



**РОССТЕИ**  
ЮГ



# AGGREGATING THE ENERGY OF THE SOUTH OF RUSSIA

# 25

INTEGRATED  
ANNUAL REPORT

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# About the Report

## GRI 2-1, 2-2

The Report aims to provide stakeholders with information about the most significant events, production activities, financial results, and sustainable development of the Company, as well as its impact on the economy and environment.

Public Joint-Stock Company Rosseti South may also be referred to herein as PJSC IDGC of the South (the previous name until 14 February 2022), PJSC Rosseti South, Rosseti South or the Company.

## REORGANISATION OF PJSC ROSSETI SOUTH

On 1 December 2025, the Company's reorganisation was completed in the form of a merger with JSC Rosseti Kuban. The reorganisation process took into account the implementation of one of the tasks stipulated by the Energy Strategy of the Russian Federation for the period up to 2050<sup>1</sup>, i.e., the creation of a single state-owned energy complex by consolidating power grid assets on the basis of a single company, PJSC Rosseti South.

Decisions on the reorganisation were taken by the extraordinary General Meetings of Shareholders of PJSC Rosseti South (15 May 2025, Minutes No. 28 dated 16 May 2025) and JSC Rosseti Kuban (16 May 2025, Minutes No. 52 dated 19 May 2025). The merger agreement between PJSC Rosseti South and JSC Rosseti Kuban was signed on 21 May 2025. The merger of the two largest operating companies took place in less than seven months after the decisions had been taken by the extraordinary General Meetings of Shareholders.

Following the Company's reorganisation, its authorised capital increased 4.6 times, and the share of PJSC Rosseti in the authorised capital of PJSC Rosseti South increased from 84.16% to 96.31%.

The reorganisation aimed at maintaining the reliability and stability of energy supply in the south of Russia, upgrading the service to electric consumers by improving the monitoring mechanism, increasing the level of observability and manageability of grid infrastructure facilities, and creating conditions for rapid response during repair and emergency recovery operations at power grid facilities.

The rights and obligations of JSC Rosseti Kuban were transferred to PJSC Rosseti South by way of universal legal succession. Reliable and uninterrupted power supply to consumers of the Republic of Adygeya, the Krasnodar Territory and the federal territory of Sirius is provided by the Kubanenergo branch.

<sup>1</sup> Approved by Decree of the Government of the Russian Federation No. 908-R dated 12 April 2025.

## About the Report

### The Subject of the Report – Aggregating the energy of the South of Russia

Modern technology cannot advance without energy. The Company is driving this technology advancement, supplying energy to the regions' industrial sector within its remit and the country's energy sovereignty, while also introducing cutting-edge technology into its internal processes.

PJSC Rosseti South plays a pivotal role in ensuring power supply to six southern regions of the Russian Federation. Despite all the difficulties and challenges of the reporting year, the Company demonstrates seamless operation, ensures reliable power supply to consumers, puts new facilities into operation, and connects hospitals, schools, kindergartens to its power grids, while taking care of the well-being of every resident of the regions where it operates.

In this way, our Company contributes to the implementation of national and regional projects, participating in the common cause together with the entire country. We recognise that the expertise and experience of our staff who are always learning new skills, along with the implementation of cutting-edge technology and careful planning, are the cornerstones for successfully completing the duties assigned by the government and society. We are convinced that only through our continuous efforts to improve people's quality of life and our responsibility to society we can maintain our leadership in the industry and ensure our success in the future.

### Boundaries of the Report

#### GRI 2-4

This Report contains the Company's performance results for 2025 and presents certain important events in the Company's activities that took place after the reporting date — in the period from 1 January 2026 to the preliminary approval of the Report by the Board of Directors.

This Annual Report has been prepared on the basis of information available to Rosseti South as of the date of the Report. The Annual Report provides an overview of the Company's results for 2025, as well as the historical changes in indicators for 2023–2025.

Most of the Company's indicators for 2025 disclosed in this Report contain the performance results of the Kubanenergo branch within PJSC Rosseti South for December 2025, and in some cases, to ensure comparability of indicators, as well as the performance results of PJSC Rosseti Kuban for 2023–2024 and JSC Rosseti Kuban for January – November 2025.

This Report contains information about the members of the Company's governing and control bodies, members of the Committees of the Board of Directors and the Corporate Secretary, as well as the amount of their personal remuneration, in full compliance with the requirements of Russian legislation on personal data.

### Standards

The 2025 Report was prepared in accordance with international and Russian standards and regulatory requirements, including:

- ▶ Federal Law No. 39 'On Securities Market' dated 22 April 1996
- ▶ Federal Law No. 208 dated 26 December 1995 'On Joint Stock Companies'
- ▶ Bank of Russia's Regulations No. 714-P dated 27 March 2020 'On Disclosure of Information by Issuers of Equity Securities'
- ▶ Recommendations on disclosure of non-financial information related to activities of public joint-stock companies (Letter of the Bank of Russia No. IN-06-28/49 dated 12 July 2021)
- ▶ Code of Corporate Governance approved by the Board of Directors of the Bank of Russia on 21 March 2014 and recommended for application by Letter of the Bank of Russia No. 06-52/2463 dated 10 April 2014 (hereinafter referred to as Code of Corporate Governance of the Bank of Russia)
- ▶ GRI 2021 standards with reference

### Disclaimer

The Annual Report contains certain forward-looking statements regarding the Company's business operations, financial and economic performance, plans, projects and expected results. The Report may also include estimates of trends in service/product prices, production and consumption volumes, costs, projected expenditures, development prospects and similar factors, as well as industry and market forecasts, start and end dates of individual projects of the Company.

The Company makes no promises or guarantees regarding the realisation of the results expressed in the forward-looking statements. PJSC Rosseti South disclaims any liability for any losses incurred by individuals or entities that bank on any forward-looking statements. In each individual case, these forward-looking statements are simply one of many scenarios that could occur and shall not be taken as the most likely one.

### External assurance of the Report

#### GRI 2-5

The Report has passed the public assurance procedure conducted by the Council of the Russian Union of Industrialists and Entrepreneurs on non-financial reporting.



# Message from the Chairman of the Board of Directors of PJSC Rosseti South

GRI 2-22



**Daniil Krainskiy**  
Chairman of the Board of Directors, PJSC Rosseti South

## Esteemed shareholders, investors and partners!

In 2025, PJSC Rosseti South management delivered on the tasks aimed at maintaining stable growth rates. The Company has achieved excellent results in all aspects of its operations and has become involved in federal and regional projects that contribute to the socio-economic development of the regions where it operates. The reporting period also showed the first results of PJSC Rosseti South's activities as a systemic territorial grid organisation (SGO), whose goal is to ensure reliable and high-quality electricity supply to consumers and to consolidate the power grid facilities.

## About the Report

### Key events

One of the main corporate events of 2025 was the reorganisation of PJSC Rosseti South in the form of the merger with JSC Rosseti Kuban.

The reorganisation process took into account the Energy Strategy of the Russian Federation for the period up to 2050<sup>1</sup>, i.e., the creation of a single state-owned energy complex by consolidating power grid assets on the basis of a single company.

After the completion of the reorganisation process, two key power grid companies in the south of Russia were merged into a single operating structure. As a result, the Company's geographic reach has significantly expanded and the volume of services provided in the electricity transmission market has increased.

Today, the Company unites distribution grid complexes of six subjects of the Southern Federal District (Astrakhan, Volgograd, Rostov Regions, Krasnodar Territory, Republics of Adygeya and Kalmykia), as well as the Sirius federal territory.

In 2025, the Company served as the single centre of responsibility for reliable power supply to consumers in each region, as a systemic territorial grid organisation. It ensured the operation of both ownerless infrastructure and the facilities of organisations that had lost their status as territorial grid organisations (TGOs), municipal grid infrastructure.

The efforts of the Company's management in the reporting period were also focused on improving the efficiency of business processes, digital transformation, as well as strengthening technological independence and energy security.

### Corporate governance

The Board of Directors, which works in close cooperation with all shareholders, plays a crucial role in the operations of PJSC Rosseti South and its strategic planning.

During the reporting period, two meetings were held and 50 absentee votes were taken by the Board of Directors of PJSC Rosseti South for decision-making purposes, discussing a total of 187 issues. Among the important decisions, the approval of several strategic programmes has been made: investment plans for 2025–2029, innovative development until 2035, upgrading of power grid facilities for 2025–2029, digital transformation until 2027, and a roadmap for the development of additional services until 2029. Internal documents were approved, including the regulations on the unified technical policy in the power grid complex and the human rights policy.

### Operational and financial results

To address the challenges of improving the reliability and quality of power supply for consumers, the Company has invested approximately RUB 7.4 billion in the development of its power grid infrastructure in regions where it operates. The Company allocates funds for the upgrading of power grid facilities, new construction and new energy capacities.

Despite the challenges faced from the outside, PJSC Rosseti South not only remained resilient but also continued to progress, consistently pursuing its strategic objectives and achieving remarkable outcomes, which demonstrated the success of its chosen approach. The Company improved its key indicators: revenue under IFRS in the reporting year amounted to RUB 96.9 billion, profit – to RUB 5.6 billion.

### Plans for 2026

The main objectives of the Company for 2026 are to implement all planned investment measures and repair programmes, as well as to ensure readiness for peak load seasons. The Company will continue to invest in new projects aimed at developing road, port, and resort infrastructure as well as the social sector. One of the main tasks is to support the growth of regional businesses, small and medium-sized enterprises in the territories of the Southern Federal District.

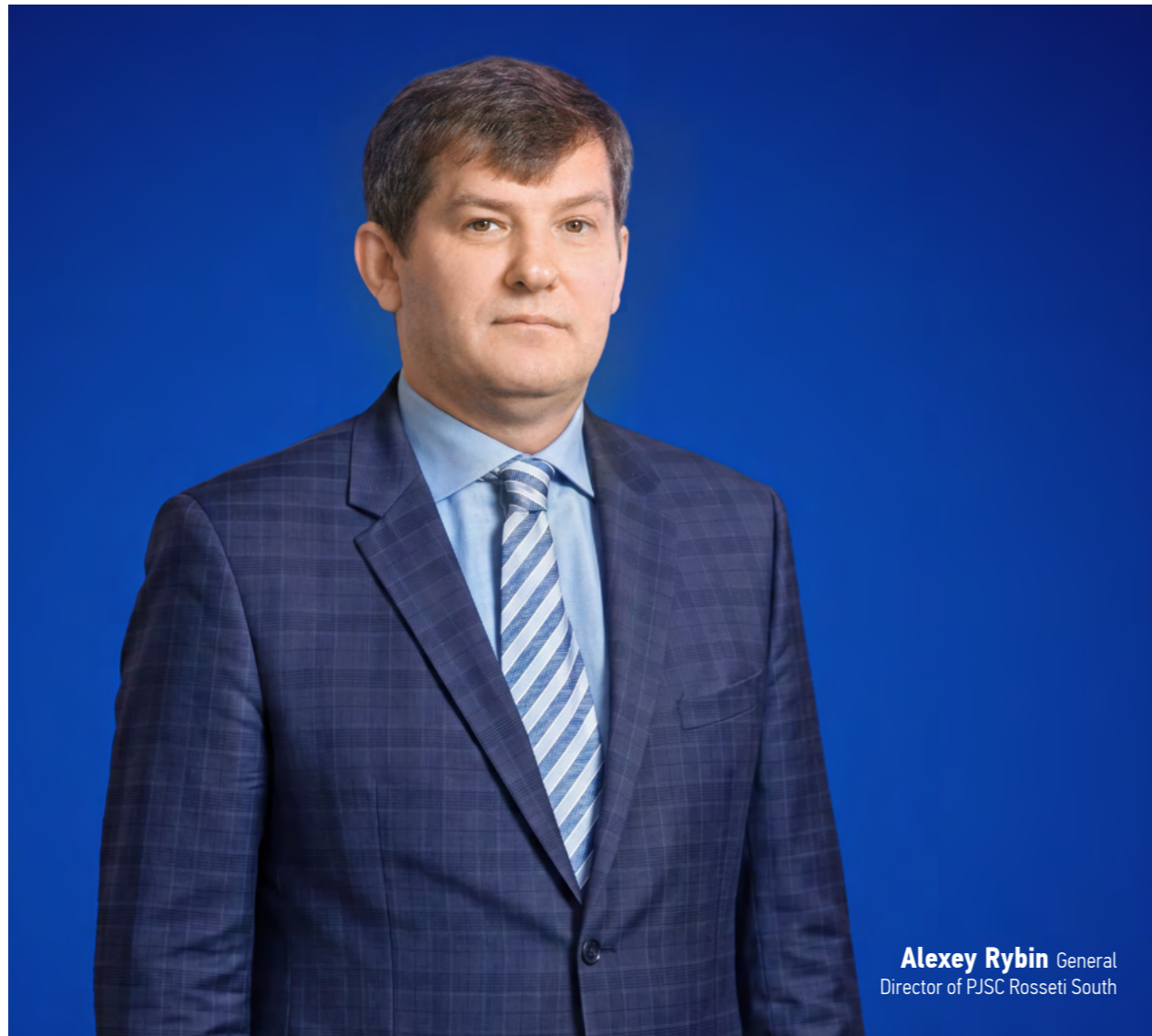
The main priorities of the Board of Directors for 2026 are to maintain the financial stability of the Company, develop the power grid complex, make grid connections more accessible, and boost the amount of non-tariff services. Particular emphasis is placed on matters related to human capital, including employee training and development, maintaining social safeguards and benefits, and ensuring the most secure and comfortable work environment for the Company's workforce.

I am confident that the Company's steady growth will be driven by our production achievements, accumulated expertise, technical capabilities, as well as the collective efforts of our employees, management, and shareholders of PJSC Rosseti South.

<sup>1</sup> Approved by Decree of the Government of the Russian Federation No. 908-R dated 12 April 2025.

# Message from the General Director of PJSC Rosseti South

GRI 2-22



**Alexey Rybin** General Director of PJSC Rosseti South

## Respected partners and colleagues!

In 2025, PJSC Rosseti South continued to implement measures to fulfil its obligations to consumers, providing high-quality and affordable services, promoting sustainable development, maintaining stability, and demonstrating its commitment to social responsibility. The strategic objectives of the Company, in accordance with the development strategy of Rosseti Group for the period up to 2030 adopted in March 2025, are to increase the efficiency of the macroregion's power grid complex, ensure the implementation of national projects, reliability and availability of power supply, and consolidate power grid assets.

## About the Report

### The energy of unity

The key event of the reporting period was the completion of the Company's reorganisation process in the form of a merger with JSC Rosseti Kuban. All rights and obligations of the merged company were transferred to PJSC Rosseti South. The main objectives of the reorganisation were to increase management efficiency, eliminate duplicate functions, and enhance operational synergies.

The creation of a single macro-regional power grid complex, which currently covers six regions of the Russian Federation, imposes heightened obligations on the Company to ensure reliable power supply to consumers, promote the development and investment attractiveness of the regions.

### Investment

The implementation of the investment programme for the repair and maintenance of energy facilities contributed to solving the task of ensuring a reliable power supply for consumers and creating an affordable energy infrastructure in the areas under our responsibility.

In 2025, the Company continued to upgrade the facilities of the power grid complex. The volume of financing of the investment programme amounted to about RUB 7.4 billion. A total of 197 MVA of capacity was put into operation and 1,100 km of new power transmission lines were built. More than half of these funds were allocated for the development of infrastructure for subsidised grid connections.

As part of the production programme, almost 1,900 km of power transmission lines, more than 3,400 transformer substations were repaired, and more than 1,100 ha of power transmission line routes were cleared. The Company allocated about RUB 3.7 billion for the maintenance and repair of equipment. The physical indicators of the repair programme were fulfilled by more than 100%.

### Increasing the reliability

In 2025, a power supply reliability improvement programme was launched in two regions of the Company's presence – Astrakhan and Rostov Regions. Work is planned to prepare for a large-scale removals of the grids for the period up to 2029, and the renewal of the branches' fleet and its reinforcement with motor and special vehicles for servicing power facilities commenced.

During the reporting period, the Company entered into regulatory agreements with the tariff regulatory authorities of the Rostov and Astrakhan Regions, which are aimed at further developing energy infrastructure in the regions and setting long-term tariffs. The agreement with the Regional Tariff Service of the Rostov Region sets the regulation parameters until 2031, the agreement with the Tariff Service of the Astrakhan Region – until 2033.

### New consumers

Grid connection of new consumers remains one of the most important activities of Rosseti South.

In total, more than 16,000 facilities were connected to the power grid infrastructure in 2025. The capacity output totalled 640 MW. These include household consumers, healthcare, education, sports, culture, tourism institutions, agro-industrial enterprises, small and medium-sized businesses, and housing construction.

The Company continued to participate in grid connection of facilities within the framework of such national projects as Healthcare, Education, Demography, Housing and Urban Environment, etc. The Company became involved in projects to expand the charging infrastructure for electric vehicles.

### Consolidation

As a territorial grid organisation of systemic importance, PJSC Rosseti South continued its efforts for the consolidation of power grid assets within its catchment area. According to the results of the reporting period, more than 3,000 km of power transmission lines and 790 MVA of transformer capacity were taken onto the books.

### Social responsibility

Social policy is an essential aspect of the Company's operations. Our priorities are to retain trained manpower and attract young talent. The Company develops adaptation and mentoring programmes, creates equal opportunities for professional growth for all employees. The Company continued to support the movement of student energy squads and to implement social programmes for employees and their families.

I am positive that the Company's staff and management have all the necessary resources and professional skills to meet the high standards of consumers, shareholders, and investors. We continue our efforts to ensure sustainable power supply and socio-economic development of the regions of southern Russia.

# 01 About the Company

2,021.9

thousand c.u.

service volume

265,000 km

total length of power transmission lines

1,968

35-220 kV substations operate in the regions of presence

# Connecting regions

PJSC Rosseti South provides electricity transmission and grid connection to consumers in the Rostov, Volgograd and Astrakhan Regions, Krasnodar Territory, the Republic of Kalmykia, the Republic of Adygeya and the Sirius federal territory.

Seaport of Sochi

# At a glance

GRI 2-6

PJSC Rosseti South is the largest power grid company in the south of Russia, part of the Integrated Energy System (IES) of the South of the Unified Energy System (UES) of Russia.

Consumers of PJSC Rosseti South's services are electricity retailers, subjects of the wholesale and retail electricity markets, and direct consumers of services.

## Core activities

- ▶ Electricity transmission and distribution
- ▶ Grid connection
- ▶ Care and maintenance, upkeep and renewal of power facilities

## Systemic Territorial Grid Organisation (SGO)

In accordance with Federal Law No. 35-FZ, dated 26 March 2024, 'On the Electric Power Industry', the heads of the regions designated PJSC Rosseti South as the systemic territorial grid organisation for the entire territory of its responsibility for the period from 2025 to 2029.

As a SGO, the Company functions as a single point of contact for consumers of power transmission services, ensuring reliable and uninterrupted power supply.

Branch	Region of responsibility
Astrakhanenergo	Astrakhan Region
Volgogradenergo	Volgograd Region
Kalmenergo	Republic of Kalmykia
Kubanenergo <sup>1</sup>	Krasnodar Territory, Republic of Adygeya, Sirius Federal Territory
Rostovenergo	Rostov Region

<sup>1</sup> Until 1 December 2025 – JSC Rosseti Kuban.

## Key indicators in 2023–2025

Indicators	2023	2024	2025	Change 2025/2024, %
Scope of service, thousand c.u.	1,205.045	1,210.969	<b>2,021.853</b>	+67.0
Length of power transmission lines by circuits, thousand km	164.300	165.287	<b>265.037</b>	+60.3
Number/capacity of 35–220 kV substations/MVA	1,214 / 18,985.46	1,221 / 19,207.04	<b>1,968 / 32,014.27</b>	+61.2 / +66.7
Number/capacity of 6–10 (35) / 0.4 kV transformer stations/MVA	33,410 / 5,866.06	34,044 / 6,008.01	<b>62,866 / 13,658.88</b>	+84.7 / +127.3
Power grid branches	4	4	<b>5</b>	+25.0



BY THE END OF 2025, THERE HAS BEEN A SIGNIFICANT INCREASE IN THE VOLUME OF POWER GRID EQUIPMENT, WHICH IS CAUSED BY:

- ▶ The merger of JSC Rosseti Kuban in to PJSC Rosseti South;
- ▶ Commissioning of newly built transmission lines, substations and transformer substations (during grid connection);
- ▶ Conclusion of lease agreements for power transmission lines, transformer substations and equipment of substations, as well as acceptance of ownerless transmission lines and transformer substations on the Company's balance sheet (during consolidation of power grid assets);
- ▶ Replacement of current transformers with higher-rating transformers.



# Geographic reach

GRI 2-1, 2-6

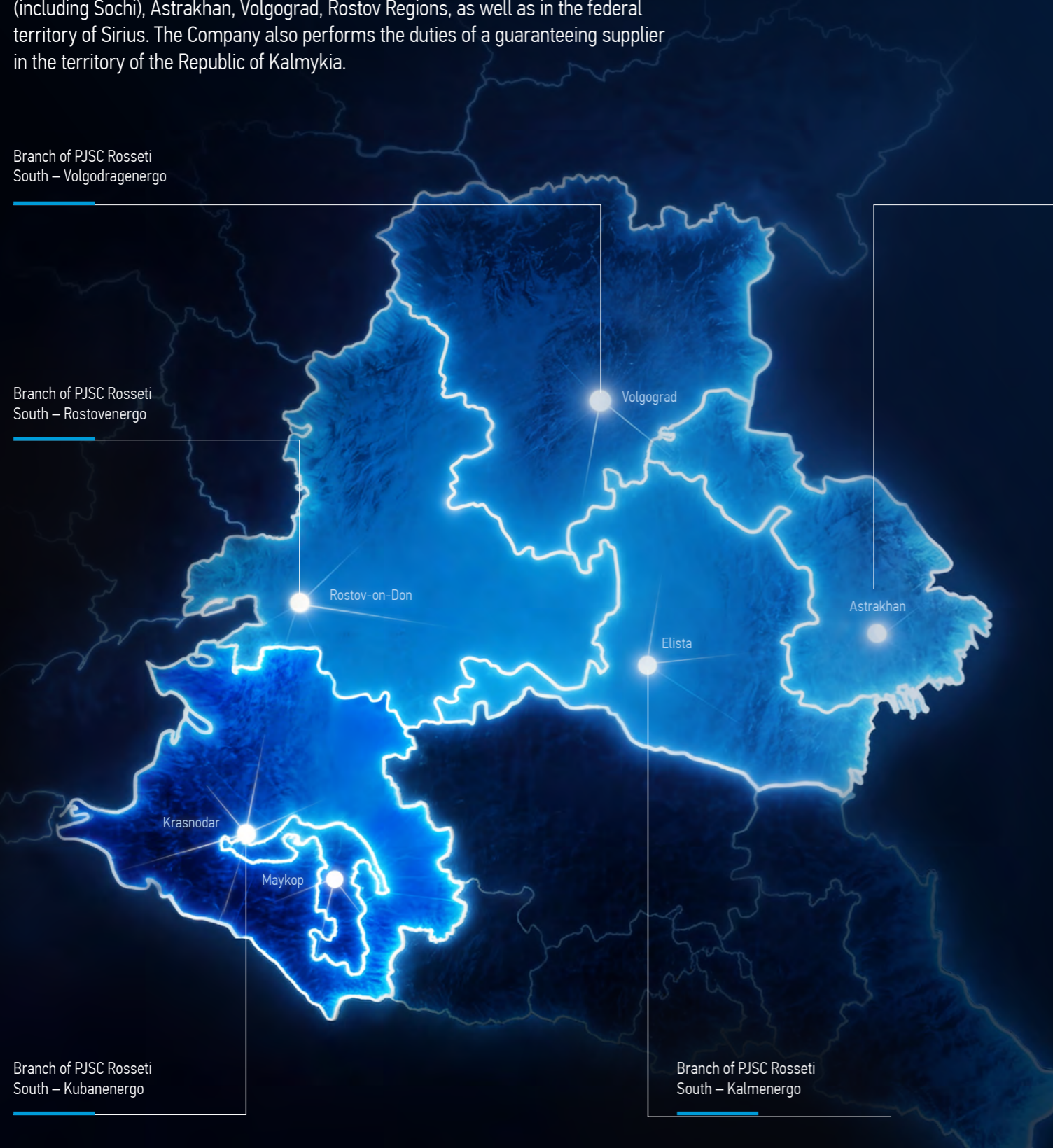
The Company operates in the republics of Adygeya and Kalmykia, Krasnodar Territory (including Sochi), Astrakhan, Volgograd, Rostov Regions, as well as in the federal territory of Sirius. The Company also performs the duties of a guaranteeing supplier in the territory of the Republic of Kalmykia.

