseti and subsidiaries and affiliates following duties are established:

- refrain from committing and / or participating in the Commission of corruption and other offenses in their own interests or on behalf of PJSC Rosseti and its subsidiaries;
- refrain from behavior that may be interpreted by others as a willingness to commit or participate in the Commission of corruption and other offenses in their own interests or on behalf of PJSC Rosseti and its subsidiaries;
- immediately inform the security Department of PJSC Rosseti and the corruption prevention and compliance control divisions of subsidiaries and affiliates about cases of employee inducement to commit corruption and other offenses;
- immediately inform the security Department of PJSC Rosseti and the corruption prevention and compliance control divisions of subsidiaries and affiliates about information that has become known to the employee about cases of corruption and other offenses committed by other employees, partners, contractors or other persons;
- inform the security Department of PJSC Rosseti and the corruption prevention and compliance control divisions of subsidiaries and affiliates about the possibility of a conflict of interest or an employee's conflict of interest (Declaration of a conflict of interest).

3. Responsibility

3.1. Measures of responsibility for corruption and other offenses in PJSC Rosseti and its subsidiaries include: measures of disciplinary, administrative and criminal liability in accordance with the legislation of the Russian Federation, measures of corporate influence in accordance with local regulations of PJSC Rosseti and its subsidiaries.

3.2. PJSC Rosseti and its subsidiaries conduct tests on every reasonable suspicion or established fact of corruption within the limits permitted by the legislation of the Russian Federation.

4. Adoption, application analysis and review of anti-corruption policy

4.1 The anti-corruption policy of PJSC Rosseti and its subsidiaries and affiliates is adopted in accordance with the regulatory legal acts of the Russian Federation, the articles of Association of PJSC Rosseti and its subsidiaries, and paragraphs 2.1.2 of the Anti-Corruption Policy.

4.2. PJSC Rosseti and its subsidiaries regularly monitor the progress of effective implementation of anti-corruption policy both on their own and with the involvement of other persons within their competence.

4.3. PJSC Rosseti and its subsidiaries provide conditions in which employees and other persons can freely point out shortcomings in the implementation of the anti-corruption policy, as well as make suggestions for its improvement.

4.4. The results of the anti-corruption program are reflected in the social reports of PJSC Rosseti and its subsidiaries.

4.5. Development and implementation of the action plan for updating the

anti-corruption policy in PJSC Rosseti and its subsidiaries is carried out in accordance with part 1 of paragraph 2.1.2 of the anti-corruption policy.

4.6. The security Department of PJSC Rosseti (divisions of corruption prevention, compliance control of subsidiaries and affiliates) provides reports to the General Director of PJSC Rosseti (sole Executive bodies of subsidiaries and affiliates) for the purposes specified in part 2 of clause 2.1.2 of the anti-corruption policy.

4.6. Amendments to the anti-corruption policy of PJSC Rosseti and its subsidiaries are made in accordance with clause 2.1.1. of the anti-corruption policy and in the cases of:

- the need to bring the provisions of the anti-corruption policy in line with changes in Russian and applicable international anti-corruption legislation;
- changes in the organizational, staff or functional structure of the Company that have a direct impact on the implementation of this anti-corruption policy;
- improving of the measures to implement anti-corruption policy.

4.8. Changes to this anti-corruption policy are posted on the official website of PJSC Rosseti and are mandatory for the application of subsidiaries and affiliates.

Appendix
Legal Framework of the Anti-Corruption Policy of
PJSC Rosseti and its SA

List of anti-corruption measures
in PJSC Rosseti and its SA

The mechanism of realization of Anti-Corruption Policy of PJSC Rosseti and subsidiaries and affiliates /Anti-corruption measures
1. Definition of the functional units and officials responsible for preventing corruption offenses and combating corruption, in accordance with the requirements of the legislation of the Russian Federation
1.1. Updating of a local regulatory act (further referred to as the LRA) that defines the tasks, functions, duties and powers of a structural unit or officials responsible for preventing corruption offenses and countering corruption.
1.2. Consolidation of functions with departments and officials responsible for prevention of corruption offenses and combating corruption.
2. Organization of the corruption risk management process
2.1. Description of corruption risks (development of passports and registers of corruption risks of the Company).
2.2. Identification and assessment of corruption risks.
2.3. Creating of a card of corruption risks.
2.4. Identification of risks (identification of areas (processes, areas of activity) and business operations that are subject to corruption risks, formation of a list of positions associated with high corruption risk).
2.5. Development of a set of measures to eliminate and minimize corruption risks;
2.6. Establishment of special anti-corruption procedures and requirements, including regular completion of the Declaration of conflict of interest.
2.7. Evaluating the effectiveness and monitoring of existing measures to minimize corruption risks of the PJSC Rosseti and subsidiaries. Monitoring of risk factors.
2.8. Development of new measures and improvement of those already existing to minimize corruption risks.
2.9. Annual updating of corruption risk passports.
3. Organization of internal control process in the sphere of corruption prevention
3.1. Verification of compliance with the requirements of anti-corruption policy in the Company and its subsidiaries.
3.2. Assessment of the economic feasibility and expediency of expenditures in areas with a high risk of corruption.