Branch of PJSC Rosseti South – Volgogradenergo

Branch of PJSC Rosseti South – Rostovenergo

Branch of PJSC Rosseti South – Kubanenergo

Branch of PJSC Rosseti South – Kalmenergo

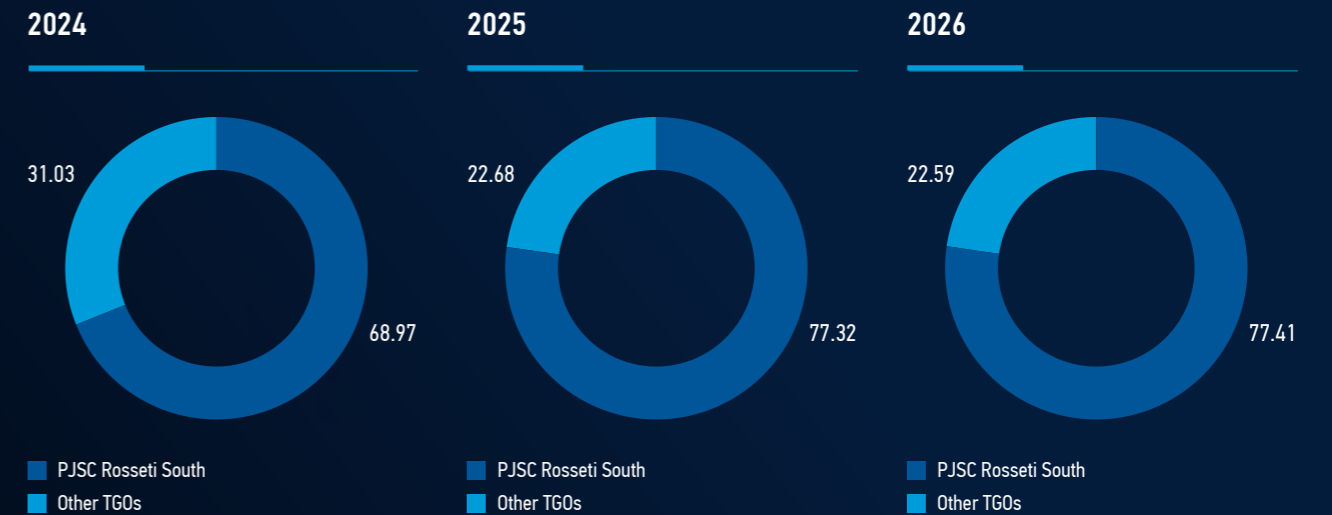


**421,000** km<sup>2</sup>  
the area of the territory served by the Company

About **14** million people  
the population number at the regions covered by PJSC Rosseti South

Branch of PJSC Rosseti South – Astrakhanenergo

## Market share of PJSC Rosseti South in the regions of its presence in 2024–2026<sup>1</sup>



A significant year-on-year increase in the share of PJSC Rosseti South in 2025 can be attributed to the start of the Company's operations as a SGO throughout the territory of its presence. Since 2025, the Company's market share has factored in the Kubanenergo branch of PJSC Rosseti South, formed in connection with the reorganisation of PJSC Rosseti South in the form of the merger with JSC Rosseti Kuban. The year-on-year growth in the share of PJSC Rosseti South in 2026 is driven by the dissolution of one TGO (JSC Rosseti Kuban) in the Krasnodar Territory and the Republic of Adygeya, as well as the consolidation of power grid facilities based on the Company's branches.

<sup>1</sup> Market share is calculated from tariff and balance solutions on setting unified (common pot) tariffs for the constituent entity of the Russian Federation (in terms of RGR for grid maintenance).

# Business model of the Company

GRI 2-6



In its operating activities, the Company makes use of financial, production, intellectual, human, social and reputational, and natural capitals (resources).



In its day-to-day operations, the Company balances out interests and creates values for all stakeholders, contributes to the economic growth of the regions where it operates, adheres to the idea of sustainable development, and ensures reliable and affordable energy supply to consumers.

CHANGE IN THE COST OF CAPITALS FOR 2025



## CAPITALS AT THE BEGINNING OF 2025

### FINANCIAL

Net profit was RUB 7,225.5 million.  
Net asset value at the end of the year – RUB 12,436.5 million.  
EBITDA is RUB 8,240 million.

### PRODUCTION

Total number:  
▶ 35–220 kV — 1,221 substations with a total capacity 19,207.04 MVA;  
▶ 6–10 (35) / 0.4 kV — 34,044 transformer substations with a total capacity of 6,008.01 MVA.  
  
Length of power transmission lines by circuits — 165,287 km.  
System average interruption duration index for point of delivery (Isaidi) — 3.343 h. System average interruption frequency index, per point of delivery (Isaifi) — 1.689 interruptions

### INTELLECTUAL

Actual value of R&D expenditure indicator (IR&D) — 0.164% of own revenue, with the planned value of 0.2%.  
  
Actual value of the innovative products (goods, works, services) procurement indicator (IINNOVATION) — 6.21%, with the planned value of 4.5%

### HUMAN

Average headcount — 12,956 people Staffing level 88.0 % / Workers with higher vocational education — 46.6% and with primary/secondary vocational education — 39.3%

### SOCIAL AND REPUTATIONAL

High degree of social responsibility. A high level of business openness: the Company's website, the Interfax Corporate Information Disclosure Centre, the media, and convention and exhibition events. Social networks are the communication platforms for interaction with the public and consumers: information is posted on the official pages in the telegram channel, on the VKontakte and Odnoklassniki social networks

### ENVIRONMENTAL

The Stockholm Convention on Persistent Organic Pollutants' requirements are followed. Conservation of biodiversity and provision of ornithological safety



## HOW WE CREATED VALUE IN THE REPORTING YEAR

### FINANCIAL

The Company's revenue in 2025 is RUB 90,216 million, which is 76% more than in 2024.  
EBITDA in 2025 is RUB 13,870 million, which is RUB 5,630 million more than in 2024.

The main contributors to the indicators included a higher average tariff (mainly due to the performance of the SGO functions) and the volume of electricity transmission and grid connection services provided, which is primarily caused the merger of JSC Rosseti Kuban into the Company on 1 December 2025

### PRODUCTION

In the reporting year, the Company significantly increased the amount of power grid equipment, which is related to:  
▶ The merger of JSC Rosseti Kuban in to PJSC Rosseti South;  
▶ Commissioning of newly built power transmission lines, substations and transformer substations (during grid connection),  
▶ Conclusion of lease agreements for power transmission lines, transformer substations and equipment of substations, as well as acceptance of ownerless transmission lines and transformer substations on the Company's balance sheet (during consolidation of power grid assets);  
▶ Replacement of current transformers with higher-rating transformers.

The volume of electricity transmission services provided by the Company amounted to 26,341.1 million kWh, which is 4.05% more than in 2024.  
  
The Company executed 16,230 grid connection agreements for a total capacity of 640 MW

### INTELLECTUAL

Delivery of the R&D Programme, integration of equipment and devices developed under R&D initiatives.  
Introduction of innovative technology and solutions

### HUMAN

13,156 man-courses were conducted (97.8% of the average headcount). Training costs amounted to RUB 131.5 million.  
  
For protection against harmful and (or) hazardous factors of the production environment and (or) pollution, as well as at work performed in special temperature conditions, employees are provided free of charge with personal protective equipment and washing agents that received confirmation of conformity in accordance with the procedure established by the technical regulation legislation of the Russian Federation. The Company's personnel are provided with personal protective equipment to the full extent

### SOCIAL AND REPUTATIONAL

The public is regularly informed about the Company's activities. In 2025, the Company prepared and published 516 press releases. The total number of mentions in regional media was 17,987.  
  
Since October, the main channel of communication with consumers and authorities has been the Company's official channel on MAX messenger. Here, information is presented in a visually appealing way to capture viewers' attention.

### ENVIRONMENTAL

In 2025, 2,119 trichlorodiphenyl condensers (waste equipment containing extremely dangerous pollutants) were transferred to the Federal Environmental Operator.  
  
21,255 bird diverters were installed on overhead power transmission lines



## 2025 RESULTS

### FINANCIAL

Net profit was RUB 2,747.2 million, which is RUB 4,478.3 million less than in 2024 (mainly due to a decrease in other income from the reversal of property impairment). The net asset value at the end of the year is RUB 89,521 million, which is 7.2 times more than at the beginning of the year. That was mainly driven by the merger of JSC Rosseti Kuban into the Company

### PRODUCTION

Total number:  
▶ 35–220 kV — 1,968 substations with a total capacity 32,014.27 MVA;  
▶ 6–10 (35) / 0.4 kV — 62,866 transformer substations with a total capacity of 13,658.88 MVA.  
  
Length of power transmission lines by circuits — 265,037 km.  
System average interruption duration index per point of delivery (Isaidi) — 3.145 h, down 5.9% year-on-year.  
System average interruption frequency index per point of delivery (Isaifi) — 1.576 interruptions, down 6.7% year-on-year. Reliability targets were achieved, within the tolerances.  
The number of accidents in the 0.4 kV and above grid dropped by 7% year-on-year

### INTELLECTUAL

Actual value of R&D expenditure indicator (IR&D) — 0.21% of own revenue, with the planned value of 0.20%.  
  
Actual value of the innovative products (goods, works, services) procurement indicator (IINNOVATION) — 1.78%, with the planned value of 1.5%

### HUMAN

Average headcount – 13,449 people Staffing level as at the end of the year — 89.2%. Workers with higher vocational education — 49.3% and with primary/secondary vocational education — 41.0%. The Company's personnel are provided with personal protective equipment to the full extent

### SOCIAL AND REPUTATIONAL

Percentage of positive and neutral news items regarding PJSC Rosseti South's operations produced by the Company's PR teams was 95%

### ENVIRONMENTAL

The indicator on the progress of the environmental policy implementation programme of the Environmental Management business process in 2025 was completed by 100%. The Company's obligations under the Stockholm Convention on Persistent Organic Pollutants were fully fulfilled

# Key events of 2025

## January

The start of the Company's operations as a SGO throughout the service area

## February

The opening ceremony of the monument to the power engineers of the Astrakhan Region took place in Astrakhan. The monument is located on the territory of the Astrakhan branch office, perpetuates the memory of those who stood at the origins of the power grid complex

## March

The Rostovenergo branch acquired another 28 motor vehicles and specialised machinery to maintain power infrastructure in the Rostov Region

Volgogradenergo branch connected water supply facilities to the power grid in the Staropoltavsky district of the Volgograd Region. The new hydrotechnical facility's power supply will provide drinking water for the administrative centre of one of the most arid districts of the trans-Volga region, which is home to over 4,000 people

## April

The Volgogradenergo branch provided power supply to the lighting system on the section of the highway of the North – South international transport and logistics corridor in the Volgograd Region

The number of technological disturbances at Rosseti South's power facilities in the autumn-winter period of 2024–2025 decreased by 30% compared to the previous period

Volgogradenergo branch, Volgograd State Agrarian University and Volgograd Technical College signed a cooperation agreement on the introduction of unmanned aircraft systems in the field of power engineering

## May

As part of the Memory Road campaign, employees of the Volgograd branch rolled out a 50-m St. George ribbon at the foot of the Mamayev Kurgan memorial complex and marched up its central staircase

The delegation of PJSC Rosseti South, headed by General Director Alexey Rybin, took part in the grand opening of the memorial stele titled Astrakhan is the City of Zealous Labour

The General Meeting of Shareholders of PJSC Rosseti South decided to reorganise the Company in the form of a merger with JSC Rosseti Kuban

A round table on energy efficiency, loss reduction, reliable power supply to consumers and import substitution in the energy industry was held at Volgogradenergo branch under the leadership of Deputy Chairman of the Energy Committee of the State Duma of the Russian Federation, Yuri Stankevich

## June

PJSC Rosseti South attended the XXVIII All-Russian Scientific and Technical Conference, which focused on enhancing the reliability, effectiveness, and security of energy production

As part of the programme to improve the reliability of the Astrakhan Region's power grid complex, the fleet of the Astrakhan branch was replenished with 27 units of new motor and special machinery



## About the Company

## July

Volgogradenergo specialists received training in the control of unmanned aircraft systems at the Centre for Practical Training of Specialists of the Volgograd Technical College

As part of the programme to improve the reliability of the Astrakhan Region's power grid complex, the fleet of the Astrakhan branch was replenished with 23 units of new motor and special machinery

The Astrakhan Branch and Astrakhan State Technical University signed an agreement on the establishment of the Rosseti South Joint Department

The Russian Ministry of Energy extended the status of PJSC Rosseti South as a guaranteeing electricity supplier in the Republic of Kalmykia (except for the city of Elista)

## August

The vehicle fleet of the Rostovenergo branch was replenished with 30 units of modern Russian-made motor machinery

## October

The Volgogradenergo branch provided additional energy capacity to Zagotzerno, one of the largest enterprises for receiving and storing agricultural products in the Volgograd Region

The Department of Internal Control and Risk Management of PJSC Rosseti South became the best among the specialised divisions of PJSC Rosseti Group in 2025

PJSC Rosseti South provided 19.8 MW of capacity from the Polet residential complex, which is being built on the site of the former airport in Rostov-on-Don

PJSC Rosseti South co-organised a panel discussion on the electric power industry, which was held as part of the business programme of the 25th PROM-ENERGO-VOLGA interregional forum in Volgograd in 2025

## November

PJSC Rosseti South was among the winners of the XXVIII Annual Reports Competition organised by the Moscow Stock Exchange. The Company received a bronze award in the Best Disclosure of Information on Corporate Governance nomination

PJSC Rosseti South provided electricity to one of the largest dairy complexes in the country, LLC SP Donskoye

## December

Rosseti Group completed the reorganisation of companies engaged in the transmission and distribution of electricity in the Southern Federal District. As a result, JSC Rosseti Kuban ceased its activities and merged into PJSC Rosseti South



## Events after the reporting date – 2026

### February

PJSC Rosseti South provided 3.5 MW of additional capacity to an clinical hospital of the emergency medical service in the south of Volgograd

The fleet of Rosseti South's Rostovenergo branch was replenished with 96 units of motor and special vehicles during 2025, which was 36% higher than in the previous year

# 02 Strategic report

100%

of the strategic goals for 2025 were achieved

98%

efficiency of innovations

RUB 7,4 billion

investments in the development of energy systems in the regions of presence

# Moving forward

The Company's promising innovative projects contribute to the ongoing development of the energy sector and provide capacity for the growing economy in Southern Russia.

The building of the Rostov City Duma and Administration, Rostov-on-Don

## Macroeconomic trends in 2025<sup>1</sup>

The inflation rate in 2025 as a whole reached 5.6% against 9.5% in 2024.

The Russia's gross domestic product (GDP) in 2025 amounted to RUB 214 trillion. The index of physical volume of GDP for 2025 compared to 2024 was 101.0%. The GDP deflator index for 2025 against 2024 prices stood at 104.5%. The industrial production index in 2025 compared to 2024 was 101.3%.

Another factor determining the state of the Russian economy as a whole and affecting the electric power industry is the Bank of Russia's key rate, which decreased by 5 points in 2025, from 21% on 1 January 2025 to 16% on 31 December 2024.

Electricity generation by the UES of Russia's power plants in 2025 amounted to 1,166 billion kWh, which is 1.2% lower than the actual output in 2024, which corresponds to a decrease of 0.9% excluding the impact of an additional leap-year day.

The volume of electricity consumption within the UES of Russia in 2025 amounted to 1,161 billion kWh, which is 1.1% lower than the corresponding indicator in 2024 in absolute terms, which corresponds to a decrease of 0.8% excluding the impact of an additional leap-year day and a decrease of 0.3% excluding the influence of the temperature factor.

<sup>1</sup> Sources: Rosstat, JSC SO UPS, the Bank of Russia.

## Industry (market) forecast

The forecast of the socio-economic development of the Russian Federation for 2026 and for the planned period of 2027 and 2028 was developed by the Ministry of Economic Development of Russia in two scenarios: baseline and conservative. The baseline case describes the most likely scenario for the development of the Russian economy, whereas the conservative one assumes a worsening of foreign economic circumstances.

Some forecast parameters<sup>1</sup>:

- ▶ The average growth rate of oil and gas exports from 2026 to 2028 in real terms will be 3.5%. Non-oil and gas exports will grow at a faster pace (by an average of 5% per year).
- ▶ The average growth rate of imports of goods from 2026 to 2028 in real terms will be 2.3 %.
- ▶ The surplus on the trade balance in 2026–2028 will be between 4.8% and 5.9% of GDP.
- ▶ The average rouble exchange rate under the baseline scenario in 2028 will be RUB 100.1 per USD 1 at RUB 92.2 per USD 1 in 2026.

- ▶ The growth rate of investment activity in 2028 will be 3.3% compared to 3.8% in 2027.
- ▶ Inflation in 2028 will reach the level of 4%.
- ▶ The GDP growth rate in 2026 will be 1.3%. Further, economic growth will accelerate to 2.8% in 2027 and 2.5% in 2028.

### The electric power industry market

In accordance with the Scheme and Programme for the Development of Russia's Electric Power Systems for 2026–2031<sup>2</sup>:

- ▶ Electricity consumption in the UES of Russia is projected to grow to 1,335.8 billion kWh by 2031, with an year-on-year average annual growth rate of 2.08%.
- ▶ The expected maximum power consumption will increase to 191.2 GW by 2031, with an average annual growth rate of 2.09%.
- ▶ The south-western part of the IES of South (the Company's catchment area) was identified as one of the areas where generation is technologically necessary.

<sup>1</sup> Source: Ministry of Economic Development of Russia.

<sup>2</sup> Approved by Order of the Ministry of Energy of Russia No. 1553 dated 28 November 2025.



# Mission and strategic priorities

GRI 2-23, 2-24

PJSC Rosseti South is part of PJSC Rosseti Group of companies and is a key element of the economic infrastructure that ensures economic development and welfare growth of the population in the territory included in the operational responsibility area of the Company.

Mission and vision for the Company are defined by the Development Strategy of Public Joint-Stock Company Federal Grid Company – Rosseti and its subsidiaries and affiliates for the period up to 2030<sup>1</sup>(hereinafter referred to as the Development Strategy).

Our mission is to ensure affordable and reliable electricity for every household, business and industry, in order to create a comfortable life for our citizens and businesses and contribute to the growth of the economy.

The Development Strategy Implementation Plan includes measures aimed at achieving the following strategic goals of Rosseti Group.

1. To create a unified power grid complex in the Russian Federation by consolidating power grid assets under the management of Rosseti Group.
2. To improve the efficiency of the power grid complex.
3. To ensure the implementation of national projects of the Russian Federation.
4. To ensure the reliability and availability of electricity supply.
5. To ensure technological sovereignty.

The achievement of the above strategic goals is assessed, among other things, against a system of key performance indicators and functional key performance indicators adopted at the Company.

Further in the Strategy in Action subsection, information on achieving target values in five focus areas is indicated as follows:

✓ Achieved / Not achieved

To implement the Development Strategy, the Company has put in place the Implementation Plan of PJSC Rosseti South<sup>2</sup>(hereinafter referred to as the Development Strategy Implementation Plan).

<sup>1</sup> Approved by the decision of the Board of Directors of PJSC Rosseti (Minutes No. 682 dated 31 March 2025).

<sup>2</sup> Approved by the decision of the Board of Directors dated 9 December 2025 (Minutes No. 651/2025 dated 10 December 2025).



## Strategy in action

### 1. Strategic goals of creating a unified power grid complex in the Russian Federation by consolidating power grid assets under the management of Rosseti Group

#### 2025 results

Work was underway to solve the following tasks:

- ▶ Consolidation of TGO power grid facilities, as well as ownerless power grid facilities
- ▶ Acquisition of SGO status in the regions of presence.

A key indicator of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Complex indicator "The share of PJSC Rosseti Group in the power grid complex of the Russian Federation"	%	Method development and determination of the basic value	✓	Annual increase to the value of the previous year

### 2. Strategic goal of improving the efficiency of the power grid complex

#### 2025 results

Work was underway to solve the following tasks:

- ▶ Optimisation of processes and systems
- ▶ Increase in labour productivity
- ▶ Reduction of electric losses
- ▶ Increase in capacity utilisation
- ▶ Enhancement of efficiency and reduction in unit cost of investments
- ▶ Reduction of operating costs
- ▶ Increase in profit margin of core business
- ▶ Safety of energy saving
- ▶ Introduction of new technologies, innovative products and services
- ▶ Digital transformation and information technology development
- ▶ Financial stability and sustainable development.

GRI 401-1

A key indicator of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Level of electric losses	%	9.66	✓	9.34
Return on invested capital (ROIC)	%	19.60	✓	> 26.20
Operating profit margin	%	8.20	✓	> 13.20
Net profit without impairment and grid connection revenue	RUB '000	-150,056.00	✓	> 7,507,207.00
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	RUB '000	9,871,031.00	✓	> 16,850,802.00
Increase in labour productivity relative to 2022	%	15.00	✓	X
Active staff turnover	%	6.50	✓	6.50

A key indicator of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Debt/EBITDA	relative unit	3.0	✓	< 1.0
Overdue receivables for electricity transmission services	RUB '000	812,081.9	✓	826,363.7
Safeguarding of the organisation's property	%	100.0	✓	100.0
Enforcement of insider information protection requirements and maintenance of share listings and corporate governance rating	%	100.0	✓	100.0
Timeliness of the AGM of shareholders/participants of the Company and its subsidiaries	%	100.0	✓	100.0
Share of contracts concluded based on the results of electronic procedures	%	70.0	✓	81.0
Approval of the accounting (financial) statements of the organisation, as well as accounting record-keeping in the organisation without any comments from the auditor and the auditing commission when conducting audits based on the results of the reporting period	%	100.0	✓	100.0
Net profit margin without impairment and grid connection	%	-0.2	✓	> 7.3
Compliance with commissioning schedule under renovation conditions	%	100.0	✓	100.0

### 3. Strategic goal of ensuring the implementation of national projects of the Russian Federation

#### 2025 results

The Company has a methodology for assessing the level of satisfaction with the quality of grid connection services for participants in national projects and conducted the first study.

Key indicators of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Compliance with commissioning schedule	%	100	✓	100
Ensuring the implementation of national projects of the Russian Federation through the grid connection of consumers participating in national projects, including new national projects based on the methodology for assessing satisfaction with the quality of services provided by Rosseti Group to consumers participating in national projects (CSI)	–	<b>Method development and determination of the basic value</b>	✓	Annual growth of more than 5%

### 4. Strategic goal on ensuring the reliability and accessibility of electricity supply

#### 2025 results

Work was underway to solve the following tasks:

- ▶ Reduction of the specific accident rate
- ▶ Reduction of the average time for elimination of technological disturbances
- ▶ Development and implementation of an effective repair programme
- ▶ Enhancement of grid efficiency and manageability
- ▶ Implementation of equipment renovation programmes
- ▶ Delivery of grid development projects
- ▶ Increase of the availability of network infrastructure, simplification of grid connection procedures.

A key indicator of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Readiness for heating season	–	1.00	✓	1.00
Achievement and verification of readiness for the heating season	–	1.00	✓	1.00
No significant accidents in power grids investigated by Russian Federal Service for Ecological, Technological and Nuclear Supervision (Rostekhnadzor)	–	0.00	✓	0.00
Compliance with deadlines for grid connection	relative unit	1.10	✓	1.10
System average interruption duration index per consumer (Psaidd)	h	2.19	✓	2.03
System average interruption frequency index per consumer (Psaifi)	–	1.51	✓	1.40

### 5. Strategic goal of ensuring technological sovereignty

#### 2025 results

Work was underway to solve the following tasks:

- ▶ Implementation of the corporate import substitution plan;
- ▶ Development of innovations;
- ▶ Transition to domestic software and Russian electronic products.

Key indicators of the Development Strategy	Unit of measurement	Target for 2025	Achievement of the target in 2025	Forecast for 2030
Efficiency of innovations	%	98.0	✓	98.0
Efficiency of transition to domestic software	%	88.9	✓	95.0

# Key performance indicators

The key performance indicators and functional key performance indicators adopted in the Company are measures that are used to evaluate the attainment of the Company's priority development goals.

Since 2023, the KPI system of Rosseti Group has been shaped in line with Order of the Government of the Russian Federation No. 3579-r dated 28 December 2020.

The system of key performance indicators is divided into two groups: key performance indicators (hereinafter referred to as KPIs) and functional key performance indicators (hereinafter referred to

as FKPIs). Herewith, KPIs are indicators linked to the Company's strategic documents, which are used to assess the performance of the Company's entire management team (head, deputy heads, chief accountant), while FKPIs are individual indicators set for the Company's officials personally, with due regard to the specifics of the Company's business lines supervised by them.

The KPI and FKPI system applied in the Company is interrelated with the size of the variable part of management remuneration (50% of incentive payments for KPI achievement, 50% of incentive

payments for FKPI achievement): each of the indicators has a specific weight in the volume of bonuses paid, annual bonuses are paid subject to accomplishment of the respective indicators.