3.3. Regular monitoring of accounting data, availability and reliability of primary accounting documents.
3.4. Development of a standard control matrix for the business process "Combating corruption", formed during the implementation of measures aimed at improving the effectiveness of the internal control system for the processes of PJSC Rosseti and its subsidiaries.
3.5. Preparation of control schemes for the anti-corruption business process and its sub-processes, including all risks inherent in the process/sub-process, as well as operations (actions) and effective control procedures that ensure effective management of these risks.
4. Monitoring the functioning of the risk management system and internal control system in the sphere of preventing and countering corruption and evaluating their effectiveness
4.1 Self-assessment of the effectiveness of corporate and process controls in the sphere of combating and preventing corruption.
4.2. Conducting an internal independent assessment of the internal control system by the internal audit division, which includes checking the reliability of procedures for countering illegal actions, abuse and corruption.
4.3. An external independent evaluation of the effectiveness of RMS and ICS in the sphere of combating and prevention of corruption (in accordance with the operational and search activities of the Company), presenting the results of the audit to the Board of Directors.
4.4. Report to the Board of Directors of PJSC Rosseti (with preliminary review by the audit Committee under the Board of Directors) on the implementation, execution discipline and operational effectiveness of procedures for organizing the RMS and ICS in the sphere of combating and preventing corruption.
5. Prevention and resolving of a conflict of interest
5.1. Updating the LRA on the regulation of conflicts of interest in PJSC Rosseti and its subsidiaries (including the procedure for informing employees of PJSC Rosseti and its subsidiaries about the occurrence of conflicts of interest and the settlement of identified conflicts of interest, fixing the duties and responsibilities of employees, typical situations of pre/ conflict of interest, etc.), declarations of conflicts of interest.
5.2. Updating the LRA on the regulation of conflicts of interest in PJSC Rosseti and its subsidiaries (including the procedure for informing employees of PJSC Rosseti and its subsidiaries about the occurrence of conflicts of interest and the settlement of identified conflicts of interest, fixing the duties and responsibilities of employees, typical situations of pre/ conflict of interest, etc.), declarations of conflicts of interest.
5.3. Certification of employees with the participation of departments responsible for combating corruption.
5.4. Informing employees about the measures taken by the LRA to resolve the conflict interests and the obligation to comply with the requirements contained in them.

5.4. Organization and provision of work on resolution of the conflict of interest.
5.5. Organization of the declaring of the conflict of interests of candidates for vacant positions in PJSC Rosseti and its subsidiaries when applying for a job, as well as when transferring to senior positions in PJSC Rosseti and its subsidiaries.
5.6. The organization of the annual Declaration of conflict of interest of employees of PJSC Rosseti and subsidiaries and affiliates.
5.7. Analysis of the information obtained during the Declaration of a conflict of interests between employees of PJSC Rosseti and its subsidiaries.
5.8. Report on declaring the conflict of interests of employees of PJSC Rosseti and its subsidiaries at the Central Commission of the PJSC Rosseti.
5.9. Organization of annual Declaration of information on income, property and property obligations of managers and family members of PJSC Rosseti and subsidiaries, as well as verification of the specified information.
5.10. Development of measures to resolve a pre-conflict situation, resolve a conflict of interests of a Manager or employee (including review or change of job responsibilities and labour functions, removal from decision-making that is the subject of a conflict of interests, transfer to another position, termination of an employment contract, etc.).
5.11. Monitoring of the application of legal liability measures provided by the law in each case of non-compliance with prohibitions, restrictions and requirements established for the purpose of countering corruption, including measures to prevent and (or) resolve conflicts of interest.
6. Development and implementation of standards and procedures aimed at ensuring fair work
6.1. Development (together with the participation of public associations) and implementation of a set of organizational, explanatory and other measures to ensure that the Company's employees comply with the prohibitions, restrictions and requirements established by Federal Law № 273 "On Combating Corruption" and other Federal laws in order to combat corruption.
6.2. Updating the code of corporate ethics of PJSC Rosseti (including fixing the provisions on promotion to a higher position only based on the employee's business qualities, banning relatives from working in the organization on the condition that they are directly subordinate to each other, etc.).
6.3. There is a ban on employment of persons of close kinship, if the performance of official duties is related to the direct subordination or control of one of them to the other.
6.4. Development and adoption of rules governing the exchange of business gifts and signs of business hospitality.
6.5. Conclusion of an Agreement with employees of PJSC Rosseti and its subsidiaries on compliance with the requirements of the anti-corruption policy.

6.5. Publication of normative legal acts that establish additional guarantees for ensuring anti-corruption expertise of normative legal acts (draft normative legal acts).
6.7. Participation in the selection of candidates for positions in PJSC Rosseti and its subsidiaries in order to prevent corruption, participation in the certification of employees in order to establish compliance with their positions, and avoid conflicts of interest.
6.8. Taking measures to prevent the misuse of insider information and market manipulation (development of LRA, maintaining a list of insiders, analyzing transactions on the market, etc.).
7. Review and verification of allegations of corruption and other abuses
7.1. Control over the execution of the LRA on the procedure for reviewing reports of possible corruption in PJSC Rosseti and its subsidiaries (the procedure for receiving, reviewing and resolving appeals, the terms of consideration, the procedure for interacting with structural divisions, the introduction of a procedure for informing employees of the employer about cases of inducing them to commit corruption violations, etc.).
7.2. Monitoring the continuous operation of available channels for transmitting information, feedback mechanisms, helplines, hot lines, etc. Control over placement and updating of this information in production departments (PD), power distribution zones (PDZ) of subsidiaries and affiliates.
7.3. Control over the organization and ensuring the work on reviewing requests. Participation of employees of subsidiaries and affiliates in the consideration of applications received by PJSC Rosseti.
7.4. Analysis and monitoring of compliance with prohibitions, restrictions and requirements established for the purpose of combating corruption, including those related to receiving gifts by certain categories of persons, performing other paid work, and the obligation to notify of requests for inducement to commit corruption offenses.
7.5. Introduction of procedures to protect employees who report corruption offenses from formal and informal sanctions.
8. Legal education and formation of the fundamentals of law-abiding behavior of employees, consulting and training of employees
8.1. Development and publication of methodological and informational materials on anti-corruption standards of conduct.
8.2. Posting information on measures to implement the Anti-Corruption Policy of PJSC Rosseti and SAs (hereinafter referred to as the anti - corruption policy) on the corporate websites of PJSC Rosseti and its subsidiaries, corporate newspaper, mass media and other sources.
8.3. Ensuring the dissemination of positive experience in countering attempts of corruption pressure by employees and the Compsny in interaction with the mass media.

8.4. Ensure the annually provided professional development of employees whose job responsibilities include participation in anti-corruption, according to the educational program of two levels (basic - for first-time students and advanced - for those who have previously completed training).
8.5. Conducting training and educational events on prevention and combating corruption (trainings, seminars, conferences, forums, round tables, etc.) aimed at informing employees about the requirements of the legislation of the Russian Federation, international legislation on anti-corruption, and the formation of anti-corruption awareness of employees.
8.6. Carrying out work on forming a negative attitude to corruption among the Company's employees.
8.7. Organization of individual consultation of employees on the application (compliance) of anti-corruption standards and procedures.
8.8. Ensuring that regular public lectures on anti-corruption issues are held in the Company's divisions and subsidiaries in cooperation with educational and scientific organizations
8.9. Organization of annual seminars and meetings by the Department of implementation of anti-corruption policy of PJSC Rosseti on the application of the legislation of the Russian Federation on anti-corruption with the heads of divisions of subsidiaries for the prevention of corruption and other offenses.
9. Taking measures to prevent corruption in collaboration with partners and counterparts
9.1. Control over the implementation of special counterparty verification procedures in order to reduce the risk of involvement of PJSC Rosseti and its subsidiaries in corruption and other unfair practices (improvement of the unified automated system for analyzing and collecting information about counterparty beneficiaries (AC "ASIB"), which provides opportunity for checking the level of reliability and financial stability of counterparties (absence of unfair suppliers in the register, the presence of a negative information background, etc.)).
9.2. Control over the implementation of the unified mechanism for anti-corruption control of procurement activities in PJSC Rosseti and its subsidiaries (anti-corruption standard).
Updating the LRA on the organization of work on disclosure of information about the chain of ownership of procurement participants and contractors of PJSC Rosseti and its subsidiaries.
9.4. Dissemination to contractors and partners of programs, policies, standards of conduct, procedures and rules aimed at preventing and combating corruption, which are applied in PJSC Rosseti and its subsidiaries (anti-corruption obligations, anti-corruption standard, anti-corruption clause, etc.).
9.5. Informing the public about the degree of implementation and success in implementing anti-corruption measures (posting relevant information on the official websites of PJSC Rosseti and its subsidiaries, mass media, and other sources).