Indicator	Method of calculation	Weight in the remuneration system for 2025, %	Unit of measurement	Target for 2025	Value achieved in 2025 <sup>1</sup>	Assessment of achievement in 2025 <sup>2</sup>	Reasons for underachievement	Target for 2026 <sup>3</sup>	Target for 2027 <sup>3</sup>
<b>Financial and economic key performance indicators</b>									
Return on invested capital (ROIC)	Ratio of operating profit adjusted for impairment/(reversal of impairment) of fixed assets, revenue from grid connection services, and accrual/(reversal of) provision for expected credit losses to the sum of average equity and long-term loans and borrowings	10	%	19.60	25.30	120 % ✓ achieved	–	20.40	23.00
Operating profit margin	Ratio of operating profit adjusted for impairment/(reversal of impairment) of fixed assets and revenue from grid connection services to revenue, minus revenue from grid connection services	20	%	8.20	7.80	95 % ✓ partially achieved	–	10.20	11.40
Net profit without impairment and grid connection	Net profit without impairment and grid connection profit/(loss) adjusted for impairment/(reversal of impairment) of fixed assets and revenues from grid connection services (including relevant income tax)	20	RUB '000	-150,056.00	2,315,329.00	120 % ✓ achieved	–	2,486,487.00	4,254,680.00
<b>Industry-specific key performance indicators</b>									
Level of electric losses	Ratio of the volume of electricity losses in the Company's grids (calculated as the difference between electricity delivered to the grid and electricity delivered from the grid and domestic consumption) increased by the amount of differences for previous periods, settled against the Company, to the electricity delivered to the grid for the reporting period	15	%	9.66	9.42	103 % ✓ achieved	–	9.63	9.62
Readiness for heating season	Indicator that estimates the readiness of the Company to work during the heating season, based on monthly monitoring by the Ministry of Energy of Russia	20	relative unit	1.00	1.00	100 % ✓ achieved	–	1.00	1.00
Compliance with commissioning schedule	Ratio of the total actual volume of commissioning of fixed assets in the reporting year derived from the progress report on the Company's investment programme (in monetary terms, on the basis of the date when the construction completion certificate is signed off by the acceptance commission) to the planned one in accordance with the approved investment programme and implementation schedule	15	%	100.00	105.80	106 % ✓ achieved	–	100.00	100.00

<sup>1</sup> For 2025, it shows the expected achievement of KPIs, taking into account the timing and preparation procedure of reports that provide initial data for calculations. The final actual values are to be approved by the Board of Directors of PJSC Rosseti South.

<sup>2</sup> If the KPI achievement rate exceeds 120%, the percentage equal to 120% is stated; if the achievement rate is under 80%, the percentage of achievement equal to 0% is stated.

<sup>3</sup> The composition and target values of the indicators were approved by the decision of the Board of Directors of PJSC Rosseti South No. 631/2025 dated 18 June 2025.

Indicator	Method of calculation	Weight in the remuneration system for 2025, %	Unit of measurement	Target for 2025	Value achieved in 2025	Assessment of achievement in 2025	Reasons for underachievement	Target for 2026	Target for 2027
<b>Indicative indicators</b>									
Achievement of the efficiency of grid connection procedures of the national investment climate rating	The indicator is determined on the basis of the achievement of benchmarks for the efficiency of grid connection procedures of the national investment climate rating in the constituent entities of the Russian Federation within the Company's operational responsibility area	Indicative indicator	%	100.00	84.60	✗ not achieved	– <sup>1</sup>	100.00	100.00
<b>Bonus reduction indicators</b>									
Maximum amount of differences in the amount of losses at the end of the reporting period (year)	Bonus reduction indicator, the size of which is calculated as the share of differences at the end of the reporting period (year) (not settled as of the end of the second month of the year following the reporting period) not covered by actional work, relative to the volume of electricity losses in the Company's grids	–10	%	0.55	0.02	✓ Achieved	–	0.55	0.55
Violation of the transactions procedure	The indicator assessing the absence of violations in the execution of major transactions, as well as related-party transactions and transactions requiring approval under the Company's Articles of Association	–10	number	0.00	0.00	✓ Achieved	–	0.00	0.00
Timely execution of corrective action plans (CAPs)	The indicator assessing whether the Company fulfilled its CAPs in the reporting period, with the CAPs being developed and approved by the Company based on the results of control measures taken in relation to the Company and audits conducted by auditing commissions	–10	%	90.00	100.00	✓ Achieved	–	90.00	90.00
An indicator of bonus reduction for failure to deliver the approved strategy (programme) of digital transformation	An indicator that evaluates the results of the implementation of the approved digital transformation strategy (programme)	–20	%	100.00	100.00	✓ Achieved	–	100.00	100.00
The indicator of bonus reduction for late, incomplete or unreliable disclosure of information necessary for monitoring the achievement of key performance indicators and functional key performance indicators	An indicator that evaluates the timely, complete and reliable disclosure of information necessary to monitor the achievement of key performance indicators and functional key performance indicators	–20	%	100.00	100.00	✓ Achieved	–	100.00	100.00
Implementation of reliability improvement programmes	An indicator that evaluates the implementation of measures to improve reliability in quantitative and monetary terms	–15 or –5	%	100.00	100.00	✓ Achieved	–	100.00	100.00
<b>Functional key performance indicators</b>									
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	Calculated as profit/(loss) before taxes, depreciation, amortisation and interest expense adjusted for impairment/(reversal of impairment) of fixed assets, and revenue from grid connection services	General Director Deputy General Director for Economics and Finance	RUB '000	9,871,031.00	10,422,992.00	100.00 % ✓ achieved	–	12,320,085.00	14,176,888.00

<sup>1</sup> In PJSC Rosseti South, the volume of accumulated obligations for grid connection of the subsidised category of applicants (up to 150 kW) is not backed with sufficient sources of financing, and therefore there are a significant number of overdue grid connection contracts under execution, which, in turn, leads to an increase in the average time of connection and a negative reaction from applicants.

Indicator	Method of calculation	Weight in the remuneration system for 2025, %	Unit of measurement	Target for 2025	Value achieved in 2025	Assessment of achievement in 2025	Reasons for underachievement	Target for 2026	Target for 2027
Achievement and verification of readiness for the heating season	The certificate of readiness for heating season shall be received by the Company in a timely manner by 5 November of the reporting year in accordance with the Rules for Assessing the Readiness of Electric Power Entities for the Heating Season, approved by Resolution No. 543 of the Government of the Russian Federation dated 10 May 2017	<b>General Director</b> <b>First Deputy General Director — Chief Engineer</b>	number	1.0	1.0	100.0 % ✓ achieved	–	1.0	1.0
No significant accidents in power grids investigated by Russian Federal Service for Ecological, Technological and Nuclear Supervision (Rostekhnadzor)	The calculation of this indicator takes into account accidents in the Company's power grids classified by the Rostekhnadzor commission in accordance with clause 4 of the Rules for Investigation of the Causes of Accidents in the Electric Power Industry (approved by Resolution of the Government of the Russian Federation No. 846 dated 28 October 2009)	<b>First Deputy General Director — Chief Engineer</b>	number	0.0	0.0	100.0 % ✓ achieved	–	0.0	0.0
Efficiency of innovations	Integrated index of innovation efficiency evaluates the degree of fulfilment of three constituent indicators: R&D expenditure indicator, innovative products procurement indicator, IDP development (update) quality indicator/ IDP implementation indicator	<b>First Deputy General Director — Chief Engineer</b>	%	98.0	100.0	100.0 % ✓ achieved	–	98.0	98.0
Increase in labour productivity relative to 2022	Ratio of added value by all types of services to the average annual number of employees. Comparison with the 2022 baseline	<b>Deputy General Director – Head of the Office</b> <b>Deputy General Director for Economics and Finance</b>	%	15.0	62.7	100.0 % ✓ achieved	–	X	X
Active staff turnover	Ratio of the total voluntary redundancy under Clause 3 (termination of the employment agreement on the employee's part) and Clause 5 (transfer of an employee at their request or with their consent to work for another employer, or transfer to an elective job (position)) of Article 77 of the Labour Code of the Russian Federation to the average headcount in the reporting period	<b>Deputy General Director – Head of the Office</b>	%	6.5	6.1	100.0 % ✓ achieved	–	6.5	6.5
Staffing level	Defined as the ratio of the staff number reduced by the number of vacant positions to the staff number according to the Company's staffing table at the end of the reporting period	<b>Deputy General Director – Head of the Office</b>	%	92.0	92.0	100.0 % ✓ achieved	–	92.0	92.0
Compliance with deadlines for grid connection	Complex index assessing the quality level of grid connection, consisting of two components — the quality of grid connection application review and the quality of execution of grid connection contracts	<b>Deputy General Director for Development and Power Grid Connection</b> <b>Deputy General Director for Investments and Capital Construction</b>	relative unit	1.1	1.2	91.0 % ✓ partially achieved	–	1.1	1.1
Debt/EBITDA	Ratio of long-term and short-term loans and borrowings to EBITDA	<b>Deputy General Director for Economics and Finance</b>	relative unit	3.0	2.4	100.0 % ✓ achieved	–	2.2	1.7
Efficiency of transition to domestic software	Defined as the share (percentage) of installed Russian (domestic) software in the Company-wide software scope as to the implementation of the in-house plan for transition to all-domestic software approved by the Company's Board of Directors	<b>Deputy General Director for Digitalisation</b>	%	88.9	93.8	100.0 % ✓ achieved	–	90.0	92.0

Indicator	Method of calculation	Weight in the remuneration system for 2025, %	Unit of measurement	Target for 2025	Value achieved in 2025	Assessment of achievement in 2025	Reasons for underachievement	Target for 2026	Target for 2027
Effectiveness of the transition to the use of domestic radio-electronic products	Defined as the share (percentage) of Russian (domestic) radio-electronic products purchased by the Company in the company-wide scope as to the implementation of the plan to transition to the all-domestic radio-electronic products	<b>First Deputy General Director — Chief Engineer</b> <b>Deputy General Director for Digitalisation</b> <b>Deputy General Director for Investments and Capital Construction</b>	%	78.0	100.0	100.0 % ✓ achieved	–	79.0	80.0
Overdue receivables for electricity transmission services	Non-exceedance of the actual value of overdue receivables (excluding moratorium debt) at the end of the reporting period above the target value	<b>Deputy General Director for Sale of Services</b> <b>Deputy General Director for Legal and Corporate Governance</b>	RUB '000	812,081.9	295,389.6	100.0 % ✓ achieved	–	852,260.8	815,097.6
Safeguarding of the organisation's property	The calculation of the indicator factors in the facts of theft or intentional damage to the main technological equipment of the Company's categorised substations	<b>Deputy General Director for Security</b>	%	100.0	100.0	100.0 % ✓ achieved	–	100.0	100.0
Enforcement of insider information protection requirements and maintenance of share listings and corporate governance rating	Complex indicator assessing the level of corporate governance in the Company, consisting of three components such as ensuring the requirements for protection of insider information, maintaining the listing of shares and maintaining the corporate governance rating	<b>Deputy General Director for Legal and Corporate Governance</b>	fulfilled/not fulfilled	fulfilled	fulfilled	100.0 % ✓ Achieved	–	fulfilled	fulfilled
Timeliness of the AGM of shareholders/participants of the Company and its subsidiaries	The calculation of this indicator takes into account instances of failure by the Company and its subsidiaries to comply with the deadlines for holding the annual general meeting of shareholders/participants stipulated by the legislation of the Russian Federation	<b>Deputy General Director for Legal and Corporate Governance</b>	%	100.0	100.0	100.0 % ✓ achieved	–	100.0	100.0
Share of contracts concluded based on the results of electronic procedures	Calculated as a ratio of the number of electronic procurement procedures, which resulted in the conclusion of agreements associated with spending of funds, to the total number of procurement procedures (competitive and non-competitive), which resulted in the conclusion of such agreements	<b>Deputy General Director for Investments and Capital Construction</b>	%	70.0	70.3	100.0 % ✓ achieved	–	74.0	78.0
Approval of the accounting (financial) statements of the organisation, as well as accounting record-keeping in the organisation without any comments from the auditor and the auditing commission when conducting audits based on the results of the reporting period	When evaluating the indicator achievement, comments (errors) on the organisation's annual accounting (financial) statements and accounting records (hereinafter referred to as comments (errors)), as well as the level of materiality established by auditing standards are also taken into account	<b>Chief Accountant — Head of the Department for Financial and Tax Accounting and Reporting</b>	%	100.0	100.0	100.0 % ✓ achieved	–	100.0	100.0
Effectiveness of the Sale of Additional Services	This indicator assesses the achievement of planned revenue from the sale of additional services from other activities and the achievement of planned gross profit from the sale of additional services from other activities for the reporting period	<b>Deputy General Director for Development and Power Grid Connection</b>	%	100.0	100.0	100.0 % ✓ achieved	–	100.0	100.0
Level of implementation of production programmes and target-oriented programmes	The indicator evaluates the implementation of the maintenance and repair plan, the work plan for target-oriented programmes	<b>First Deputy General Director — Chief Engineer</b>	%	100.0	100.0	100.0 % ✓ achieved	–	100.0	100.0

# Key risks

## Preferred risk (risk appetite) of the Company and its target indicators

 PJSC Rosseti South provides reliable and high-quality power supply	 PJSC Rosseti South ensures the enforcement of its Occupational Health and Safety Policy commitments and the advancement and improvement of its occupational health and safety management system and safety culture
 PJSC Rosseti South ensures the development and improvement of the accessibility of the power grid infrastructure	 PJSC Rosseti South strives to reduce electric losses during transmission and distribution
 PJSC Rosseti South ensures the development and improvement of the accessibility of the power grid infrastructure	 PJSC Rosseti South strives to reduce (minimise) its negative environmental impact
 PJSC Rosseti South ensures the observance of shareholders' rights	 PJSC Rosseti South does not tolerate violations of the requirements established by the laws of the Russian Federation
 PJSC Rosseti South strives to ensure technological and innovative development through the pursuit of scientific research and the application of its findings	 PJSC Rosseti South is committed to developing the human resources potential of the power grid complex and maintaining a consistently high level of staffing

## Key risk management

Risk assessment shall comply with the Company's Risk Assessment and Monitoring Policy. Each identified risk is to be assessed to determine its materiality, taking into account the consequences of the risk materialising and the likelihood of it occurring. Risk assessment involves the use of qualitative and quantitative approaches, or a combination of both.

The impact of risks on the Company's activities is assessed at three levels of materiality, which provide a summary assessment of the probability and consequences of the risk materialising:

- ▶ critical – unacceptable for the Company and subject to priority management
- ▶ significant – have a significant impact on the Company's operations and are subject to management
- ▶ moderate – have no material impact on the Company's operations, subject to continuous monitoring

### Assessment of key risks

Sr. No.	Risk ID	Risk description	Risk materiality	Risk management
1	SR-2	Deterioration of macroeconomic conditions affecting the Company's operations	Significant	Where there is an actual decrease of over 30% in the volume of electricity transmission services provided compared to the approved parameters of the business plan for the current reporting period (year) due to objective geopolitical, macroeconomic, man-made, natural and other factors, it shall initiate a change in the approved parameters of the Company's business plan for the current year in terms of reducing the volume of electricity transmission services provided
2	SR-4	Failure to achieve the Digital Transformation Strategy indicators	Significant	Monitoring of information resources, regular interaction with leading manufacturers of domestic software platforms and solutions in order to assess compliance with the necessary requirements for specific classes of software used in the Company. Working with leading domestic platform and solution providers to create test sites to determine the readiness of their solutions for the Company's needs.  Preparation of a business plan for the new financial year, making sure to meet the required share of spending on Russian software and related work (services) in the total spending on software and related work (services)
3	OR-2	Work-related accidents	Critical	Working with staff in accordance with the requirements of regulatory legal acts in the field of occupational safety.  Provision of personal protective equipment and washing agents that have been certified in accordance with the procedure established by the legislation of the Russian Federation, in accordance with occupational health and safety requirements and established standards for employees engaged in work with harmful and/or hazardous working conditions, as well as work carried out in special temperature conditions or involving contamination.  Checking that safe working conditions are in place, that employees follow health and safety rules, and that they use personal and collective protective equipment in a correct way.  Implementation of measures of the comprehensive programme to reduce risks of personnel injuries
4	OR-5	Overrun of the established target value for electricity losses, %	Critical	Implementation of programmes to reduce electricity losses and programmes to develop smart electricity metering.  Scheduling of loss-prevention measures at feeders/transformer substations that are hot spots for electricity losses

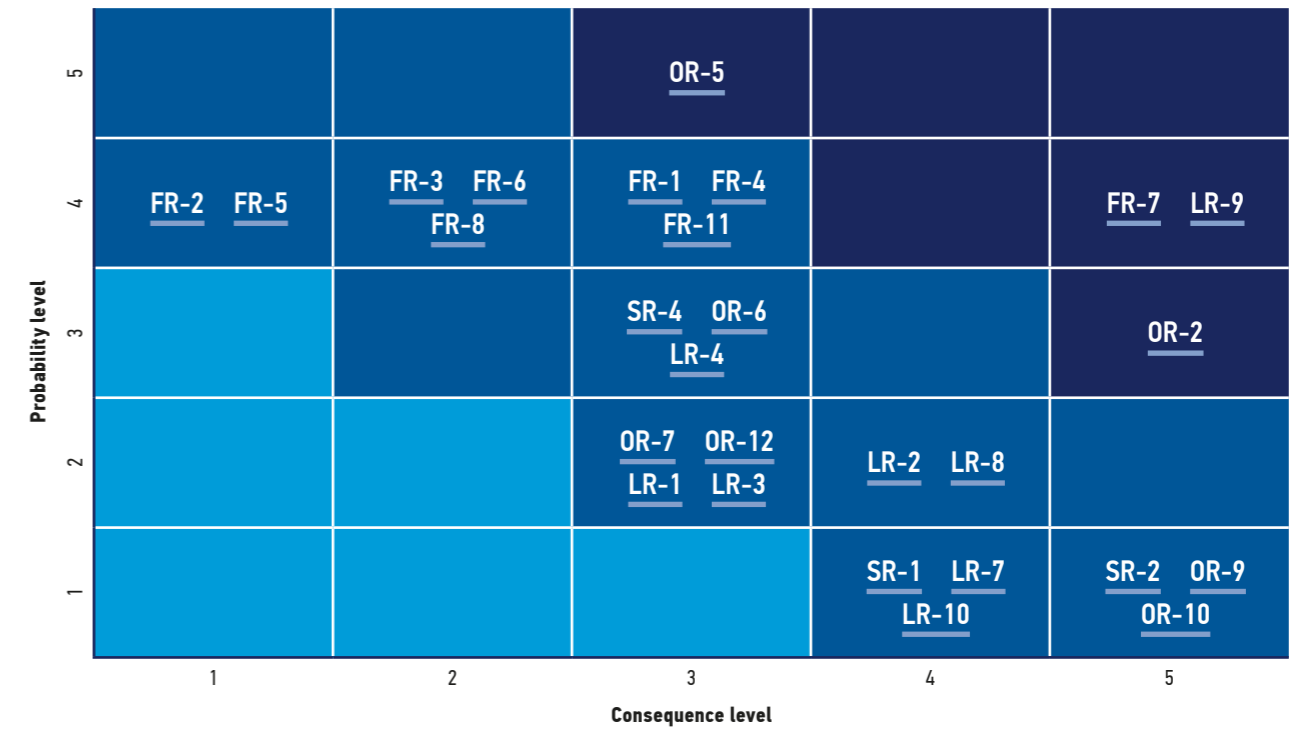
Sr. No.	Risk ID	Risk description	Risk materiality	Risk management
5	OR-6	Failure to comply with deadlines for grid connection	Significant	<p>Ensuring the fulfilment of the Company's accumulated obligations under previously concluded grid connection contracts.</p> <p>Organisation of control over the timely execution of grid connection contracts (at each stage: development of technical specifications, calculation of the cost of grid connection, conducting of trade and procurement procedures, conclusion and execution of work contracts, execution of grid connection contracts using in-house resources), including automation of grid connection activities.</p> <p>Claims and litigation work to monitor the applicant's compliance with the deadlines for implementing grid connection measures.</p> <p>Timely preparation of materials and their submission for approval of the investment programme in accordance with applicable law.</p> <p>Monitoring and conducting of scheduled checks on the activities of the grid connection</p>
6	OR-7	Failure to comply with the commissioning schedule	Significant	<p>Control over the timing of procurement procedures, conclusion of contracts for the preparation of preliminary permissions, design and survey work, and construction and installation work.</p> <p>Control over the fulfilment of contractual obligations by contractors.</p> <p>Control over the implementation of investment project schedules.</p> <p>Control over the implementation by the Company's branches of measures related to the commissioning of facilities in accordance with the procedure for commissioning completed facilities</p>
7	OR-9	Disruption and/or cessation of the functioning of critical information infrastructure facilities as a result of computer attacks	Significant	<p>Administration of information security systems.</p> <p>Timely purchase and renewal of licences for specialised software.</p> <p>Timely maintenance of information security tools.</p> <p>Funding for licence purchases and manufacturer's support</p>
8	OR-10	Unauthorised access to confidential information	Significant	<p>Briefing of newly hired employees</p> <p>Regulation of processes in the field of confidential information protection</p> <p>Official investigations into breaches of confidentiality</p>
9	OR-12	Failure to achieve the required staffing levels	Significant	<p>Organisation of staff recruitment (from the external labour market, talent pool).</p> <p>Organisation of staff training</p>
10	FR-1	Failure to achieve the planned level of revenue from electricity transmission services	Significant	<p>Organisation of staff recruitment (from the external labour market, talent pool).</p> <p>Organisation of staff training</p>
11	FR-3	Failure to achieve the planned level of revenue from additional (non-tariff) services	Significant	<p>Execution of activities under the roadmap for the development of additional (non-tariff) services</p>

## Strategic report

Sr. No.	Risk ID	Risk description	Risk materiality	Risk management
12	FR-4	Exceeding the planned level of uncontrolled operating expenses for the purchase of electricity to compensate for losses, for the payment of services for the transmission of electricity via TGO grids, via the UNPG	Significant	<p>Working with TGOs and PJSC Rosseti to agree on planned service volumes for the next regulatory period, including declared capacity, for subsequent planning and submission to state tariff regulators.</p> <p>Contacting the executive authorities of the constituent entities of the Russian Federation in the field of state regulation of tariffs in relation to the tariff balance solutions adopted for the current accounting period</p>
13	FR-6	Exceeding the planned level of interest expenses	Significant	<p>Negotiations with representatives of banking organisations on reducing (not increasing) interest rates.</p> <p>Auctioning to attract credit resources, with the total amount of auctions broken down into several lots, establishment of basic lending parameters based on existing conditions in current loan agreements and monitoring of indicative lending rates of banks to attract more participants to the procurement procedures.</p> <p>Quarterly monitoring of compliance with covenant restrictions under loan agreements</p>
14	FR-7	Overrun of overdue accounts receivable for electricity transmission services	Critical	<p>Imposition of penalties (forfeitures) on counterparties that have violated payment deadlines, as provided for by Federal Law No. 307-FZ.</p> <p>Monitoring of payments and coordination of monthly payment schedules with guaranteeing suppliers.</p> <p>Restriction of the consumption regime in respect of counterparties that violate the terms and conditions of concluded agreements on payment for electricity transmission services rendered.</p> <p>Interaction with the Federal Bailiff Service of the Russian Federation in aid of execution, signing of cooperation agreements with the Federal Bailiff Service of the Russian Federation, control over debt repayment within the framework of enforcement proceedings on received court decisions on collection of overdue debts.</p> <p>Initiation of bankruptcy proceedings against debtor companies that are persistent non-payers</p>
15	FR-8	Overrun of debt burden level	Significant	<p>Managing the Company's debt position — controlling debt position limits</p> <p>Formulation and implementation of a programme to improve operational efficiency and reduce costs.</p> <p>Implementation of measures to reduce overdue receivables for electricity transmission services and settlement of disagreements, control over achievement of the planned level of electricity payment collection</p>
16	FR-11	Failure to achieve planned financial results from electricity sales	Significant	<p>Monitoring and forecasting of electricity consumption broken down by voltage levels, according to which the price (tariff) for the electricity supplied is differentiated, and by consumer categories</p>
17	LR-1	Violation of antitrust legislation	Significant	<p>Monitoring of events under the risk assessment process, reporting to responsible structural units</p>

Sr. No.	Risk ID	Risk description	Risk materiality	Risk management
18	LR-2	Violation of labour legislation	Significant	<p>Provision of the Company with qualified personnel who meet the job requirements for solving the current and future tasks of the Company.</p> <p>Timely and high-quality provision of the Company's needs for highly-qualified specialists to fill key positions and vacant positions of department heads.</p> <p>Provision of advanced training for the Company's employees, organisation of professional retraining of personnel, monitoring compliance with legislative requirements in the field of compulsory training, ensuring compliance with the mandatory requirements of external control/supervisory bodies.</p> <p>Ensuring compliance with labour legislation and the Company's by-laws and implementation of talent decisions.</p> <p>Determination of professionally important psychological and psychophysiological qualities of employees/job candidates</p>
19	LR-3	Violation of occupational health and safety legislation	Significant	<p>Ensuring that employees have the requisite competence and awareness in occupational safety matters.</p> <p>Planning of occupational health and safety measures, subject to changes in state regulatory requirements for occupational health and safety. Organisation and control of timely implementation of measures</p>
20	LR-4	Violation of industrial and fire safety legislation	Significant	<p>Planning and implementation of measures aimed at ensuring fire safety (maintenance and repair of automatic fire alarm systems, warning systems, smoke protection systems and other automatic fire protection systems; operation of fire water supply systems; inspection and recharging of fire extinguishers; fire protection treatment of building structures and cables; purchase of primary fire extinguishing and fire protection equipment; training and education of personnel in fire safety; purchase of personal protective equipment; purchase of placards, stands, training aids, evacuation plans, etc.).</p> <p>Planning and implementation of measures aimed at ensuring industrial safety (conducting industrial safety assessments, inspection and maintenance of lifting equipment, insurance of hazardous production facilities, obtaining licences for the operation of hazardous production facilities, pre-examination and pre-certification training of personnel, industrial safety training)</p>
21	LR-8	Violation of tax and accounting legislation	Significant	<p>Staff training and skill improvement.</p> <p>Current analysis of tax accounting registers, verification of the accuracy and completeness of tax payments</p>
22	LR-9	Corruption-related offences by Company employees	Critical	Implementation of measures of the Anti-Corruption Plan of PJSC Rosseti South for 2025
23	LR-10	Unlawful actions of legal entities and individuals, including employees of subsidiaries, causing economic damage and harm to business reputation of the Company	Significant	<p>Verification of counterparties for concluded contracts.</p> <p>Checking pricing for concluded contracts</p>

### Company's key risk map for 2025



Information on the realisation of critical and significant risks is reviewed by the Company's management bodies as part of the report on the organisation, functioning and effectiveness of PJSC Rosseti South's risk management and internal control system (RM&ICS) for 2025.



## Information security risks and cyber threats

### Risk of disruption and/or cessation of the functioning of critical information infrastructure facilities as a result of computer attacks

The risk is assessed as significant with a high level of consequences from the realisation of the risk. The main reasons for this risk could be the lack of up-to-date licenses and software, as well as delayed maintenance. In order to reduce (minimise) the realisation of this risk, the Company administers information security systems, ensures timely purchase and renewal of licences for specialised software, timely maintenance of information security tools, financing the purchase of licences and technical support from the manufacturer.

### Risk of unauthorised access to confidential information

The risk is assessed as significant with a high level of consequences from the realisation of the risk. The main reasons for this risk may be illegal actions of third parties, violation of the requirements of regulatory documents by the Company's employees.

In order to reduce (minimise) the realisation of this risk, the Company carries out as follows:

- ▶ Briefing of newly hired employees
- ▶ Regulation of processes in the field of confidential information protection
- ▶ Official investigations into breaches of confidentiality.

## Risks pertaining to sustainable development

### Environmental risks

Given the extent to which production activities affect soil, atmospheric air, surface and subsurface subsoil, flora and fauna, the Company places considerable emphasis on mitigating adverse effects on these natural environment components and guaranteeing environmental safety at power grid facilities.

Risks related to the Company's environmental impact are long-term in terms of time of impact and are assessed by the Company as moderate, given the set of environmental risk management measures in place.

In order to minimise these risks, the Company ensures compliance with the requirements of environmental legislation during the production process. Furthermore, ongoing training for personnel is focused on enhancing their capacity to detect and recognise potential infractions of environmental regulations. The Company ensures that the volume of direct greenhouse gas emissions is accounted for in accordance with the requirements of the current legislation of the Russian Federation.

### Climate risks

The risks associated with the impact of climate change on the Company's operations are short-term in terms of impact time, have a significant level of consequences, are assessed by the Company as moderate and may have a negative impact on the quality and reliability of energy supply, production activities and financial results.

First of all, climate risks are associated with an increase in the average annual air temperature. High outdoor air temperature in summer, typical for the region of the Company's presence, may entail the risk of overloading power supply centres, which will deteriorate the power supply to consumers. In order to minimise this risk, the Company continuously implements routine measures to redistribute loads between power centres, includes power centres power augmentation measures in the Company's investment programme, and repairs facilities according to their technical condition, taking into account risks and data on outages.

### Strategic report

In addition, changes in conventional climatic conditions can cause natural emergencies. In the regions where the Company operates, there is a risk of natural disasters such as hurricanes, heavy rainstorms, floods, snowstorms, mudslides and freezing rain. These events can cause material damage to the local population, housing, public utilities, social facilities and the Company's power grid. As a result, power supply and transportation links in the region may be disrupted.

In order to minimise the impact of adverse weather conditions, the Company takes the following steps:

- ▶ Monitoring of weather conditions on an ongoing basis with the development and execution of action plans to reduce the impact on the Company (during spring high water and floods; during the thunderstorm season);
- ▶ Preliminary planning and adjustment of equipment repair schedules, taking into account weather conditions;
- ▶ Emergency response and restoration works;
- ▶ Interactions with the insurance company to obtain compensation for damage caused to the Company's insured property as a result of natural disasters;

- ▶ Notification to the general public through the media, radio and television about the danger of approaching and being in electrical installations, the inadmissibility of violating the requirements of the rules for the protection of power grids.

### Social risks

Social rights extend to fair and favourable working conditions, protection from unemployment, fair and satisfactory remuneration, equal pay for equal work, the possibility of maintaining the health and well-being of a person and their family, improving the level of education of the Company's employees, and corporate support for enhancing the living conditions of staff.

Risks related to non-compliance with social rights and guarantees of employees are medium-term by time of impact. Given the Company's high level of responsibility in the context of its social commitments, this risk is assessed as moderate with a low level of consequences if realised.



# 03 Company's performance results

30,067

million kWh

delivery to the grid

16,236

grid connection agreements executed in 2025

RUB 90,216

million

revenue from the sale of services

# Accomplishing the goal

Rosseti South continues to provide reliable energy supply to the regions where it operates and develops the energy infrastructure, achieving excellent operational and financial performance.

The Arc de Triomphe and the Alley of Glory, Astrakhan

# Electricity transmission<sup>1</sup>

GRI 2-6

Across the Company in 2025

**30,067.2** million kWh  
delivery to the grid

**9.74%**  
electric losses

**27,138** million kWh  
delivery from the grid

<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.



## Company's performance results

### Electricity balance indicators for 2025

Branch	Delivery to the grid, million kWh	Delivery from the grid, million kWh	Electric losses	
			million kWh	%
Astrakhanenergo	3,280	2,767	513	15.64
Volgogradenergo	8,517	7,953	564	6.63
Kalmenergo	922	725	197	21.38
Kubanenergo	2,577	2,152	425	16.47
Rostovenergo	14,770	13,540	1,230	8.33
<b>PJSC Rosseti South</b>	<b>30,067</b>	<b>27,138</b>	<b>2,929</b>	<b>9.74</b>

In 2025, the delivery from the grid to consumers and adjacent territorial grid organisations (TGOs) within the balance sheet and operational responsibility (taking into account the reorganisation

of the Company through the merger of JSC Rosseti Kuban from 1 December 2025) amounted to 27,138 million kWh, which is 1.653 million kWh, or 6.48% higher year-on-year (25,485 million kWh).

### Volumes of electricity transmission services provided by PJSC Rosseti South<sup>1</sup>

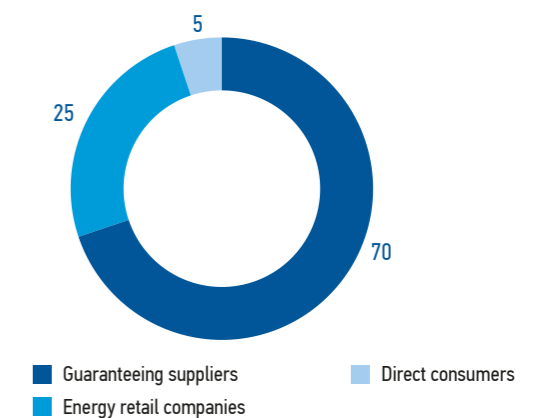
Branch	2024		2025		Changes in 2025 compared to 2024		
	million kWh	RUB million	million kWh	RUB million	million kWh	RUB million	% of the volume of services rendered
Astrakhanenergo	2,823.9	7,229.2	<b>2,757.3</b>	<b>8,351.5</b>	-66.6	1,122.3	-2.36
Volgogradenergo	8,266.8	12,671.3	<b>7,718.9</b>	<b>21,946.1</b>	-547.9	9,274.8	-6.63
Kalmenergo	675.9	2,083.6	<b>723.7</b>	<b>2,482.7</b>	47.7	399.1	7.06
Kubanenergo (for December 2025)	X	X	<b>1,921.3</b>	<b>7,915.6</b>	X	X	X
Rostovenergo	13,548.9	26,695.9	<b>13,219.9</b>	<b>45,009.9</b>	-329.0	18,314	-2.43
<b>PJSC Rosseti South</b>	<b>25,315.5</b>	<b>48,680.0</b>	<b>26,341.1</b>	<b>85,705.8</b>	<b>1,025.6</b>	<b>37,025.8</b>	<b>4.05</b>

The volume of electricity transmission services provided, taking into account internal sales, amounted to 26,341.1 million kWh, which is higher than the same period in 2024 (25,315.5 million kWh) by 1,025.6 million kWh, or 4.05%, primarily due to the reorganisation of PJSC Rosseti South through the merger of JSC Rosseti Kuban.

In comparable conditions (excluding the Kubanenergo branch), there is a decrease in the volume of common-pot electricity net delivery by 895.7 million kWh, or 3.54%, which is mainly due to a change in the settlement scheme in the Volgogradenergo and Rostovenergo branches with income-bearing territorial grid companies from 1 January 2025 in connection with the execution of SGO functions by PJSC Rosseti South.

Revenue for electricity transmission services, including internal sales, rose by 76.06%, due to an increase in the average tariff by 69.20% (mainly due to the Company's performance of the SGO functions from 1 January 2025), as well as a rise in the volume of services provided due to the merger of JSC Rosseti Kuban.

### Revenue structure for electricity transmission services in 2025, %<sup>2</sup>



<sup>1</sup> Including internal electricity sales.

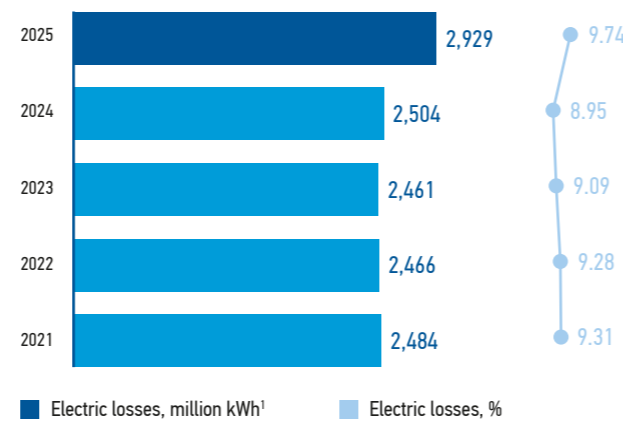
<sup>2</sup> Including the data on the Kubanenergo branch for December 2025.

## Electric losses

As of yearend 2025, taking into account the merger of JSC Rosseti Kuban's electric losses in 2025 increased by 239 million kWh, or 0.80%, year-on-year, under comparable conditions for electricity delivery to the grid.

Without taking into account the merger of JSC Rosseti Kuban, the planned level of electricity in 2025 was achieved by the Company with a decrease of 0.25%, or 68.5 million kWh, while taking into account the Company's performance of the SGO functions, the level of electric losses increased by 0.16%, or 45.3 million kWh, relative to 2024 (in comparable conditions to the actual net delivery to the grid).

Changes in electric losses in 2021–2025



### Electric losses by the Company's branches in 2024–2025

Branch	2024		2025		2025/2024	
	million kWh	%	million kWh	%	million kWh	p.p.
Astrakhanenergo	515.7	15.34	513	15.64	9.8	0.30
Volgogradenergo	596.8	6.69	564.3	6.63	-5.3	-0.06
Kalmenergo	206.9	23.40	197.2	21.38	-18.6	-2.02
Kubanenergo	X	X	424.5	16.47	X	X
Rostovenergo	1,184.5	7.99	1,230	8.33	49.5	0.33
<b>PJSC Rosseti South</b>	<b>2,503.9</b>	<b>9.11</b>	<b>2,929</b>	<b>9.74</b>	<b>239.3</b>	<b>0.80</b>

### Planned and actual values of target indicators of electric losses in the reporting year

Indicator	Unit of measurement	2025	
		Plan	Actual <sup>1</sup>
Electric losses	million kWh	2,634	2,929
	RUB million, excl. VAT <sup>2</sup>	12,195	13,858
	% of delivery to the grid	9.36	9.74

<sup>1</sup> The level of electric losses was determined taking into account the reorganisation of the Company through the merger of JSC Rosseti Kuban on 1 December 2025.

<sup>2</sup> Including internal electricity sales.

## Performing the function of a guaranteeing supplier in the territory of the Republic of Kalmykia

Since 1 January 2017, the Company has been acting as a guaranteeing supplier in the Republic of Kalmykia.

The volume of electricity supplied to the retail market in 2025 increased by 20.00 million kWh, or 6.98%, compared to 2024 and amounted to 306.79 million kWh, including:

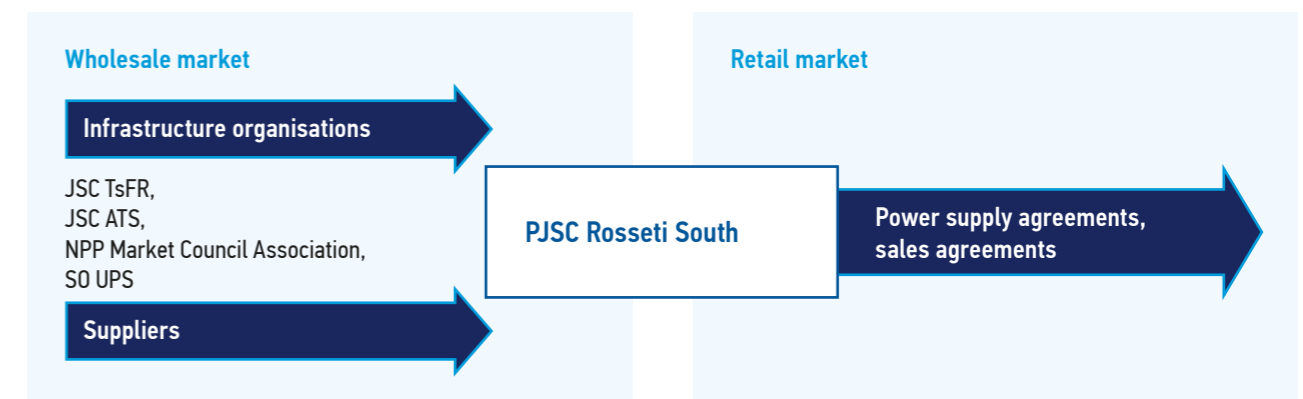
- ▶ under energy supply contracts – 202.36 million kWh, including the households and equivalent consumers – 108.58 million kWh

- ▶ under purchase and sale agreements – 104.43 million kWh

A total of 55,873 consumers are serviced by the Kalmenergo branch as a guaranteeing supplier, including:

- ▶ 4,290 consumers that are legal entities, individual entrepreneurs and citizens engaged in commercial activities
- ▶ 51,583 consumers that belong to the households group

### Liaison mechanism of PJSC Rosseti South acting as a guaranteeing supplier with entities of the wholesale and retail electricity (capacity) markets



# Grid connection<sup>1</sup>

GRI 2-6

In 2025, the Company executed 16,230 grid connection contracts for a total capacity of 640 MW (including the activities of the Kubanenergo branch in December 2025).

Each region where the Company operates, in cooperation with regional executive authorities, rolls out the targeted model on grid connection to simplify business procedures and increase the investment attractiveness of the constituent entities of the Russian Federation.

The Company makes sure that the following is carried out:

- ▶ Roadmap activities envisaged by the target model with the grid organisation as a responsible party, and submission of branches' quarterly reports to the regional executive bodies;
- ▶ Cooperation with regional executive authorities in order to take the necessary measures to deliver the roadmap indicators, with achievement of the target values being the responsibility of the relevant ministries and municipalities in the regions.

## Changes in indicators for grids connection of the Company's consumers in 2023–2025

Indicators	Unit of measurement	2023	2024	including:	December Kubanenergo	2025/2024, %
Grid connection applications accepted for work	kW	22,035	24,732	<b>28,219</b>	<b>3,572</b>	14
Grid connection applications accepted for work	kW	1,770,906	2,325,282	<b>1,880,257</b>	<b>138,055</b>	-19
Grid connection contracts concluded	kW	13,698	15,187	<b>16,113</b>	<b>2,780</b>	6
Grid connection contracts concluded	kW	605,354	635,957	<b>653,271</b>	<b>60,225</b>	3
Grid connection contracts executed	kW	14,904	16,340	<b>16,230</b>	<b>2,427</b>	-1
Grid connection contracts executed	kW	457,865	480,553	<b>639,688</b>	<b>71,712</b>	33
Current grid connection contracts	kW	9,340	7,642	<b>15,498</b>	<b>8,922</b>	103
Current grid connection contracts	kW	1,266,866	1,271,978	<b>2,567,306</b>	<b>1,396,017</b>	102

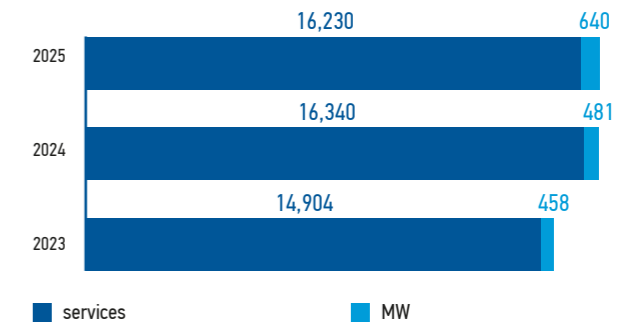
<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.

## Company's performance results

The key contracts in 2025 are with the following applicants:

- ▶ LLC Specialised developer-1 YUGSTROYINVEST-DON
- ▶ JSC Izvestia Sanatorium
- ▶ State-owned institution of the Republic of Kalmykia Main Directorate of Capital Construction

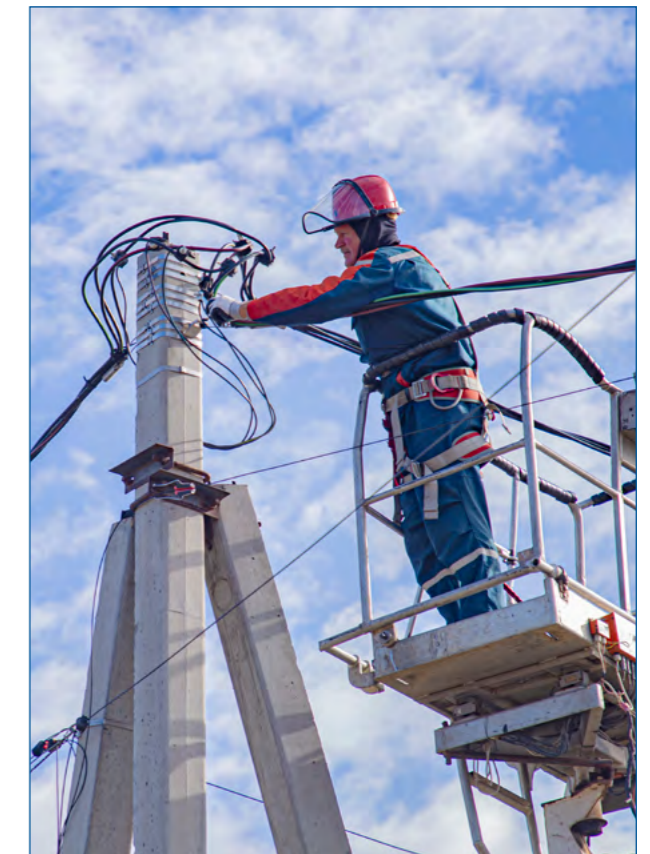
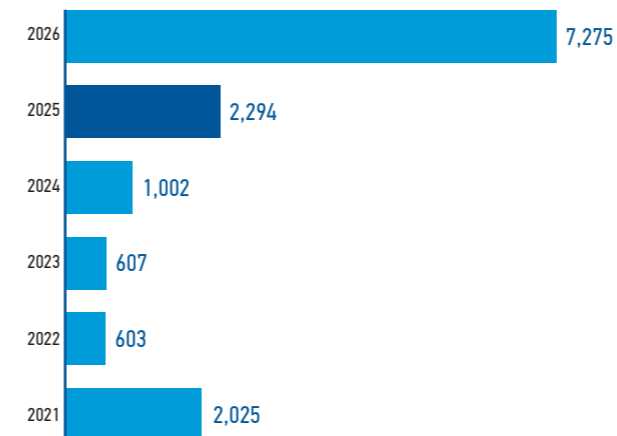
## Company's performance of grid connection services in 2023–2025, number of services and MW<sup>1</sup>



## Plan for grid connection

Due to the reorganisation of PJSC Rosseti Yug in the form of the merger of JSC Rosseti Kuban, the planned revenue from the provision of grid connection services for 2026 was set up in the amount of RUB 7.275 million excluding VAT, the planned value of the connected capacity for 2026 is 1.365 MW.

## Changes in revenue from the provision of grid connection services in 2021–2026, RUB million excluding VAT



<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.

# Additional (non-tariff) services<sup>1</sup>

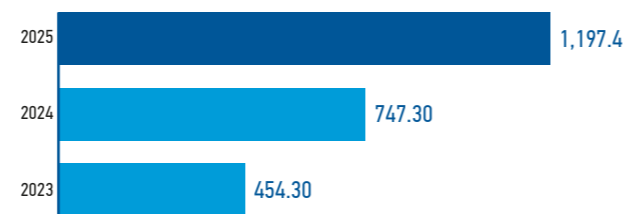
In addition to the main types of activities subject to state regulation, the Company engages in other activities as part of the provision of additional (non-tariff) services.

Revenue from the sale of additional services in 2025 amounted to RUB 1,197.4 million, with planned targets of RUB 888.9 million. The largest share of revenue from other activities comes from such services as:

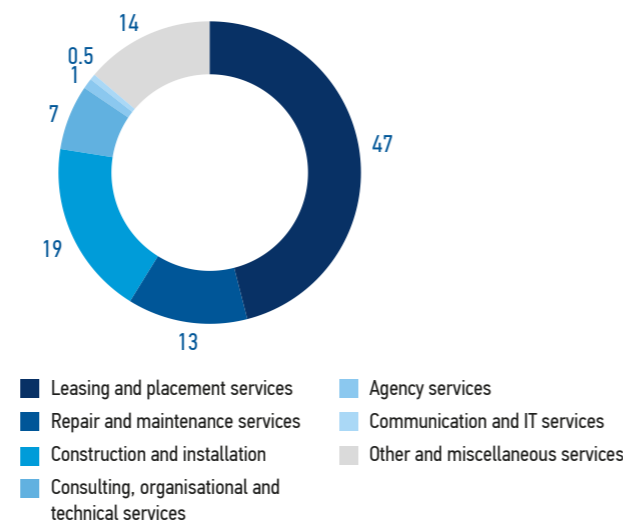
- ▶ repair and maintenance of power grid facilities and outdoor lighting networks;
- ▶ placement of telecommunications equipment, including fibre-optic communication lines;
- ▶ construction and installation;
- ▶ admission of third-party organisations to the security zone of power grid facilities.

The Company renders services on a payment basis to organise electricity metering, repair and operational maintenance of power grid facilities, joint use of poles, deployment of equipment, performance of construction and installation works, etc.