<p>10. Interaction with state bodies performing control and Supervisory functions, cooperation with law enforcement agencies in the field of anti-corruption</p>
<p>10.1. Development and approval of the LRA on the procedure for interaction between PJSC Rosseti and control and law enforcement agencies.</p>
<p>10.2. Interaction with Federal government bodies on issues of practical application of the provisions of the law on prevention and combating corruption, improving the regulatory framework, including the development of proposals for amendments to existing legal acts of the Russian Federation in the field of prevention and combating corruption, participation in working (expert) groups under the Prosecutor General of the Russian Federation, the Federal service for financial monitoring of the Chamber of Commerce and Industry of the Russian Federation, etc.</p>
<p>10.3. Assistance in identifying and investigating corruption offenses by law enforcement agencies (ensuring that employees of PJSC Rosseti and its subsidiaries do not interfere unlawfully in their activities).</p>
<p>10.4. Assistance in conducting inspections and not hindering the legitimate activities of inspectors, reporting cases of corruption offenses.</p>
<p>11. Participation in collective initiatives to prevent and combat corruption</p>
<p>11.1. Implementation of the provisions of the Anti-Corruption Charter of Russian business:</p>
<p>11.1.1. Organizing and ensuring interaction with representatives of the Russian business community: The chamber of Commerce and Industry of the Russian Federation, all-Russian public organizations "Russian Union of Industrialists and entrepreneurs", "Delovaya Rossiya", "OPORA Rossii" and other Charter participants (participation in working groups, joint training, etc.).</p>
<p>11.1.2. Holding events of PJSC Rosseti as a participant</p> <ul style="list-style-type: none"> - ensuring compliance with the requirements for PJSC Rosseti as a member of the " Register of reliable partners"; - participation in the Expert group of the Joint Committee of the Russian chamber of Commerce and Industry.
<p>11.2. Participation in other collective initiatives:</p>
<p>11.2.1 Use of standard anti-corruption clauses in joint agreements.</p>
<p>11.2.2 Placement on the websites of the public address of the Company's head to employees, contractors, partners of organizations about rejection of corruption and bribery in business relations.</p>
<p>11.2.3 Public rejection of the joint business activities with the organizations (or persons) involved in corruption crimes.</p>
<p>11.2.4 The participation of specialists of PJSC Rosseti and subsidiaries and affiliates in international and other anti-corruption initiatives.</p>
<p>12. Countering bribery of foreign public officials and officials of public international organizations</p>
<p>12.1. Development and approval of the LRA on measures to counteract bribery of</p>

public foreign officials in PJSC Rosseti and its subsidiaries (the procedure for employees to report known facts of bribery of public foreign officials, sending information to the Investigative Committee of the Russian Federation, measures to counteract bribery).
12.2. Interaction with representatives of state authorities and law enforcement agencies of the Russian Federation, diplomatic and commercial representations of the Russian Federation abroad, international and other organizations in order to develop and improve measures to counter bribery of foreign public officials and officials of public international organizations in PJSC Rosseti and its subsidiaries.
12.3. Monitor the effectiveness of measures taken to counteract bribery of foreign public officials and officials of public international organizations.
13. Adoption, application analysis and review of anti-corruption policy
13.1. Monitoring of international standards, anti-corruption legislation of the Russian Federation, LRA of PJSC Rosseti and subsidiaries and affiliates in the field of prevention and combating corruption.
13.2. Assessment of the progress and effectiveness of anti-corruption policy implementation.
13.3. Review and changes adopted in the anti-corruption policy.