**Changes in revenue from other activities in 2023–2025, RUB million**



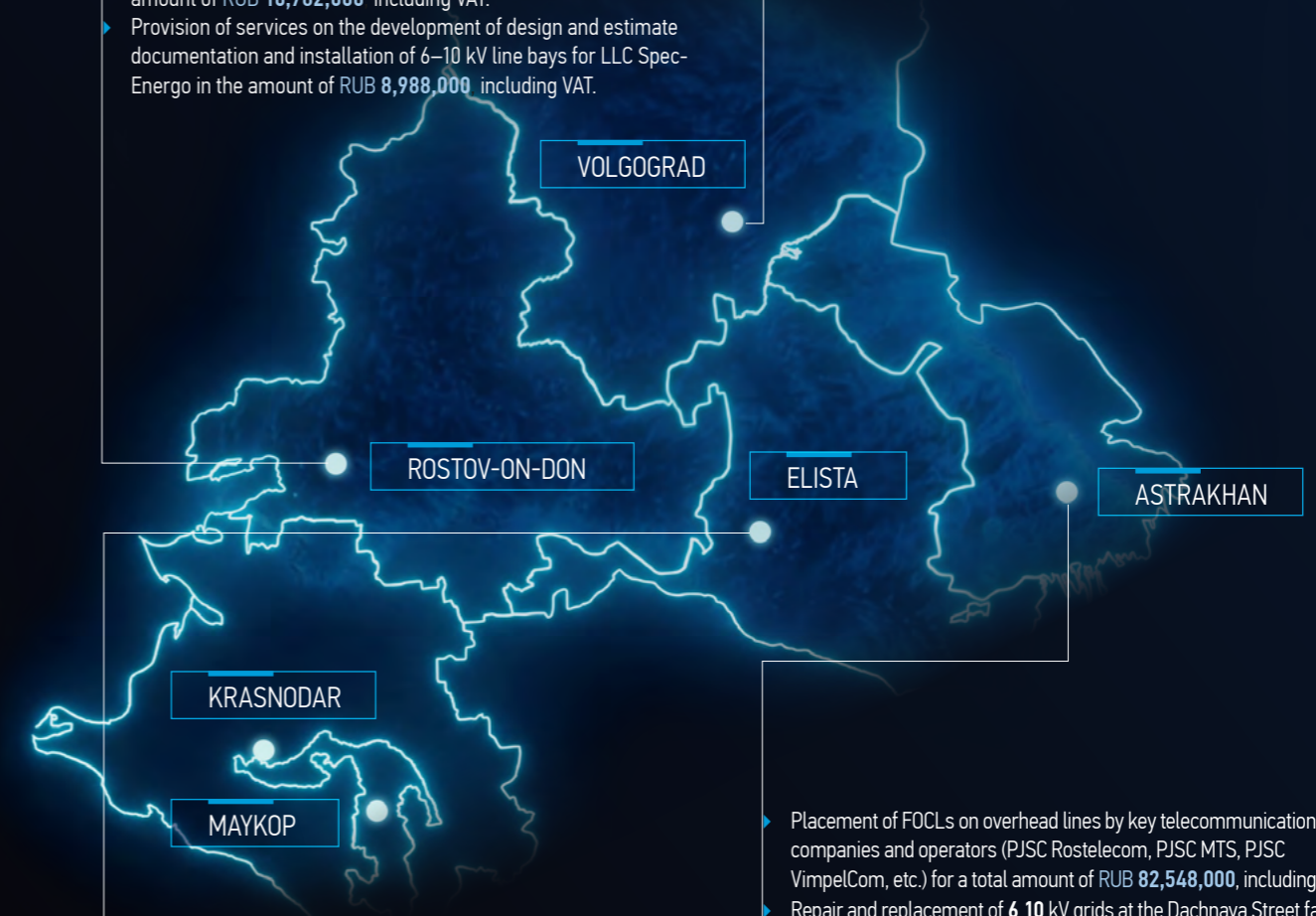
**Structure of revenue from the sale of non-tariff services in 2025, %**



<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.

## Key projects on additional (non-tariff) services for 2025

- ▶ Placement of FOCLs on overhead lines by key telecommunications companies and operators (PJSC Rostelecom, PJSC MTS, PJSC VimpelCom, etc.) for a total amount of RUB **329,517,000** including VAT.
- ▶ Execution of work on the development of design and estimate documentation and installation of 6–10 kV line bays for LLC SD Temernik Residential Complex in the amount of RUB **22,165,000** including VAT.
- ▶ Execution of work on the development of design and estimate documentation according to the technical specifications, construction of 6 kV transmission lines, installation of two 1,000/6/0.4 kV integrated transformer substations, one 630/6/0.4 kV integrated transformer substations and commissioning for LLC Transstroymechanizatsiya in the amount of RUB **15,727,000** including VAT.
- ▶ Package of services for operational and technical maintenance of the NZNP 110/6 kV main power substation for PJSC NZNP in the amount of RUB **10,782,000** including VAT.
- ▶ Provision of services on the development of design and estimate documentation and installation of 6–10 kV line bays for LLC Spec-Energo in the amount of RUB **8,988,000** including VAT.



- ▶ Placement of FOCLs on overhead lines by key telecommunications companies and operators (PJSC Rostelecom, PJSC MTS, PJSC VimpelCom, etc.) for a total amount of RUB **82,548,000**, including VAT.
- ▶ Repair and replacement of **6 10 kV** grids at the Dachnaya Street facility in the Trusovsky district of the Astrakhan Region for LLC Caspian Grain Company in the amount of RUB **1,810,000** including VAT.
- ▶ Performance of works to increase capacity, commissioning during the installation of metering units for PJSC Gazprom in the amount of RUB **1,377,000** including VAT.
- ▶ Provision of services for the performance of supervisory functions during the relocation of electric power facilities for LLC Integra Engineering in the amount of RUB **2,063,000**, including VAT.
- ▶ Provision of operational and maintenance services for JSC Zvezdochka Ship Repair Centre in the amount of RUB **4,053,000** including VAT.

# Reliable and efficient operation of the energy system<sup>1</sup>

In 2025, PJSC Rosseti South has generally accomplished the main task of its production activities, i.e., maintaining a sufficient level of reliability of the functioning of power grid equipment. The Company has fully implemented its repair programme within the established

time limit, implemented a set of measures aimed at improving the reliability of power supply to consumers, and received certificates of readiness for operation during the 2025–2026 heating season by all branches of the Company.

## Reliability data of the Company<sup>2</sup>

Indicators	2023	2024	2025	2025/2024, %
System average interruption duration index per point of delivery (Isaidi), h	3.379	3.343	<b>3.338</b>	-0.2
System average interruption frequency index per point of delivery (Isaif), interruptions	1.796	1.689	<b>1.588</b>	-6.0
Number of disturbances (emergencies) in the 110 kV and above grid	1,366	1,255	<b>1,299</b>	+3.5

Major and significant accidents in 2025 were avoided thanks to the power grid maintenance and repair measures, planned measures under the reliability improvement programme, as well as equipment upgrade and replacement programme. These events were investigated under the chairmanship of the Federal Service for Environmental, Technological and Nuclear Supervision.

## Number of emergencies in the 0.4 kV and above grid<sup>2</sup>



The system average interruption duration in the 0.4 kV and above grid was 2.4 hours.

<sup>1</sup> The information in this section is based on the results of the activities of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025.  
<sup>2</sup> To ensure comparability of indicators, the data for 2023–2024 are shown in aggregate for PJSC Rosseti South and PJSC Rosseti Kuban, and for 2025 they include the activities of JSC Rosseti Kuban for January – November and the Kubanenergo branch for December.

# Preparedness to respond to potential disturbances

Regardless of the time of year and weather conditions, the employees of PJSC Rosseti South are ready to eliminate the consequences of possible disturbances. A total of 1,052 teams, 5,130 people, 2,431 units of automotive and special vehicles, as well as two mobile 6–10 kV outdoor switchgears, one 35/10 kV mobile modular substation with a capacity of 2.5 MVA are ready to engage in possible emergency recovery operations.

To restore power supply to consumers, a fleet of 466 emergency power supply sources (EPSS) were formed with a total capacity of 29,025.9 kW, including 245 EPSS units up to 30 kW with a total capacity of 1,890.9 kW, 221 EPSS units of 30 kW and above with a total capacity of 27,135 kW.

Contracts and agreements were concluded on the involvement of manpower and resources of contractors consisting of 380 teams totalling 1,902 people and 797 automotive and special vehicles.



# Investment activities<sup>1</sup>

GRI 203-1

In 2025, 197 MVA of transformer capacity and 1,070 km of power transmission lines were commissioned as part of the investment activities.

In 2025, it is planned to commission two priority investment projects in the Astrakhanenergo branch of PJSC Rosseti South. All facilities will be commissioned within the established time limit in 2025.

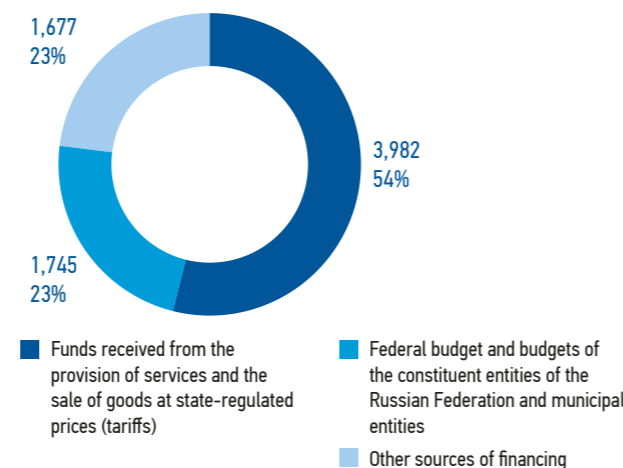
## Investment programme of the Company

Indicators	Unit of measurement	2023	2024	2025	2025/2024, %
Amount of funding	RUB million incl. VAT	5,417	6,569	7,404	+12.7
Capital investment utilisation	RUB million excl. VAT	3,445	5,214	7,636	+46.5
Commissioning as fixed assets	RUB million excl. VAT	3,523	4,878	6,640	+36.1
Commissioning as a part of fixed assets of transformer capacities	MVA	115	269	197	-26.8
Commissioning as part of fixed assets of power transmission lines	km	681	1,391	1,070	-23.1

The volume of investments in 2025 is mainly aimed at financing of the following projects:

- ▶ Investment projects for grid connection – RUB 3,530 million, including VAT, or 48% of the total investment, RUB 2,694 million of which were allocated for the implementation of measures under contracts for grid connection of a subsidised category of consumers with a connected capacity of up to 150 kW;
- ▶ Other investment projects – RUB 1,708 million, including VAT, or 23% of the total amount of financing, RUB 1,105 million of which were allocated to finance measures under the programme to improve the reliability of the power grid complex;
- ▶ Investment projects for renovation, upgrade, and retrofitting – RUB 1,097 million, including VAT, or 15% of the total financing.

## Sources of financing for the investment programme in 2025, RUB million, incl. VAT, and %



<sup>1</sup> The information in this section does not include the activities of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025 based on the explanations of the Ministry of Energy of the Russian Federation on the formation of reporting information on the approved investment programmes of PJSC Rosseti South and JSC Rosseti Kuban for the fourth quarter of 2025 and full 2025.

# Innovative activities<sup>1</sup>

The Company has the innovation development programme of PJSC Rosseti South for the period of 2024–2029 with an outlook until 2035<sup>2</sup>.

Key areas of innovative development of PJSC Rosseti South:

- ▶ Transition to highly automated digital substations operating at different voltages
- ▶ Transition to smart grids with a distributed intellectual automation and control system
- ▶ Transition to integrated efficiency of business processes and automation of control systems
- ▶ Application of advanced technology solutions and materials in power engineering

## The main innovative projects implemented in 2025

- 1. Transition to highly automated digital substations operating at different voltages.** Work was underway to create an automated predictive monitoring system, which provides for the installation of sensors for monitoring the condition of power transformers mounted on the AC 1,110 kV substation and the Chaltyr-2 110 kV substation of the Rostovenergo branch of PJSC Rosseti South.
- 2. Transition to smart grids with a distributed intellectual automation and control system.** The Rostovenergo, Volgogradenergo, Astrakhanenergo and Kalmenergo branches of PJSC Rosseti South were engaged in the creation of highly automated electric distribution networks and the try-out of technical solutions for integrating data transmission from smart electricity metering devices into information systems, i.e., the development of its smart metering. The technology provides for automatic or automated monitoring and control of electricity flows to achieve maximum efficiency, as well as continuous monitoring of the quality of power supply and commercial services.
- 3. Transition to integrated efficiency of business processes and automation of control systems.** Work was carried out in the following focus areas:
  - ▶ development of a customer relationship management (CRM) system
  - ▶ development of an information security system for critical information infrastructure facilities
  - ▶ development of the Company's production asset management system (PAMS)
  - ▶ development of advanced metering infrastructure (AMI)
  - ▶ creation and implementation of a unified information system of PJSC Rosseti Group for electricity transmission and distribution on a domestic platform (Rosseti Balance Unified Information System).
- 4. Application of advanced technology solutions and materials in power engineering.** Work was underway to introduce an innovative system for determining damage locations on 110 kV overhead transmission lines with FOCL paralleling.

<sup>1</sup> The information in this section is based on the results of the activities of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025.

<sup>2</sup> By decision of the Board of Directors of PJSC Rosseti South on 24 February 2025 (Minutes No. 607/2025 dated 24 February 2025), the programme was adjusted for the period of 2024–2029 until 2035.

## Achieving the target values of the innovation efficiency KPI in 2025

Ser. No.	Indicator	Planned target value		Actual target value	
		%	RUB million	%	RUB million
1	I R&D	0.2	117.98	0.21	123.11 <sup>1</sup>
2	I INNOVATIONS	1.5	418.57	1.78	544.38

## Research and development

The implementation of the R&D Programme is one of the key innovative development areas for the power grid complex. This Programme covers measures to ensure reliable and high-quality power supply of electricity consumers, reduction of material expenses for repair and maintenance of overhead transmission lines, and transition to digital signal transmission at all levels of control over substations.

- ▶ Development of a suite of preventive multiparametric protections for 6–10 kV switchgears under conditions of incipient faults.
- ▶ Development of a three-phase group based on non-grounded voltage transformers for use in electric power metering circuits according to the delta / neutral-less delta scheme.
- ▶ A mobile-based robot-assisted system for operational switching and diagnostic measures.

### Copyright protection for R&D deliverables obtained in 2025

In 2025, the R&D deliverables on the creation of interactive instructions for the used equipment received a copyright protection – certificate of state registration of the computer programme dated 1 September 2025 No. 2025691311 Computer Programme “Personnel training system using step-by-step interactive instructions for performing work on energy equipment based on 3D visualisation”.

No licence agreements for granting non-exclusive rights to use R&D deliverables were concluded in the reporting year. According to the 2025 results, no payments were received under licence agreements.

### Key R&D projects implemented in 2025

- ▶ Grid connection of consumers in isolated territories using autonomous hybrid power plants (AHPP).
- ▶ Research into the influence of wind power plants on electricity quality indicators and the functioning of protection relays in 110 kV distribution power grids. Formulation of recommendations and suggestions.
- ▶ Research into the prospects for using high-temperature wires, taking into account the shift of peak loads to periods of extremely high temperatures and the influence of temperature on the transmission capacity of overhead transmission lines.
- ▶ Creation of interactive instructions on the equipment used.

<sup>1</sup> In accordance with section 3.4 “Efficiency of innovation activity” of the Procedure for calculating the KPIs and FKPIs of the management of PJSC Rosseti South as actual costs (acceptance certificate volumes), taken into account along with the results of R&D in 2025 and amounting to RUB 66.43 million (RUB 23.42 million – PJSC Rosseti South and RUB 43.01 million – Kubanenergo branch of PJSC Rosseti South) the following works were used: 1) Creation and implementation of a unified information system (UIS) of PJSC Rosseti Group for electricity transmission and distribution on a domestic platform (Rosseti Balance UIS) (clause 3.1.1 of the CCFI) in the amount of RUB 30 million as the implementation of the section of the IDP for the acquisition of intellectual deliverables in terms of computer software (as a copyright item), databases (as a related rights item); 2) Acquisition of rights to use the intellectual deliverables (as a copyright item) on computer programmes included in the Unified Register of Russian Computer Programmes in accordance with the Programme of Software Import Substitution of the Digital Transformation Programme (paragraph 3.1.2 of the CCFI) in the amount of RUB 26.68 million.

## Tariff policy and tariffs for the Company's services

Guidelines for calculating tariffs for electricity transmission services and grid connection services are approved by the federal executive authority responsible for tariff regulation, the functions of which are exercised by the Federal Antimonopoly Service (FAS of Russia).

The threshold levels of tariffs for electricity transmission services are approved by the FAS of Russia.

### Electricity transmission tariffs

In accordance with Decree of the Government of the Russian Federation No. 1159 dated 28 August 2024 “On approval of criteria for classifying territorial grid organisations as systemic territorial grid organisations and rules for the definition of systemic territorial

grid organisations”, branches of PJSC Rosseti South have been defined as systemic important territorial grid organisations in the regions of their presence since 1 January 2025.

In 2025, unified (common-pot) tariffs for electricity transmission services were in effect in all constituent entities of the Russian Federation within the catchment area of PJSC Rosseti South. The distinctive feature of this pricing scheme is that for all consumers of the same voltage class, electricity transmission is charged at a single tariff regardless of which organisation's grids they are connected to. In 2025, the “Pot at the Top” model applies in all regions of the presence of PJSC Rosseti South.

Tariff regulation of branches of PJSC Rosseti South follows the method of long-term indexing of the required gross revenue and on the basis of agreements on the terms of regulated activities concluded with executive authorities in charge of state regulation of tariffs (hereinafter referred to as Regulatory Agreements).

### Indicators on tariffs for electricity transmission services of the Company<sup>1</sup>

Indicators	Unit of measurement	Period			
		2023	2024	2025	2025/2024, %
<b>RGR for electricity transmission approved under tariff balance solutions, including:</b>		<b>114,620.89</b>	<b>123,988.22</b>	<b>172,374.04</b>	<b>39.02</b>
Astrakhanenergo	RUB million	7,078.14	7,319.26	<b>8,750.30</b>	19.55
Volgogradenergo		12,410.43	12,906.33	<b>22,563.30</b>	74.82
Kalmenergo		2,980.19	2,392.95	<b>2,949.61</b>	23.26
Kubanenergo		68,528.93	75,573.75	<b>94,065.47</b>	24.47
Rostovenergo		23,623.19	25,795.93	<b>44,045.36</b>	70.75
<b>Own RGR, including:</b>		<b>52,713.73</b>	<b>56,131.41</b>	<b>71,491.80</b>	<b>27.37</b>
Astrakhanenergo	RUB million	3,837.45	3,817.19	<b>4,710.11</b>	23.39
Volgogradenergo		5,804.64	6,017.63	<b>7,758.27</b>	28.93
Kalmenergo		2,225.43	1,581.33	<b>2,018.63</b>	27.65
Kubanenergo		28,951.57	31,943.67	<b>41,879.78</b>	31.11
Rostovenergo		11,894.64	12,771.59	<b>15,125.01</b>	18.43

<sup>1</sup> The tariff parameters for 2023–2024 are indicated in comparable terms, taking into account PJSC Rosseti Kuban, for 2025 – from January to November, taking into account JSC Rosseti Kuban, for December – taking into account the Kubanenergo branch of the Company.

Indicators	Unit of measurement	Period			
		2023	2024	2025	2025/2024, %
<b>UNPG services</b>		<b>18,790.81</b>	<b>21,566.96</b>	<b>27,184.17</b>	<b>26.05</b>
Astrakhanenergo	RUB million	472.24	593.81	<b>785.29</b>	32.25
Volgogradenergo		3,052.18	3,233.60	<b>4,163.16</b>	28.75
Kalmenergo		310.39	327.45	<b>366.72</b>	12.0
Kubanenergo		9,974.40	11,802.85	<b>14,374.84</b>	21.79
Rostovenergo		4,981.60	5,609.25	<b>7,494.16</b>	33.60
<b>Expenses for the purchase of electric losses, including:</b>		<b>20,961.45</b>	<b>22,205.59</b>	<b>25,921.54</b>	<b>16.73</b>
Astrakhanenergo	RUB million	2,325.93	2,416.19	<b>2,924.83</b>	21.05
Volgogradenergo		2,443.10	2,473.54	<b>2,665.23</b>	7.75
Kalmenergo		444.38	484.17	<b>564.27</b>	16.54
Kubanenergo		11,468.60	12,350.45	<b>14,176.13</b>	14.78
Rostovenergo		4,279.44	4,481.24	<b>5,591.08</b>	24.77
<b>Expenses for TGO services (according to the current contractual scheme), including:</b>		<b>22,154.91</b>	<b>24,084.28</b>	<b>47,776.55</b>	<b>98.37</b>
Astrakhanenergo	RUB million	442.53	492.08	<b>330.08</b>	-32.92
Volgogradenergo		1,110.52	1,181.56	<b>7,976.64</b>	575.09
Kalmenergo		0.00	0.00	<b>0.0</b>	0.00
Kubanenergo		18,134.36	19,476.78	<b>23,634.72</b>	21.35
Rostovenergo		2,467.50	2,933.86	<b>15,835.11</b>	439.74
<b>Common-pot net delivery, including:</b>		<b>45,863.76</b>	<b>47,275.81</b>	<b>48,341.30</b>	<b>2.25</b>
Astrakhanenergo	million kWh	2,826.37	2,812.19	<b>2,832.20</b>	0.71
Volgogradenergo		8,042.11	8,079.77	<b>8,032.66</b>	-0.58
Kalmenergo		630.47	635.66	<b>671.45</b>	5.63
Kubanenergo		21,694.16	22,696.19	<b>23,663.15</b>	4.26
Rostovenergo		12,670.65	13,052.00	<b>13,141.84</b>	0.70
<b>Average tariff for electricity transmission services by branches</b>		<b>2.49916</b>	<b>2.62266</b>	<b>3.56577</b>	<b>35.96</b>
Astrakhanenergo	RUB/kWh	2.50432	2.60269	<b>3.08958</b>	18.71
Volgogradenergo		1.54318	1.59736	<b>2.80894</b>	75.85
Kalmenergo		4.72692	3.76449	<b>4.39293</b>	16.70
Kubanenergo		3.15890	3.32980	<b>3.97520</b>	19.38
Rostovenergo		1.86440	1.97640	<b>3.35154</b>	69.60

## Grid connection fee

Grid connection fee is calculated when newly commissioned and earlier connected consumer terminals with increased maximum capacity are connected and also if the power supply reliability

category, connection points, type of production activities of already connected consumer terminals are changed without revising the maximum capacity, but involving the change of the external power supply scheme of such terminals.

# Financial review

## Key financial and economic indicators under the RAS<sup>1</sup>

### Revenue

Revenue from sales of products (services) in 2025 is RUB 38,951 million (76.0%) higher than in 2024, including revenue from electricity transmission by RUB 36,955 million (76.9%) higher than in 2024. The positive behaviour is related to an increase in the average tariff by 69.20% (mainly due to the Company's performance of the SGO functions from 1 January 2025), as well as an increase in the volume of services provided, amounting 1,025.55 million kWh, or 4.05%, due to the reorganisation of PJSC Rosseti South through the merger of JSC Rosseti Kuban from 1 December 2025.

- ▶ The increase in revenue from grid connection amounts to RUB 1,292 million, or 129.0%, due to the availability of executed grid connection contracts in 2025 with a relatively high cost compared to the same period in 2024, as well as the reorganisation of PJSC Rosseti South through the merger with JSC Rosseti Kuban from 1 December 2025.
- ▶ Revenue from the sale of electricity increased by RUB 254 million. This growth is caused by a rise in net delivery by 18.32 million kWh and a rise in the weighted average price by 15.0%.
- ▶ Revenue from the provision of services for other activities increased by RUB 450 million, due to escalated efforts by the Company to develop additional (non-tariff) activities and promote competitive construction, installation, repair and maintenance services, as well as the reorganisation of PJSC Rosseti South through the merger with JSC Rosseti Kuban from 1 December 2025.

### Expenses

The cost of sales is 80.2% higher than in 2024. The upward trend is driven:

- ▶ Mainly by an increase in the cost of purchased electricity to compensate for losses by RUB 3,605 million, which was due to an increase in the weighted average purchase price for electric losses by 15.3%, as well as an increase in the volume of paid electric losses by 18.6%, mainly due to the reorganisation of PJSC Rosseti South;
- ▶ By the growth of expenses for services of PJSC Rosseti by RUB 4,026 million, which is also mainly due to the reorganisation of PJSC Rosseti South;

- ▶ By an increase in expenses for TGO services by RUB 21,918 million, due to a rise in the average tariff and volume of TGO services provided, mainly attributable to changes in the settlement scheme with JSC VMES, JSC Volgogradoblektro and JSC Donenergo in connection with the Company's performance of the SGO functions from 1 January 2025, as well as due to the reorganisation of PJSC Rosseti South;
- ▶ By the increase in personnel costs due to the indexation of salaries to the Company's personnel and the reorganisation of the Company.

Other expenses of the reporting year were RUB 744 million higher than in 2024, mainly due to the need to implement the top-priority repair programme, as well as an increase in other revenue and the reorganisation of PJSC Rosseti South.

### Financial results

Compared to the performance results for 2024, the financial results dropped by RUB 4,478 million. This deviation is caused to a decrease in other income from the reversal of property impairment. Based on the performance results for 2024, changes in the book value of the Volgogradenergo branch's power grid assets were recorded in accordance with FAS 6/2020 "Fixed Assets".

<sup>1</sup> The information in this section is based on the performance results of the Kubanenergo branch of PJSC Rosseti South for December 2025.

**Key financial and economic performance indicators, RUB million**

Sr. No.	Indicator	2023	2024	2025	2025/2024, %
<b>1</b>	<b>Revenue from product (service) sales, including:</b>	<b>48,151</b>	<b>51,265</b>	<b>90,216</b>	<b>76.0</b>
1.1	▶ from electricity transmission	44,991	48,066	<b>85,020</b>	76.9
1.2	▶ from grid connections	607	1,002	<b>2,294</b>	129.0
1.3	▶ from electricity sales	2,099	1,450	<b>1,704</b>	17.5
1.4	▶ from other activities	454	747	<b>1,197</b>	60.2
<b>2</b>	<b>Cost of products (services)</b>	<b>40,802</b>	<b>44,053</b>	<b>79,369</b>	<b>80.2</b>
3	Gross profit	7,349	7,212	<b>10,846</b>	50.4
4	Administrative expenses	944	1,057	<b>1,146</b>	8.4
5	Selling and marketing expenses	149	117	<b>124</b>	5.7
6	Profit (loss) from sales	6,255	6,038	<b>9,576</b>	58.6
7	Interest receivable	313	441	<b>668</b>	51.4
8	Interest payable	2,278	3,636	<b>4,829</b>	32.8
9	Income from shareholdings	12	101	<b>0</b>	-100.0
10	Other income	3,982	9,931	<b>2,842</b>	-71.4
11	Other expenses	5,006	2,991	<b>4,270</b>	42.8
<b>12</b>	<b>Profit (loss) before tax</b>	<b>3,279</b>	<b>9,884</b>	<b>3,988</b>	<b>-59.7</b>
13	Income tax and other charges	848	2,659	<b>1,241</b>	-53.3
<b>14</b>	<b>Net profit (loss)</b>	<b>2,431</b>	<b>7,225</b>	<b>2,747</b>	<b>-62.0</b>
<b>15</b>	<b>EBITDA<sup>1</sup></b>	<b>9,741</b>	<b>8,240</b>	<b>13,870</b>	<b>68.3</b>

**Revenue structure of PJSC Rosseti South for 2025 by business lines and regions**

Branch	Total revenue, RUB million	Share in the total revenue, %	Grid services (electricity transmission), RUB million	Total share across PJSC Rosseti South, %	Grid services (grid connection), RUB million	Total share across PJSC Rosseti South, %	Electricity and capacity resale, RUB million	Total share across PJSC Rosseti South, %	Other services, RUB million	Total share across PJSC Rosseti South, %
Astrakhanenergo	8,769	9.7	8,351	9.8	282	12.3	0.0	136	11.3	
Volgogradenergo	22,411	24.8	21,946	25.8	216	9.4	0.0	248	20.7	
Kalmenergo	4,285	4.7	2,308	2.7	224	9.8	1,672	81	6.7	
Rostovenergo	45,816	50.8	44,499	52.4	828	36.1	0.0	489	40.9	
Kubanenergo (for December 2025)	8,770	9.7	7,916	9.3	745	32.5	0.0	109	9.1	
Health complex	132	0.1	0	0.0	0	0.0	0.0	132	11.0	
Executive Office	34	0.0	0	0.0	0	0.0	32	1.9	0.2	
<b>TOTAL</b>	<b>90,216</b>	<b>100.0</b>	<b>85,020</b>	<b>100.0</b>	<b>2,294</b>	<b>100.0</b>	<b>1,704</b>	<b>100.0</b>	<b>1,197</b>	<b>100.0</b>

<sup>1</sup> EBITDA is calculated as follows: pre-tax profit before interest expense, depreciation, amortisation and net charge/(reversal of) impairment loss on fixed assets and rights-of-use assets.

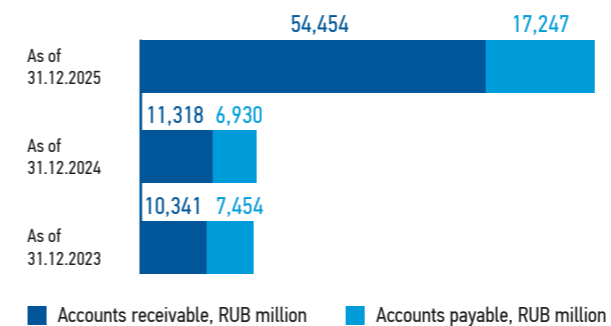
**Company's performance results**
**Value of net assets and share capital, RUB '000**

Indicator	31.12.2025	31.12.2024	31.12.2023
Net assets	<b>89,521,398</b>	12,368,339	5,190,660
Authorised capital	<b>69,227,956</b>	15,164,143	15,164,143

**Financial indicators of the Company under the IFRS**

Indicators	2023	2024	2025	Absolute deviation (2025/2024)
Net debt/EBITDA	2.25	2.75	<b>2.55</b>	-0.20
Current liquidity ratio	0.67	0.57	<b>0.59</b>	0.02
Share of non-current borrowings	0.66	0.55	<b>0.42</b>	-0.13
Net cash flow, RUB million	2,432.75	-2,936.32	<b>370.17</b>	3,306.48

## Liabilities

**Ratio of accounts receivable to accounts payable, RUB million**


According to the performance results in 2025, there was an increase in accounts receivable and accounts payable in connection with the merger of JSC Rosseti Kuban into the Company.

**Accounts receivable<sup>1</sup>**

Indicator	As of 31.12.2025	As of 31.12.2024	As of 31.12.2023
<b>Accounts receivable, including:</b>	<b>17,247</b>	<b>6,930</b>	<b>7,454</b>
Trade receivables	<b>12,849</b>	4,813	5,416
including for electricity transmission	<b>11,932</b>	4,612	5,220
bills receivable	<b>0</b>	0	0
advances paid	<b>184</b>	42	43
other accounts receivable	<b>4,214</b>	2,075	1,995

The total amount of accounts receivable of PJSC Rosseti South at the end of the reporting period amounted to RUB 17,247 million, as of 31 December 2024 – RUB 6,930 million. The increase amounted to RUB 10,317 million and was mainly due to the reorganisation and merger of the Kubanenergo branch (the branch's debt amounted to RUB 7,373 million).

<sup>1</sup> Indicators are aligned with financial statements of the Company for the reporting period.

## Analysis of accounts receivable for electricity transmission services

The total amount of accounts receivable from PJSC Rosseti South for electricity transmission services as of 31 December 2025 is RUB 13,827 million, including restructured amounts – RUB 507 million, overdue amounts – RUB 3,225 million. In comparison with the result of 2024, accounts receivable as of 31 December 2025 increased by RUB 8,555 million, or 162.3%, due to an increase in accounts receivable from the Kubanenergo branch (+RUB 7,069 million), Astrakhanenergo (+RUB 148 million), Volgogradenergo (+RUB 494 million), and Rostovenergo

(+RUB 889 million). The Kubanenergo branch's debt growth by RUB 7,069 million is driven by the formation of debt on the branch due to the reorganisation of PJSC Rosseti South through the merger with JSC Rosseti Kuban.

The rise in debt for the remaining branches is mainly connected to a significant increase in charges due to SGO functions started on 1 January 2025, as well as a violation of payment discipline on the part of consumers engaged in regulated water supply and disposal activities in the Rostov Region: SUE Water Supply System Development Department (increase in accounts receivable – RUB 404 million) and Azovvodokanal municipal enterprise (increase in accounts receivable – RUB 48 million).

### Changes in outstanding debt and bad debt provision for 2022–2025, RUB million

Indicator	31.12.2022	31.12.2023	31.12.2024	31.12.2025
Accounts receivable	8,509	6,842	5,272	<b>13,827</b>
Overdue accounts receivable	3,161	1,908	772	<b>3,225</b>
Bad debt provision	2,560	1,622	660	<b>1,895</b>

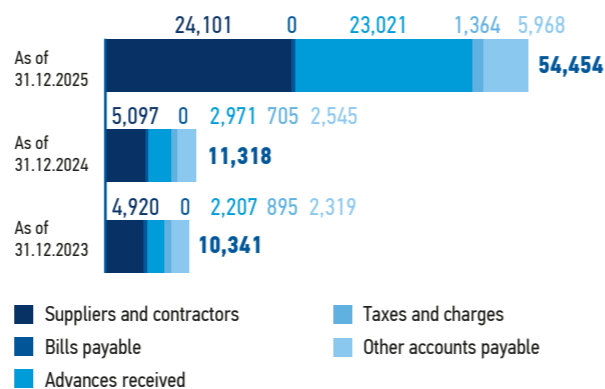
Most of overdue accounts receivable accrue to energy retail companies (RUB 1,520.0 million, or 47%) and other direct consumers, mostly bankrupt (RUB 1,420.8 million, or 44%). The debts of bankrupt consumers are collected through bankruptcy proceedings, and at the same time they are fully included in the bad debt provision. The remaining debt incurred due to the violation by the counterparties of the terms of the contracts regarding the terms of payment for services rendered is recovered through judicial and enforcement proceedings.

## Analysis of accounts receivable from electricity buyers

Accounts receivable from electricity buyers within the framework of the Company's functions as a guaranteeing supplier as of 31 December 2025 amounted to RUB 426.83 million, which is RUB 66.08 million (13.41%) lower than the level of accounts receivable as of 31 December 2024.

## Accounts payable

### The structure of the Company's accounts payable for 2023–2025, RUB million:



Accounts payable at the end of the reporting period were RUB 43,136 million higher compared to the beginning of the year and amounted to RUB 54,454 million as of 31 December 2025. The growth was mainly driven by the reorganisation and merger with the Kubanenergo branch (the branch's debt amounted to RUB 42,018 million).

<sup>1</sup> The indicators are given in accordance with the Company's accounting statements for 2025, and include the sum of the Other Liabilities 1450 and Accounts Payable 1520 balance sheet lines.

## Bonds

### Programme of exchange-traded bonds of 001P series (issue identification number and date of its assignment: 4-34956-E-001R-02E and 12 August 2016)

Type of security	Exchange-traded bonds
Authority that assigned an identification number to the issue	Public Joint Stock Company Moscow Exchange MICEX-RTS
Number of coupon periods, for which income on securities of the issue is paid:	Set by the terms of the issue
Volume of the issued securities – the value of all issues of exchange-traded bonds, under the programme, RUB	Up to and including RUB 25,000 million
Status of the issue	Placement not started yet
Maximum circulation term of the issue under the programme	No later than 10.920th day from the date of the placement of the issue of exchange-traded bonds under the programme
Programme duration	Perpetual
Issues under the Programme	Not placed
Debt as of 31.12.2025	None

No credit ratings were assigned to the Company in the reporting year.



# Consolidation of power grid assets<sup>1</sup>

The consolidation of the grid assets is based on the consideration of proposals for the transfer of power grid facilities under the Company's management and also on the identification of the power grid facilities that are potentially interesting for the consolidation, and subsequent collaboration with owners of such facilities for determining mutually beneficial conditions of the relevant transactions.

The activities of related territorial grid organisations (hereinafter referred to as TGOs) are monitored and analysed, and the structure of their ownership and key characteristics of the power grid assets owned by TGOs are reviewed. Tariff balance solutions for related TGOs are monitored to ensure compliance with regulatory requirements.

If violations are detected for third-party TGOs, the responsible officers of the Company send appropriate notifications to the regulatory and supervisory authorities.

The Company has compiled the list of projects for the consolidation of the Company's power grid assets, which is updated quarterly and approved by the Company's organisational and administrative document. The list of projects, in addition to those related to transactions for the consolidation of power grid assets that are currently under consideration and approval within the Company, includes all TGOs operating in the region. This list indicates actions to consolidate the assets of these TGOs, provided that there are appropriate agreements in place between the Company and each TGO.

## Scope of consolidation of power grid assets

Indicators	2023			2024			2025		
	Power grid assets consolidated for the period			Power grid assets consolidated for the period			Power grid assets consolidated for the period		
	MVA	km	c.u.	MVA	km	c.u.	MVA	km	c.u.
<b>PJSC Rosseti South</b>	<b>1,905</b>	<b>1,915</b>	<b>24,728</b>	<b>2,367</b>	<b>3,080</b>	<b>36,006</b>	<b>5,335</b>	<b>4,746</b>	<b>43,372</b>
Acquisition of power grid assets <sup>2</sup>	0	0	2	53	5	336	0	0	0
Lease of power grid assets <sup>3</sup>	1,795	1,403	22,452	1,862	1,142	22,385	1,851	1,139	21,927
Other (permanent rights of ownership and use) <sup>4</sup>	46	337	1,155	49	299	1,125	47	321	1,029
Other (temporary rights of ownership and use) <sup>5</sup>	64	175	1,119	402	1,634	12,161	3,437	3,287	20,416

To this date, the Company has signed the agreements on cooperation in the consolidation of the power grid complex with the executive authorities of the constituent entities of the Russian Federation in which the Company operates:

- ▶ 14.11.2011 – with the Government of the Astrakhan Region
- ▶ 28.09.2013 – with the Government of the Rostov Region
- ▶ 06.06.2019 – with the head of the Republic of Kalmykia

The Company constantly interacts with the titleholders or other owners of power grid facilities that are losing their TGO status in order to explore options for taking over the management of these facilities. The Company keeps track of the further ownership of power grid facilities operated by the organisations that have lost their TGO status.

In the reporting year, in connection with the assignment of the SGO status, the Company carries out as follows:

- ▶ Implementation of the provisions of Federal Law No. 35-FZ dated 26 March 2003 "On the Electric Power Industry" (as amended);
- ▶ Proper organisation of activities by branches of PJSC Rosseti South and their performance of SGO functions in the regions of presence, conclusion of agreements on transfer to gratuitous ownership and use, monitoring of previously concluded agreements.

<sup>1</sup> The information in this section is based on the results of the activities of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025.

<sup>2</sup> Indicates the entire actual volume of power grid assets acquired during the calendar period.

<sup>3</sup> Indicated the entire actual volume of leased power grid assets at the end of the period (i.e., all ongoing agreements, including previously concluded ones, number of ongoing transactions at the end of the period).

<sup>4</sup> Indicates all actual acquisition of property during the calendar period.

<sup>5</sup> Indicates all ongoing agreements in force at the end of the period, including previously concluded agreements.

# Digital transformation and information technology

The main objectives of the digital transformation and information technology development at Rosseti Group are to improve the efficiency and reliability of existing services, to change the process logic, and to create new business services through the introduction of digital technologies.

PJSC Rosseti South is a modern energy company that relies heavily on the use of information technologies and automation tools to operate efficiently.

The programme was developed based on the Digital Transformation Strategy of Rosseti Group and is an integral part of it.

The introduction of new information technology projects, the development of existing ones, and the maintenance of those that have already been implemented are all part of the continuous activities carried out in accordance with the Digital Transformation Programme of PJSC Rosseti South<sup>1</sup> for the period 2020–2030.

**98.28%**  
against the planned value of 98.17% – KPI "Share of expenses for the purchase of Russian software" in 2025

## Indicators of the Digital Transformation Programme

Indicators	Unit of measurement	Period			
		2022	2023	2024	2025
Funding for the Digital Transformation Programme of PJSC Rosseti subsidiaries	RUB million	15.00	15.00	36.80	109.39
Percentage of managers, specialists and non-manual workers trained in digital skills in accordance with accepted corporate standards or, if these are not available, in accordance with orders issued by the Russian Ministry of Economic Development, as a percentage of the average number of employees as at the end of the reporting period	%	3.7	2.2	4.3	34.2

### Key areas of IT development in 2025:

- ▶ Making the Company more client-oriented;
- ▶ Implementing intelligent electricity metering systems;
- ▶ Developing the Company's production asset management system (PAMS);

- ▶ Taking measures for the transition of PJSC Rosseti South to the primary use of domestic software;
- ▶ Creating a common information space between PJSC Rosseti South and PJSC Rosseti;

<sup>1</sup> Updated by the decision of the Board of Directors of PJSC Rosseti South dated 18 July 2025 (Minutes No. 631/2025).

**Main measures on the development and implementation of software packages:**

- ▶ Development of the production asset management system based on 1C: Holding Management in accordance with the PJSC Rosseti PAMS development plan, development of a unified corporate system based on 1C: Holding Management for the needs of PJSC Rosseti South (automation of Grid Connection, Purchasing management and procurement, IFRS Accounting subsystems);
- ▶ Implementation of measures to transfer the functionality of the SAP IS-U-based electric power transportation system to Rosseti Group's domestic system for electricity transmission and distribution (Rosseti Balance UIS);

- ▶ Creation of security management centres in PJSC Rosseti South integrated with a single vertical chain of operational, technological and situational management;
- ▶ Creation of an information security system for critical information infrastructure facilities of PJSC Rosseti South;
- ▶ Installation and configuration of the users collaboration system, taking in account the software import substitution requirement;
- ▶ Transition of PJSC Rosseti South to the preferential use of trusted software and hardware complexes at its significant critical information infrastructure facilities.

**Planned events for 2026**

- ▶ To continue work on the implementation of domestic software, which includes simultaneously an operating system, an email system, an office suite, and a data storage and collaborative editing system for workstations and servers.
- ▶ To continue work on the implementation of the Russian virtualisation system.
- ▶ To renovate the structured cabling system and switching centres in a number of power grid regions and production departments of the power grid facilities. This will ensure the uninterrupted availability of information resources of the Company.
- ▶ To purchase domestic IT equipment to meet the needs of the Company in line with the directive of the Government of the Russian Federation on digital transformation and Decree of the Government of the Russian Federation on the minimum share of purchases of goods of Russian origin.

**Import substitution**

The actual share of foreign equipment in the total volume of purchases of PJSC Rosseti South equipment in 2025 is 6.04%, including products manufactured by the countries of the Eurasian Economic Union (Republic of Belarus), and 0.14% – excluding such products.

Aiming to switch to Russian radio-electronic products, PJSC Rosseti South worked hard in 2025 to hit the target set for the transition to domestic products.

**RUB 160.1 million**  
was the volume of investments in Russian radio-electronic products

**92%**  
against the planned values of 78 % is the actual share of the cost of purchasing Russian radio-electronic products in the total cost of purchasing radio-electronic products in 2025

Localisation, import substitution and development of domestic solutions for the serial production of energy storage systems and the development of related technologies is a state objective for the advancement of the high-tech field of energy storage systems for the period up to 2030. In order to accomplish the task of import substitution of energy storage systems, PJSC Rosseti South organised the implementation of relevant R&D projects. In 2025, as part of our R&D efforts, we launched a pilot project for the operation of autonomous hybrid power plants (AHPP) that are domestically produced.



# 04 Sustainable development

RUB **489.7** million  
occupational safety costs

RUB **130.5** million  
environmental protection costs

**76%**  
share of purchases from SMEs

# Taking care of the future

In all aspects of its operations, the Company is guided by a commitment to responsibility towards its employees, customers, and the communities in which it operates.

The Golden Abode of Shakyamuni Buddha, Elista

# Sustainable development management in the Company

The Company's main objective in the area of sustainable development is to maximise its contribution to the UN SDGs and to generate added value for stakeholders in relation to relevant national and international goals.

The resolution of the Board of Directors of the Company dated 29 December 2023 (Minutes No. 557/2023 dated 29 December 2023) approved the Sustainable Development Policy of PJSC Rosseti and the Climate Change Policy of PJSC Rosseti as internal documents of the Company<sup>1</sup>.

## Guiding principles of the Company in the field of sustainable development

Principles	Description
<b>Safety of operations</b>	Electric power assets are classified as high-risk infrastructural facilities. The life and health of employees and the population of the regions where the Company operates is the key priority of the Company. The Company takes all necessary measures to ensure safe operations and prevent electrical injuries among social groups at risk
<b>Conservation of the environment</b>	The Company assumes responsibility for the economic, social and environmental consequences of its activities and strives to minimise their negative environmental impact
<b>Accommodation of stakeholders' expectations and interests</b>	The Company recognises its stakeholders and incorporates their expectations and interests when setting strategic goals and priorities, as well as when conducting operational activities. The Company strives to keep all stakeholders' interests in balance and to create welcoming environments that facilitate productive communication
<b>Consistency and transparency</b>	The Company understands the value of having a transparent and constant communication with stakeholders, which involves disclosing information on performance and sustainability plans on a regular basis in compliance with legal requirements. The Company publishes only trustworthy information about the outcomes of its operations, including in the annual report, and guarantees that all stakeholders have access to such information
<b>Mutual respect as the foundation for ethical business practices</b>	A fundamental element of the Company's corporate culture is its dedication to ethical business practices and cultivating respectful relationships. The Company strives to fulfil its obligations at all times and in all circumstances. The Company treats corruption and bribery with zero tolerance and strives to prevent their manifestations. The Company supports and encourages fair competition, in particular, it ensures transparency of the procurement process and does not restrict competition in procurement procedures
<b>Risk management</b>	The Company continuously identifies, evaluates, monitors risks and implements measures to minimise them, as well as develops measures to develop and improve the risk management process in line with best practices

# Stakeholder relations

GRI 2-29

The quality of stakeholder relations is the key to sustainable development of PJSC Rosseti South. The Company strives to establish a responsible and open dialogue with all stakeholders with due consideration of their interests in decision-making process.

## The key stakeholders of the Company

Stakeholders	Stakeholder relations
<b>Internal stakeholders</b>	
Subsidiaries and affiliates (S&As) of the Company	These S&As are interested in disseminating the best corporate governance practices to them and maintaining their image as part of Rosseti Group.  Interaction is effected through the management and control bodies of S&As in accordance with the applicable laws of the Russian Federation and local regulations, joint activities, as well as interaction on current issues within the framework of standard business processes, including reporting.  For more details, see Appendix 3 to the present Report
Personnel of the Company Social partners (trade unions, employers' associations)	These parties are interested in an attractive business culture, competitive wages, social and health benefits, opportunities for personal, professional development, as well as work safety.  Interaction ways: <ul style="list-style-type: none"> <li>▶ Through the Collective Bargaining Agreement, a succession pool programme and targeted human resources assessment and development projects;</li> <li>▶ Through staff training and qualification improvement;</li> <li>▶ By holding meetings between management representatives and the personnel, professional competitions, cultural and sporting events;</li> <li>▶ By onboarding and mentoring of new hires and support for veterans</li> </ul>
<b>Operating environment</b>	
Investment community (shareholders and investors)	These parties have an interest in the growth of total shareholder return, including dividend yield and capitalisation of the Company, its development, consideration of the interests of all shareholder groups, information transparency and openness of the Company, efficiency of production activities for sustainable development, as well as a high level of corporate governance. Interaction is effected through meetings/ absentee voting of the General Meeting of Shareholders, representation in governing and control bodies, through disclosure of information about the Company
Consumers of electricity and grid connection services, territorial grid organisations	Interaction with the Company's clients is effected through all available communication channels. In-person client interactions are offered at client service offices. For remote interaction with service consumers, there is the power grid services portal and its mobile application, as well as relevant sections at the Company's official <a href="#">website</a> .  The hotline number 8-800-220-0-220, 220 (via mobile devices) is available 24/7.
Partners (suppliers, contractors, business partners, professional and industry associations, including international ones)	These parties are interested in mutually beneficial and long-term cooperation, stable financial condition of the Company, timely and accurate fulfilment of contractual obligations, transparency in procurement and rejection of corruption.  Interaction is through procurement procedures, negotiations, participation in topic-related forums, seminars and conferences with media participation, and through the corporate website.

## The Company's sustainable development areas:

- ▶ Promotion of the economic growth of the Company and the regions where it operates;
- ▶ Environmental protection;
- ▶ Care for the public.

<sup>1</sup> Published on the Company's website in the [Home / Production Activities / Environmental Protection](#) section.

Stakeholders	Stakeholder relations
State (federal and regional authorities, local administrations)	<p>The state is interested in ensuring the reliable and sustainable functioning of the energy system, discussing and reviewing government projects and decisions related to industry regulation, cooperating on planning and implementing territorial development programmes in the region of operation, participating in the Energy Strategy of Russia and the Strategy for Development of the Power Grid Complex of the Russian Federation, meeting medium-term and long-term demand for electricity, attracting additional investment to the region, creating new jobs, and increasing tax payments.</p> <p>Interaction is carried out by setting tariffs for regulated activities, approval of investment programmes and reports on their implementation, participation in working groups to develop the electric power industry perspective development roadmap, conclusion of cooperation agreements, reporting to authorities and information disclosure in accordance with Russian legislation, transfer of tax payments, expert discussions, conferences, forums, working meetings and joint events with representatives of the authorities</p>
<b>Social environment</b>	
Society (public, social, charitable and environmental organisations, scientific and educational institutions, non-consumers, media)	<p>The said party is interested in reliable energy supply, employment, development of regions of presence, environmental protection, energy efficiency, implementation of social and charitable programmes, development of science and education, introduction of advanced scientific developments and technologies, demand for young promising personnel, full information about the Company's activities.</p> <p>Interaction is through participation in charity projects, publications in the media and on the corporate website, press conferences, PR events, topic-related seminars, forums, competitions, meetings and topic-related events with veterans, students, schoolchildren, etc., application of measures to prevent electrical accidents with the population, participation in research and educational projects</p>



# Consumer relations<sup>1</sup>

GRI 2-25, 2-26

Rosseti South's customer-oriented strategy continues to prioritise the needs of the Company's clients and consumers. The key principle of the strategy is to build customer loyalty to the Company by providing high-quality services, comfortable customer experience, and effective interaction through corporate communication platforms.

Guiding principles for building consumer relations:

- ▶ Awareness of consumers about the Company and its services;
- ▶ Availability and efficiency of remote and interactive services of the Company;
- ▶ Transparency of consumer service business processes and fair complaint investigation.

In order to improve the quality of customer service and business processes for face-to-face and remote interactions with consumers, as well as to assess the quality of our services, the company has approved standards for the quality of customer service at PJSC Rosseti South.

The Company ensured that its face-to-face customer service system was transferred to an online environment. The majority of the Company's interactions with service consumers are conducted via remote services hosted on the power grid services portal.

**By the end of 2025, PJSC Rosseti South accepted**

**1,709,000** consumer messages, including 169,000 requests for services

**1,427,000** calls to the hotline, and provided 224,000 consultations

Out of 1,708,800 messages received by PJSC Rosseti South, **16,500** were complaints, which account for 1% of the total number of communications

**As of the yearend 2025, the Company received**

**151,800** electronic messages, which is 8.9% of the total number of communications received

<sup>1</sup> The information in this section is based on the performance results of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025.

Indicators	UoM	2023	2024	2025
Total number of messages	thousand	1,927.8	2,054.6	<b>1,708.8</b>
Share of messages via digital channels	%	8.6	8.9	<b>8.9</b>
Share of messages about inadequate quality of services	%	0.8	0.8	<b>1.0</b>

**Distribution of messages by reception channels for 2023–2025, thousand messages**

Indicators	2023	2024	2025
Service offices	81.5	79.9	<b>87.8</b>
Contact Centre	1,597.6	1,723.0	<b>1,427.0</b>
Mail	81.8	67.7	<b>42.1</b>
Messages in electronic form	168.2	183.7	<b>151.8</b>
Others	0.6	–	–

## Remote customer service via telephone

In 2025, remote consumer service through telephone communication still continues to operate as required by the Uniform Quality Standards for Customer Service of Rosseti Group, the Regulations on the Energy Hotline and the Regulations on the Unified Contact Centre of Rosseti Group.

PJSC Rosseti South has a single hotline number, 8-800-220-0-220, and a short code, 220. This number is based on the Unified Contact Centre of Rosseti Group. The contact centre for the Rostovenergo branch of PJSC Rosseti South fields the calls from Rostov Region

numbers, while the contact centre of the Kubanenergo branch of PJSC Rosseti South handles calls from the Krasnodar Territory and the Republic of Adygeya.

Calls are received around the clock, without days off or breaks, in the 24/7/365 format.

The unified contact centre of Rosseti Group helped address the tasks of minimising lost calls, unifying the format of operator communication, and providing a comfortable and convenient experience for customers.

## Remote interactive customer service via the Internet

PJSC Rosseti South makes sure that its services are available for all consumers, saving them time, providing more opportunities for feedback and active communication, and actively developing interactive services.

Interactive customer service is available in the Customers section of the branch page on the corporate [website](#) of PJSC Rosseti South.

Feedback channels for consumers are available at a single access point hosted on the power grid services portal of PJSC Rosseti (Портал-ТП.рф).

For added convenience, there is a mobile app, and customers can apply for a grid connection through the Gosuslugi Portal.

## Assessment of the customer satisfaction with the quality of services and service standards

A regular survey of service consumers is conducted to gauge their perceptions of the quality of the services they receive. In 2025, the pool of respondents included 3,218 people.

The statistical data obtained demonstrate that, on the whole, customers have a favourable opinion of the customer service and are content with the quality of the services provided at the branch.

Following the results of 2025, PJSC Rosseti initiated the survey of participants in national projects to measure their satisfaction with the quality of grid connection services. According to the findings, the CSI score across the Company was 9.61 c.u.



### 2025 MEASURES TO IMPROVE THE CONSUMER RELATIONS:

- ▶ The Consumer section of the official website of PJSC Rosseti South was updated;
- ▶ Seminars and meetings were held with potential and existing customers in the regions where the Company operates to raise awareness of its services;
- ▶ Branches conducted a consumer satisfaction survey to gauge their satisfaction with the quality of services provided;
- ▶ The Consumer Day project on the Company's official website was updated, and a new web interface for customer questionnaires was designed and implemented;
- ▶ The scenarios for handling incoming and outgoing calls via the Light Line 220 hotline of the Unified Contact Centre were revised;
- ▶ The quality of customer service on the hotline is continuously monitored.

### Objectives of PJSC Rosseti South to improve customer service for 2026:

- ▶ To improve robotic technologies (neural network agent) to handle incoming calls;
- ▶ To ensure that research, surveys and questionnaires of service consumers are made through the Light Line 220 hotline.

# Contribution to the UN Sustainable Development Goals

The Company recognises the importance of all 17 UN Sustainable Development Goals. Considering the specific nature of its business, the Company identifies the following goals that it contributes significantly to.

UN Sustainable Development Goals and their description	Company's contribution to the achievement of goals
<p>SDG 3. Good health and well-being</p>	<p>We strive to ensure the safety of the public, preserve the health and well-being of our employees:</p> <ul style="list-style-type: none"> <li>▶ by providing safe working conditions;</li> <li>▶ by providing health and life insurance for personnel;</li> <li>▶ by promoting a healthy and active lifestyle</li> </ul>
<p>SDG 4. Quality education</p>	<p>Staff training is among the Company's priority areas. We foster the growth of our staff's expertise through:</p> <ul style="list-style-type: none"> <li>▶ training, retraining and professional development of personnel;</li> <li>▶ development of the corporate personnel training system;</li> <li>▶ enhancement of the training of new specialists for the power grid sector;</li> <li>▶ Cooperation with vocational universities and colleges</li> </ul>
<p>SDG 7. Affordable and clean energy</p>	<p>The Company secures reliable, high-quality and accessible electricity supply at affordable charges for the services provided to consumers:</p> <ul style="list-style-type: none"> <li>▶ by complying with regulatory requirements for the operation of power grids;</li> <li>▶ by simplifying of the grid connection procedure;</li> <li>▶ by ensuring high-quality and timely implementation of investment projects;</li> <li>▶ by minimising consumer costs;</li> <li>▶ by improving energy efficiency and reducing power losses;</li> <li>▶ by enhancing the customer service quality;</li> <li>▶ by developing electronic services for customers</li> </ul>
<p>SDG 8. Decent work and economic growth</p>	<p>The Company offers guaranteed opportunities for the comprehensive development of its employees and ensures decent labour conditions:</p> <ul style="list-style-type: none"> <li>▶ by creating jobs in the regions of operations;</li> <li>▶ by appointing employees primarily from the internal managerial talent pool;</li> <li>▶ by ensuring decent wages and working conditions and respect for employees' rights</li> <li>▶ by concluding collective bargaining agreements;</li> <li>▶ by providing compensations, social benefits and guarantees to its employees;</li> <li>▶ by increasing labour productivity;</li> <li>▶ by reducing work-related injuries</li> </ul>
<p>SDG 9. Industry, innovation and infrastructure</p>	<p>The Company encourages the innovation and sustainable, green infrastructure through:</p> <ul style="list-style-type: none"> <li>▶ preservation and upgrade of power grid facilities;</li> <li>▶ implementation of investment projects;</li> <li>▶ implementation of the digital transformation strategy;</li> <li>▶ technological and innovative development</li> </ul>

UN Sustainable Development Goals and their description	Company's contribution to the achievement of goals
<p>SDG 11. Sustainable cities and communities</p>	<p>The Company ensures the safety of cities and communities:</p> <ul style="list-style-type: none"> <li>▶ by ensuring reliability and stability of power supply to consumers;</li> <li>▶ by implementing projects within the framework of the national goal: Comfortable and Safe Living Environment;</li> <li>▶ by providing grid connection services;</li> <li>▶ by developing a network of charging stations in the regions of operations;</li> <li>▶ by applying technical architectural solutions that promote the rational use of the land of cities and communities, as well as the preservation of the integrity of their architectural appearance</li> </ul>
<p>SDG 12. Responsible consumption and production</p>	<p>The Company adheres to the policy of rational consumption and production:</p> <ul style="list-style-type: none"> <li>▶ by improving energy efficiency and reduction of losses;</li> <li>▶ by making preferential use of clean technology;</li> <li>▶ by making rational use of natural resources;</li> <li>▶ by mitigating the negative environmental impact;</li> <li>▶ by ensuring effective functioning of the environmental management system</li> </ul>
<p>SDG 13. Climate action</p>	<p>The Company takes an active part in combating climate change, including by:</p> <ul style="list-style-type: none"> <li>▶ cutting down greenhouse gas emissions;</li> <li>▶ carrying out compensatory reforestation;</li> <li>▶ improving the reliability and adaptability of the power grid complex to dangerous climatic events;</li> <li>▶ mainstreaming energy saving and an appropriate lifestyle;</li> <li>▶ promoting energy saving and improving energy efficiency</li> </ul>
<p>SDG 15. Life on land</p>	<p>The Company operates in accordance with the environmental protection requirements, including running the activities in following areas:</p> <ul style="list-style-type: none"> <li>▶ biodiversity conservation, including ensuring ornithological safety of electric grid facilities and preserving aquatic biological resources and their habitat;</li> <li>▶ land reclamation and compensatory reforestation;</li> <li>▶ transfer of equipment containing polychlorinated biphenyls for disposal</li> </ul>

# HR management<sup>1</sup>

## Principles and objectives of personnel and social policy

The key objectives of the Company's personnel and social policy (hereinafter referred to as the Policy), designed to ensure the achievement of the targets of the Development Strategy of the power grid complex:

- ▶ To plan the workforce requirements — to ensure availability of accurate information on current and forecast labour demand, both quantitative and qualitative, as necessary and sufficient to achieve the Company's objectives;

- ▶ To recruit necessary skills when needed;
- ▶ To improve the performance and increase labour efficiency.

## Headcount and personnel breakdown

GRI 2-7, GRI 401-1, GRI 405-1

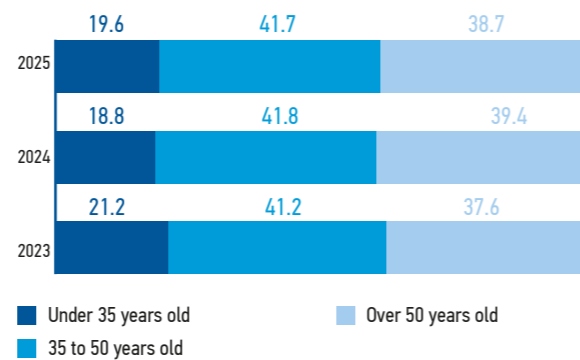
The growth of the Company's average headcount is due to the natural movement of staff and the reorganisation of PJSC Rosseti South.

### The average headcount of PJSC Rosseti South in 2023–2025, people

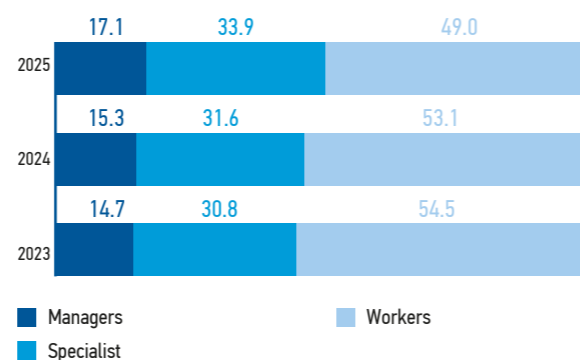


The staffing level of PJSC Rosseti South for 2025 was 89.2%. The staffing level of production personnel is 88.7%. The vast majority (61.3%) of our workforce falls within the age range of 20 to 49, which is the most economically and socially active period of life. PJSC Rosseti South achieves an optimal combination of young, proactive employees and experienced, highly qualified staff, ensuring the continuity of professional knowledge and skills.

### Personnel structure of PJSC Rosseti South by age in 2023–2025, %

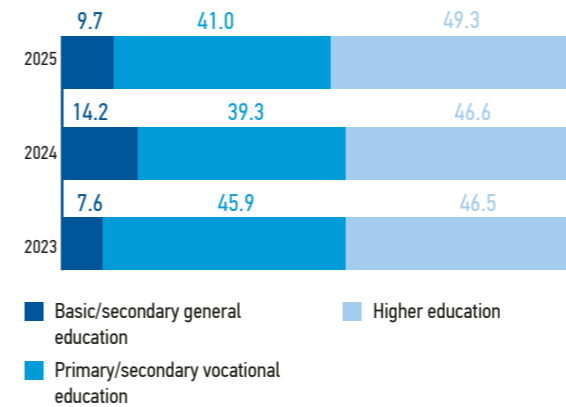


### Personnel structure by category for 2023–2025, %

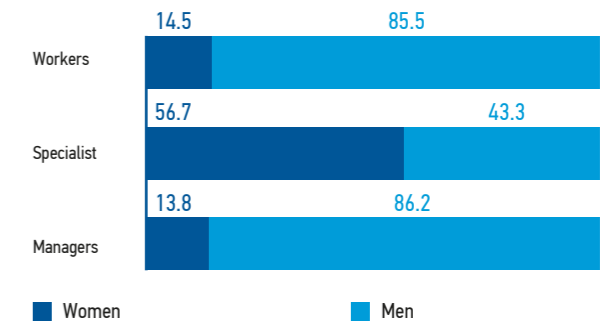


## Sustainable development

### Personnel structure of PJSC Rosseti South by education level in 2023–2025, %



### Personnel structure of PJSC Rosseti South by gender in 2025, %

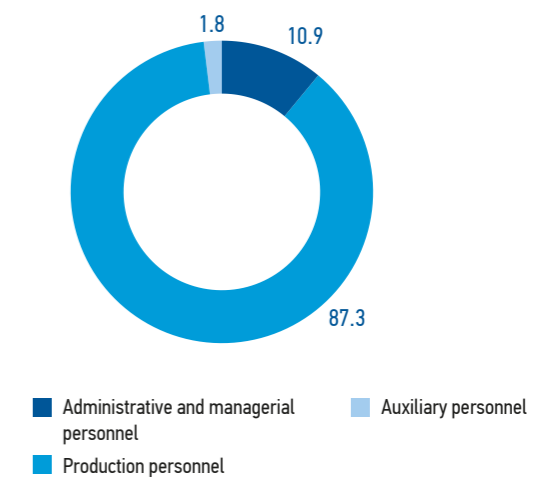


## Staff training and development<sup>1</sup>

GRI 404-1, GRI 404-2, GRI 404-3

Training is one of the priority areas of the Company's personnel policy and is regulated by the Regulations on Professional Training, Retraining and Advanced Training of Personnel of PJSC Rosseti South, as well as the Rules for Working with Personnel in Electric Power Organisations of the Russian Federation.

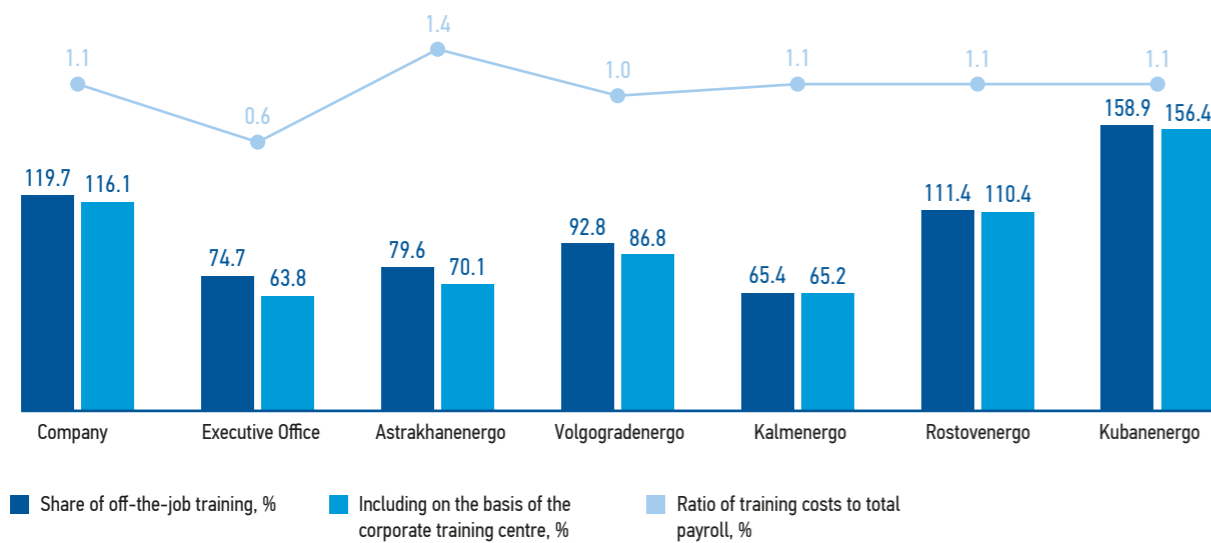
### Structure of personnel who participated in off-the-job training by category, %



<sup>1</sup> The information in this section is based on the performance results of the Kubanenergo branch of PJSC Rosseti South for December 2025.

<sup>1</sup> The information in this section is based on the performance results of the Kubanenergo branch of PJSC Rosseti South for December 2025.

Percentage of off-the-job training provided to employees and ratio of training costs to total payroll in the reporting year, %



The key training needs of the Company's employees are met by the corporate training centres, namely the Interregional Energy Institute of the South and the Energy Institute for Professional Development of PJSC Kubanenergo (following the reorganisation of PJSC Rosseti South through a merger with JSC Rosseti Kuban). Based on these centres, 12,604 man-courses were conducted in 2025, covering vocational training, additional professional education, and further training programmes. This accounts for 95.8% of the total number of training courses offered. For employees of PJSC Rosseti South (excluding the Kubanenergo branch) in 2025, the Interregional Energy Institute of the South gave 11,401 man-courses, which is 95.4% of the total (in 2024 year – 11,743 man-courses (89.5% of the total number of trainees)).

The majority of people trained through corporate training centres are production workers – 87.8% (11,061 people). This includes 87.1% of production workers from PJSC Rosseti South who were trained at the Interregional Energy Institute in the South (9,931 people).

Staff training in our in-house training centres has several advantages:

- ▶ Corporate standards and forms of education;
- ▶ Alignment of approaches to education with the strategic plans of the Company;
- ▶ Rapid response and restructuring of the educational process;
- ▶ Use of the Company's training grounds;
- ▶ Competencies of the trained staff tailored to the Company's requirements.

Personnel training costs amounted to RUB 131,458,110, RUB 121,133,410 (92.1%) of which were personnel training costs at the corporate training centres. In 2024, RUB 110,716,210 were allocated for staff training, RUB 93,814,480 (84.7%) of which were allocated for training at the corporate training centre.

Staff training and evaluation indicators

Indicator	UoM	2023	2024	2025
Number of employees who participated in off-the-job training programmes / ratio to average headcount	man-course <sup>1</sup>	8,337	13,114	<b>13,156</b>
	%	61.5	101.2	<b>97.8</b>
Distribution of the employees who took part in off-the-job training programmes by category (manager, specialists, workers)	%	Managers – 21.5	Managers – 32.7	<b>Managers – 48.2</b>
		Specialists – 17.5	Specialists – 19.5	<b>Specialists – 21</b>
		Workers – 61.0	Workers – 47.8	<b>Workers – 30.8</b>
Average number of training hours per employee /by gender	man-hour	40.5	42.4	<b>48.1</b>
		Male FTE: 49.6	Male FTE: 49.9	<b>Male FTE: 56.1</b>
		Female FTE: 21.2	Female FTE: 19.9	<b>Female FTE: 26.1</b>
Number of personnel who underwent assessment procedures / ratio to the average headcount	people	2,239	1,441	<b>3,522</b>
	%	16.5	11.1	<b>26.2</b>
including as part of				
▶ assessment of competences (corporate and managerial), including recruitment, transfer to a new position, selection to the talent pool, etc.	people	1,395	703	<b>785</b>
▶ independent qualifications assessment (on the basis of the Customer Service Centres)		844	738	<b>816</b>

Working with the Company's talent pools

To meet the Company demand for qualified and efficient staff wherever needed and create conditions for the best fulfilment of its staff potential, PJSC Rosseti South constantly updates and improves its management talent pool.

The Company's efforts to build a strong talent pool allow it to quickly and effectively meet its needs for trained leaders.

In the third and fourth quarters, based on the Personnel Review Regulations of PJSC Rosseti South<sup>2</sup>, an assessment of the competencies of specialists was carried out among those included in the talent pool of the Company and its branches. The total number of evaluated employees is 615. In the fourth quarter of 2025, work began on updating individual development plans of talent pool members.

The membership of the talent pool is reviewed and updated annually, as additional recruitment takes place among the Company's existing specialists to replace those who have been assigned to higher-level positions and those who have left the pool.

In 2025, for the Company and its branches as a whole, the turnover rate of talent pool members was 5.7%, the filling of vacant leadership positions by talent pool members was 31.8%, and the promotion of talent pool members was 5.7%.

Employees who are part of the Company's management talent pool regularly participate in training programmes and industry-wide national and regional conferences, which allow them to learn about the best practices of power grid companies, study new technologies, and master more efficient working methods.

In 2025, employees of PJSC Rosseti South, including representatives of the talent pools, took part in the annual Best in Profession competition and showcased their research projects in 32 categories. According to the results of the 2025 competition, 16 members of the managerial talent pool and 37 members of the youth talent pool of the Company were among the winners.

<sup>1</sup> Number of training courses taken by an employee during the year.

<sup>2</sup> Order No. 465 dated 22 July 2025; the new version of the Regulations – Order No. 860 dated 1 December 2025.

### Changes in the Company's talent pools in 2023–2025

Indicator	UoM	2023	2024	2025	Change 2025/2024
Headcount of talent pools	People	1,185	816	1,277	+56.5 %
Share of managerial positions covered by the talent pool	%	91.4	103.2	95.2	-8 p.p.
Share of managerial positions filled by internal candidates, including from the talent pools	%	75.4	73.8	68.1	-5.7 p.p.

## Youth policy of the Company

The Company's initiatives in the field of youth policy are focused on offering career advice to school students, enhancing the appeal of energy-related careers, and spotting promising young individuals.

### Progress indicators of the youth policy in 2023–2025, people

Indicator	2023	2024	2025
Number of schoolchildren participating in career guidance projects of Rosseti Group	286	415	863
Number of partner universities/colleges in the regions where the Company operates	19	19	54
Number of university/college students trained under company-sponsored training contracts	169	171	317
Number of university/college students who completed internships with the Company	823	898	2,356
Number of university/college graduates employed by the Company in the reporting year	171	89	166
Number of young professionals who participated in corporate, regional or federal level competitions, forums, conferences	35	35	36

### Working with schoolchildren

The aim of early career guidance is to introduce schoolchildren to the profession of energy engineer, encourage them to pursue relevant education and work at PJSC Rosseti South, and identify well-prepared, motivated schoolchildren for referral to targeted training at relevant educational institutions.

In 2025, 1,168 schoolchildren representing the regions of the Company's presence took part in the All-Russian Olympiad of schoolchildren of Rosseti Group. In 2025, 19 energy study groups (343 people) were established in the regions where the Company operates. In addition to regular school subjects, students engage in an in-depth study of physics. They also have guided tours and demonstrate their knowledge in practical classes taught by our experienced staff.

Every year PJSC Rosseti South holds open days for schoolchildren and students.

Representatives of PJSC Rosseti South took part in the International Exhibition and Forum Russia (VDNKh, Moscow) as part of the industry's Energy Day. The experts told the students about the activities of Rosseti Group, about youth policy and projects offered by Rosseti Group, and also conducted an interactive class for everyone.

Young specialists from the executive office and all branches of the Company conduct vocational guidance and electrical safety classes in partner schools, children's camps, Quantoriums and kindergartens. These classes are aimed at preventing electrical injuries and creating a culture of safe operation of electrical appliances.

### Working with university and college students

Working with students in relevant fields of study is aimed at providing the Company with qualified specialists who are motivated to work in the energy sector. PJSC Rosseti South has a partnership agreement with 20 universities and 34 colleges.

Student outreach efforts in 2025 were focused on:

1. Organisation of workshop and pre-graduation internships of students of industry-specific schools in the Company. In 2025, 1,196 students completed workshop and pre-graduation internships at the Company's divisions.
2. Organisation of targeted training for specialists in fields relevant to the Company with a view to their subsequent employment by the Company. A total of 317 people are studying at partner universities under the targeted referral of PJSC Rosseti South, including 91 students who got enrolled under targeted agreements in 2025. Employer-sponsored students are offered support measures, such as corporate scholarship of PJSC Rosseti South.
3. Student brigades at the Company's facilities. In the reporting year, during the summer labour season, 207 students from 12 partner universities and 5 partner colleges worked at PJSC Rosseti South's facilities.

4. Young Worker Project. Under the project, the Company employs third- and fourth-year students from universities and vocational colleges who are enrolled in full-time programmes with individual study schedules. Such employees are paid a supporting scholarship in the amount of RUB 3,000 per month. In 2025, the Company hired 208 people.

### Working with young specialists

Recruiting, onboarding and developing young talent are the integral parts of the youth policy of the Company. Young specialists participate in various forums, conferences and competitions. To engage young people in the Company's initiatives, we are actively working with its talent pool, implementing targeted programmes for development and social assistance, with a focus on the Company's youth.

PJSC Rosseti South's specialists act as experts at events held for students and schoolchildren, including the qualification stage of the International Engineering Case Solving Championship among university students and the regional stage of the Big Challenges All-Russian Competition of Scientific and Technological Projects.

## Social policy

GRI 2-23, 2-24, 2-30, 403-6

Caring for the health of employees and veterans, organising recreation and health promotion for employees' children, developing physical culture and sports, and providing social benefits are the main areas of social responsibility.

The collective bargaining agreement of PJSC Rosseti South is the result of effective cooperation between the parties to the social partnership to recognise the social and economic rights and guarantees of the Company's employees.

In accordance with the collective bargaining agreement, the Company's employees receive financial assistance in connection with childbirth, marriage registration, burial of close relatives, retirement, difficult financial situation (emergency case), status of families with many children, and in case of death of an employee as well. There is also compensation for childcare in pre-schools, etc.

### Collective bargaining agreement

Due to the expiration of the collective bargaining agreement of PJSC Rosseti South in 2025, a bilateral commission was organised to extend the collective bargaining agreement of PJSC Rosseti South for a new term. Collective negotiations were held in a friendly and productive manner. As a result, a consensus was reached to enhance the compensation for employees and veterans of the Company. The new collective bargaining agreement of PJSC Rosseti South entered into force on 1 January 2026 and will be valid until the end of 2028. During all this time, the parties to the social partnership will negotiate on the further development of social and labour relations in the Company.

The amount of funds allocated to provide financial assistance to employees in 2025 amounted to more than

**RUB 23 million.**

PJSC Rosseti South supports employees who are on active service (SMO). In 2025, one-time payments were made to the mobilised employees and the families of the deceased mobilised employees on Defender of the Fatherland Day, Victory Day and Energy day.

### Taking care of employees' health

The Company ensures that all its employees receive top-notch medical attention promptly by offering them voluntary personal insurance policies. These policies encompass both voluntary medical insurance and voluntary accident and illness insurance.

PJSC Rosseti South has Regulations on the organisation of recreation and health promotion for employees, veterans of PJSC Rosseti South and their family members, pursuant to which a health-improving rest was organised for 1,317 employees and their family members at JSC Energetik Recreation Centre and JSC Energetik Health Resort and for 1,007 children of employees at children's health camps. In 2025, 90 employees working with harmful and/or hazardous production factors, pre-retirees enjoyed their rest in the sanatoriums of the Krasnodar Territory and the Caucasian Mineral Waters, and 267 employees of the Company utilised preferential vouchers to get rest health resorts.

### Pension schemes

In order to improve the social security of its employees and provide non-financial incentives, the Company has developed non-governmental pension schemes designed to ensure a decent standard of living for employees during retirement. These plans aim to create conditions that facilitate the effective resolution of personnel issues such as staff recruitment, retention, and motivation.

### Housing improvement

In order to attract and retain its talent, the Company put in place the Regulations on corporate support for employees of PJSC Rosseti South branches. The right to receive such corporate support for improving housing conditions is given to branch employees of key electrical engineering specialities, young professionals aged under and including 45 years. In 2025, due to the introduction of new regulations (Order No. 855, dated 1 December 2025), the age restrictions for employees were lifted, and the list of key electrical engineering positions for each branch was expanded. Electric fitters, electricians, foremen, and dispatchers of the branch's production departments were reimbursed for the interest on their loans (mortgages). In total, more than 800 employees of the Company utilised this benefit, for a total amount of RUB 94,894,000.

PJSC Rosseti South had a regulation on the procedure for reimbursement of housing leasing (subleasing) costs to employees of PJSC Rosseti South branches (Order No. 814 dated 28 December 2024, amended by Order No. 205 dated 1 April 2025) (hereinafter referred to as the regulation). The regulation applied to newly hired/transferred employees of power grid regions and production departments in key electrical engineering specialties who were employed and did not own housing at their workplace. On 1 December 2025, the regulation (Order No. 859 dated 1 December 2025) was adopted to replace the current one, which applies to newly hired/transferred branch employees. In total, 438 people used such a reimbursement in 2025 for a total amount of RUB 81,474,000.

The priority areas are stable social and labour relations of co-workers facilitated by effective cooperation with trade union organisations. Complying with the interests of the parties to social partnership, ensuring and maintaining social stability contribute to improving labour productivity and competitiveness of the Company.

# Occupational health and safety

GRI 2-23, 2-24, 403-1, 403-2, 403-7

## Workplace protection<sup>1</sup>

Workplace protection and production culture are our number one priorities!

The Company's main goal in workplace protection is to ensure workplace safety and protect the health of employees by preventing work-related accidents and occupational diseases, as well as to improve the level of safety culture.

The establishment and operation of the occupational health and safety management system (hereinafter referred to as the OHSMS) at PJSC Rosseti South takes into account state regulatory requirements for occupational health and safety, the commitments made on occupational health and safety, as well as national standards.

In accordance with the requirements of the Labour Code of the Russian Federation, with the aim of ensuring continuous improvement of occupational safety activities and the preservation of the life and health of employees, the Regulations on the occupational safety management system at PJSC Rosseti South (hereinafter referred to as the Regulations) were approved and put into effect.

### Risk assessment

Risk assessment is an important tool to identify hazards and risks in a timely and systematic manner and to take preventive measures.

An appropriate procedure is established for the identification (detection) of hazards and assessment of occupational risk levels at workplaces.

The procedure for identifying (detecting) hazards and assessing occupational risk levels includes the following measures:

- ▶ Identification of workplace hazards in structural units with control measures in place
- ▶ Assessment of the levels of occupational risks from each identified hazard

- ▶ Assessment of the acceptability (admissibility) of the assessed levels of occupational risks
- ▶ Analysis and assessment of the adequacy of existing measures to manage and control occupational risk levels

The results of hazard identification and assessment of risk levels at workplaces are communicated to employees in the following ways:

- ▶ By including in workplace health and safety briefings
- ▶ By posting summary data on the risk assessment results in publicly accessible places (information stands, occupational safety and health desks, etc.)

Information on detected (identified) hazards and occupational risk levels is used at all levels of occupational health and safety management.

### Training

A high professional level of training for the Company's employees is one of the requirements for the OHSMS to operate effectively.

The professional competence requirements for employees to perform their work are established by regulatory legal acts, professional standards, local regulations and other internal documents of the Company.

Knowledge and practical skills acquired by workers are analysed with due account of the results of on-the-job training, shadowing, emergency and fire drills, as well as the results of periodic observations (various types of control) of how the employee performs the functions and tasks assigned to them.

In order to make occupational safety training of employees more effective, structural subdivisions ensure the availability of occupational safety rules and instructions, as well as other materials necessary for safe performance of work.

<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.

## Investigation and recording of accidents

Work-related accidents, occupational diseases, micro-injuries (micro-damage) at the Company's workplaces are investigated and recorded.

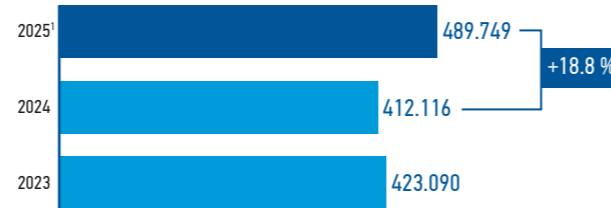
The purpose of investigating the causes of accidents, occupational diseases and other injuries is to prevent the deterioration of employee health and safety and to identify deficiencies in how the OHSMS functions.

Measures to investigate and record accidents and occupational diseases include:

- ▶ Organising the reporting of accidents and occupational diseases to the competent authorities and organisations

- ▶ Organising and ensuring a proper and timely investigation of an accident and ill health, drawing up investigation materials in accordance with legal requirements

### Occupational health and safety costs in 2023–2025, RUB million



## Work-related injuries and ill-health<sup>1</sup>

GRI 403-9, 403-10

The Company follows the Occupational Safety Policy of Rosseti Group, approved by Order of PJSC Rosseti No. 412 dated 21 September 2023.

The policy is communicated to all persons, contractors working on behalf of the Company and visitors to the Company during the induction briefing.

The policy represents the management style and strategy of the top management, expressed in a publicly available document that outlines the employer's intentions and guarantees compliance with occupational safety requirements.

To implement the policy, as well as the obligations stated therein, and to achieve the objectives in occupational health and safety, the Company plans, develops and integrates measures to implement OHSMS procedures.

### Assessment of working conditions

A special assessment of working conditions is a unified set of consecutive measures aimed at identifying harmful and/or hazardous factors in the working environment and work processes and assessing their impact on employees, taking

into account any deviations from the standards (hygiene standards) for working conditions established by the federal executive authority authorised by the Government of the Russian Federation and the use of individual and collective protective equipment for employees.

Employees who perform their duties at workplaces that do not meet state regulatory requirements for occupational health and safety are paid compensation for work in hazardous working conditions, are granted additional paid leave, increased wages, and are provided with milk or other equivalent products (monetary compensation).

For protection against harmful and (or) hazardous factors of the production environment and (or) pollution, as well as at work performed in special temperature conditions, employees are provided free of charge with personal protective equipment and washing agents that received confirmation of conformity in accordance with the procedure established by the legislation of the Russian Federation on technical regulation. The Company's personnel are provided with personal protective equipment to the full extent.

In order to monitor, control and evaluate the OHSMS performance, the health of employees is monitored, including preliminary and periodic medical check-ups (examinations) and psychiatric examinations.

In accordance with legal requirements, the Company organises medical check-ups: once every two years for employees whose workplaces are found to have harmful and/or hazardous production factors and for vehicle drivers, and every year for persons authorised to work at heights.

In 2025, occupational health and safety measures required by law were fully completed at the Company. In addition, a number of measures were put in place to improve the staff relations, develop a culture of safety, identify risks of ineffective occupational health and safety management systems, and take timely response actions.

### Injury rates in 2025

Despite the work carried out in 2025, PJSC Rosseti South had five accidents, resulting in:

- ▶ 3 cases – electrical injuries and electric arc burns (1 employee was killed (Volgogradenergo) and 2 employees were injured (Volgogradenergo, Rostovenergo);

- ▶ 1 case – serious injury as a result of a traffic accident due to a violation of traffic rules by an outside driver (Rostovenergo);
- ▶ 1 case – minor injury due to personal negligence (Volgogradenergo).

Two accidents (with serious and fatal outcomes) occurred in electrical installations not owned by the Company, during work performed under income-producing contracts for additional revenue.

A review of the factors contributing to workplace accidents revealed a recurring pattern of non-compliance with organisational and technical protocols for safe work practices, unauthorised expansion of jobs assigned, and failure to use protective equipment by those affected.

### Key occupational safety indicators for 2023–2025

Indicator	UoM	2023	2024	2025
<b>Work-related accidents</b>				
<b>For employees</b>				
Number of work-related casualties, number of work-related fatal accidents	person/accident	0	2/2	1/1
Number of people injured in work-related accidents with severe injuries, number of work-related accidents with severe injuries	person/accident	1/1	3/3	2/2
<b>For persons who are not employees, but whose job and (or) workplace is controlled by the Company</b>				
Number of work-related casualties, number of work-related fatal accidents	person/accident	0	0	0
Number of people injured in work-related accidents with severe injuries, number of work-related accidents with severe injuries	person/accident	0	0	0

### Work-related ill health

No cases of work-related ill-health among the personnel of PJSC Rosseti South were registered in 2023–2025.

<sup>1</sup> Including the activities of the Kubanenergo branch in December 2025.

## Industrial safety

In 2025, PJSC Rosseti South operated 130 hazardous production facilities of hazard classes III and IV (hereinafter referred to as HPFs), all of which are registered in the Unified State Register of Hazardous Production Facilities.

In order to prevent accidents at the hazardous production facilities of PJSC Rosseti South, technical machinery is to be operated in accordance with the requirements of regulatory legal acts in the field of industrial safety by trained and certified employees of the Company.

In 2025, the following measures were put in place to promote industrial safety:

- ▶ Technical inspections and industrial safety assessments of technical units used at hazardous production facilities (748 technical inspections and 485 assessments);
- ▶ Insurance against civil liability of owners of hazardous facilities in case of damage caused by accidents at hazardous facilities was arranged under a contract with a specialised organisation;
- ▶ Industrial safety training was conducted for 896 employees, industrial safety certification was provided for 728 employees;
- ▶ As part of the ongoing process to ensure compliance with industrial safety regulations, 362 inspections were conducted and 903 corrective measures were developed to address the identified issues. The measures were completed within the set timelines;

- ▶ In order to ensure readiness for action to contain and mitigate the consequences of accidents at Class III hazardous production facilities (gas consumption networks), emergency response plans were drawn up and approved, and agreements were concluded with emergency rescue services for the operational servicing of hazardous production facilities;
- ▶ Actions to be taken by managers and specialists in the event of emergencies and incidents at hazardous production facilities were defined. Actions related to technical investigation and documentation, recording and analysis of accidents and incidents are approved within the framework of the regulations on industrial safety control at hazardous production facilities of the Company and the Procedure for technical investigation, recording and analysis of causes of incidents at hazardous production facilities of PJSC Rosseti South.

In 2025, no accidents or incidents were recorded at hazardous production facilities of PJSC Rosseti South.



## Environmental protection<sup>1</sup>

GRI 2-23, 2-24

The fundamental principles of the Company are to prioritise environmental protection, create safe working conditions, preserve the life and health of employees, improve efficiency, and apply the best available innovative and digital technologies that ensure sustainable development and eliminate negative impacts on the surrounding ecosystem and human health.

### Environmental protection management

The Company's main objectives in the field of environmental protection and environmental protection management are pursued in accordance with the following documents:

- ▶ **PJSC Rosseti's Climate Change Policy**, which establishes climate risks relevant to Rosseti Group, risk management mechanisms and climate change adaptation measures. The purpose of the Policy is to streamline approaches to climate change in the course of the Company's activities.
- ▶ **PJSC Rosseti's Sustainable Development Policy**, which sets out PJSC Rosseti's sustainable development agenda, particularly in the areas of environmental protection and rational use of natural resources.
- ▶ **Environmental Policy<sup>2</sup>**, the principles of which include the priority of environmental safety of production activities, taking into account the needs and expectations of stakeholders, and the scope of an environmental management system. This policy also emphasises openness and accessibility to information about ongoing environmental activities, as well as the continuous improvement of main production processes.

The environmental policy implementation programme at PJSC Rosseti South (hereinafter – the Programme) sets out objectives for ensuring compliance with the environmental legislation of the Russian Federation and identifies tasks for reducing negative environmental impact. Environmental safety measures are aimed at protecting the air, water and land, and wildlife resources. One of the main goals of the Programme for 2025 is the completion of the decommissioning plan for equipment containing pentachlorinated biphenyls (PCBs) and its disposal.

Environmental management at PJSC Rosseti South in 2025 involved:

- ▶ Analysis of compliance of the Company's production activities with mandatory environmental requirements for 2024, with target process performance indicators set for 2025;
- ▶ Certification audit for compliance with the requirements of GOST R ISO 14001. In the auditor's opinion, the organisation maintains its management system in line with the standard requirements and demonstrated the ability to systematically achieve agreed requirements for products or services within the scope of its policy and objectives.

The environmental management business process indicator on the progress of the environmental policy implementation programme was completed by

**100%**  
in 2025.

<sup>1</sup> The information in this section is based on the performance results of JSC Rosseti Kuban for January – November 2025 and the Kubanenergo branch of PJSC Rosseti South for December 2025.

<sup>2</sup> Approved by the decision of the Company's Board of Directors (Minutes No. 568/2024 dated 16 April 2024).

## Results of environmental protection efforts

GRI 303-5, 305-1, 306-3, 306-5

All production sites of PJSC Rosseti South that have a negative impact on the environment are registered with government agencies. A total of 221 facilities were registered, including 194 facilities of the III category, 27 facilities of the IV category.

### Protection of atmospheric air

All facilities that have a negative impact on the environment have respective permits (an inventory of sources of emissions of pollutants into the atmosphere was made, standards for permissible air emissions were established).

The Company engaged accredited laboratories to control the volume of air emissions in 2025. The test results did not show any above-limit values.

### Water conservation

In 2025, there were 17 licences for the right to use subsurface resources for groundwater extraction (operating wells):

- ▶ 4 licences in the Volgogradenergo branch;
- ▶ 3 licences in JSC Rosseti Kuban (from 1 December 2025 – Kubanenergo branch);
- ▶ 10 licences in the Rostovenergo branch.

In order to protect and rationally use water resources under licence agreements, groundwater quality assessment was carried out in 2025 (observation of groundwater level and temperature, recording of water consumption, sampling for bacteriological and chemical analysis, determination of physical properties of water).

### Key indicators of environmental protection efforts<sup>1</sup>

Indicators	UoM	2023	2024	2025	Change 2024/2025, %
Gross air emission, total	t	50.06	86.66	<b>83.78</b>	-3.32
Volume of water consumption	thousand m <sup>3</sup>	110.78	197.43	<b>217.19</b>	+10.01
Volume of generated waste	t	60,826.87	10,269.91	<b>9,538.26</b>	-7.12
Volume of waste transferred for processing, disposal and treatment	t	4,625.97	4,093.54	<b>5,380.36</b>	+31.44
Environmental impact fee	RUB '000	28.23	259.70	<b>457.37</b>	+76.11
Discharges of pollutants into water bodies	thousand m <sup>3</sup>	-	1.41	<b>1.81</b>	+28.37
Installation of bird diverters at power grid facilities	-	5,527	9,412	<b>26,011</b>	+125.83

<sup>1</sup> To ensure comparability of indicators, the data for 2024 are shown in aggregate for PJSC Rosseti South and PJSC Rosseti Kuban.

### Protection and rational use of land

In order to protect and rationally use land, the Company organised regular control over separate accumulation of municipal and industrial waste (waste tyres, transformers, batteries, mercury-containing lamps, oils, metal waste, etc.), their timely transfer to specialised organisations for treatment and placement in specialised landfills. In 2025, 2,119 trichlorodiphenyl condensers, waste equipment containing extremely dangerous pollutants, were transferred to the Federal Environmental Operator. The Company's obligations under the Stockholm Convention on Persistent Organic Pollutants were fully fulfilled.

In 2025,

**44 people**

were trained in professional development programmes for managers and specialists in the field of environmental protection and environmental safety and the environmental management system

**RUB 130.54 million**

were the cost of environmental protection measures in 2025

### Greenhouse gas emissions, thousand tonnes

Indicators	2024 <sup>1</sup>	2025	Change 2025/2024, %
<b>Mass of greenhouse gas emissions (CO<sub>2</sub>) from motor vehicles and diesel generator sets (EPSS)</b>	<b>38.35</b>	<b>37.92</b>	<b>-1.12</b>
Petrol	22.10	<b>21.64</b>	-2.08
Diesel fuel	15.67	<b>15.70</b>	+0.19
Natural gas (including liquefied gas)	0.59	<b>0.58</b>	-1.69
Other type of fuel	-	-	-
<b>Mass of greenhouse gas emissions (CO<sub>2</sub>) from boiler houses</b>	<b>1.51</b>	<b>1.28</b>	<b>-15.23</b>
Natural gas	1.51	<b>1.28</b>	-15.23
Hard coal	-	-	-
Brown coal	-	-	-
Fuel oil (furnace fuel oil)	-	-	-
Other type of fuel	-	-	-
<b>Total mass of greenhouse gas emissions (CO<sub>2</sub>) per year</b>	<b>39.86</b>	<b>39.19</b>	<b>-1.68</b>

## Main environmental protection activities

GRI 2-27

### Atmospheric air protection

- ▶ Laboratory and instrumental control of air emissions at sources under contracts with accredited laboratories. The control results did not show any above-limit values;
- ▶ Development of measures to reduce emissions of harmful (polluting) substances into the atmospheric air during periods of unfavourable meteorological conditions;
- ▶ Development of sanitary protection zone projects for production sites, measures on observation programme at the boundaries of sanitary protection zones;
- ▶ Monitoring of carbon monoxide content in vehicle exhaust gases and timely repair of motor vehicles;
- ▶ Improvement of operational activities and repair production technology (by the enterprise);
- ▶ Use of certified fuels.

### Protection and rational use of water resources

Groundwater was monitored in accordance with programmes developed and registered with the state authorities of the constituent entities of the Russian Federation in the field of regulating subsoil use relations for the Volgogradenergo, Kubanenergo and Rostovenergo branches.

<sup>1</sup> To ensure comparability of indicators, the data for 2024 are shown in aggregate for PJSC Rosseti South and PJSC Rosseti Kuban.

## Rational waste management

At all production sites, waste is accumulated in places arranged in accordance with the requirements of environmental protection legislation and legislation on ensuring the sanitary and epidemiological well-being of the population, with a view to its further transfer to specialised organisations.

The following measures were implemented in 2025 to achieve the waste management objectives set out by the Environmental Policy:

- ▶ Timely removal of industrial and solid municipal waste by specialised organisations;
- ▶ Maintenance of records of waste generation and movement;
- ▶ Control over the separate accumulation of industrial waste by type of waste and municipal solid waste in places specially designed and equipped for the accumulation of waste of a certain type.

## Ecosystem and biological diversity conservation

The Company took measures to ensure the required level of ornithological safety at power grid facilities and, consequently, the required level of power supply reliability, which is achieved through the use of various types of bird diverters.

In 2025, PJSC Rosseti South installed 21,255 bird diverters on 10 kV overhead transmission lines, including 397 units at the Astrakhanenergo branch, 970 units at the Volgogradenergo branch, 16,923 units at the Kalmenergo branch, 2,675 units at the Kubanenergo branch, 290 units at the Rostovenergo branch.

Compensatory measures involved releasing 2,174 juvenile Black Sea trout and 653 Russian sturgeon fingerlings into the natural environment, which were grown at a special fish hatchery.

Two noise barriers were installed during the construction of the Yekaterininskaya substation. The power facility is located in Krasnodar Territory within the city of Krasnodar. The design of the substation site includes a pre-fabricated sound barrier built around the transformers.

In 2025, there were no claims of non-compliance by the Company with the requirements of environmental and sanitary-epidemiological legislation on the part of environmental authorities.



# Energy consumption and energy saving

The Company has the Energy Saving and Energy Efficiency Improvement Programme for PJSC Rosseti South for the period 2022–2026.<sup>1</sup>

Target indicators of the Programme:

- ▶ Reduction of electricity losses in transmission and distribution
- ▶ Consumption of energy resources for housekeeping needs
- ▶ Number of LED-based lighting devices

## Progress on the Energy Saving and Energy Efficiency Improvement Programme of PJSC Rosseti South in 2025

Sr. No.	Indicator	UoM	2025	
			plan	actual
1	Electric losses	million kWh	2,634.00	2,929.00
		% of delivery to the grid	9.36	9.74
2	Consumption for own needs of substations	million kWh	59.98	58.26
		% of losses	1.21	1.16
3	Total consumption of energy resources for housekeeping needs of administrative and industrial buildings	RUB million, excl. VAT	516.48	473.44
		thousand TFOE	12.60	11.22
4	Total consumption of natural resources for housekeeping needs of administrative and industrial buildings (water supply)	RUB million, excl. VAT	18.60	16.97
		thousand m <sup>3</sup>	227.58	215.50
5	Motor fuel consumption by motor vehicles and special-purpose machinery	thousand litres	15,023.39	15,607.34
		thousand TFOE	17.56	18.26
		RUB million, excl. VAT	650.20	784.98

The actual electric losses for 2025 amounted to 2,929 million kWh, or 9.74%, compared with the planned value of 2,634 million kWh, or 9.36%, in accordance with the business plan for 2025, due to the inclusion of indicators for the Company's Kubanenergo branch in December 2025 and exceeding the level of losses by this branch.

Reasons for non-fulfilment of the indicator related to motor fuel consumption by motor vehicles and special-purpose machinery:

- ▶ An increase in fuel consumption by motor vehicles and -purpose machinery on detached duty;

- ▶ Untimely renewal of the Company's fleet of motor vehicles by derecognising obsolescent, inefficient vehicles and purchasing cutting-edge, cost-effective, multifunctional special vehicles (cranes, lifting trucks, drilling rigs and delivery vehicles). These new vehicles allow for a number of technological processes to be carried out by one vehicle, thereby reducing the consumption of motor fuel. These purchases are not included in the Company's investment programme.

<sup>1</sup> Approved by the decision of the Board of Directors of PJSC Rosseti South on 13 May 2022 (Minutes No. 480/2022 dated 13 May 2022).

## Volume of energy resources used in 2025

GRI 302-1

Sr. No.	Types of resources <sup>1</sup>	UoM	Planned value 2025	Actual value 2025
1	thermal energy	Gcal	15,222.86	<b>15,066.17</b>
		RUB million	48.13	<b>41.75</b>
2	electric energy	million kWh	77.54	<b>68.86</b>
		RUB million	458.86	<b>424.33</b>
3	motor petrol	thousand litres	9,526.96	<b>9,713.77</b>
		RUB million	406.88	<b>465.63</b>
4	diesel fuel	thousand litres	5,496.43	<b>5,893.57</b>
		RUB million	243.32	<b>319.35</b>
5	natural gas	thousand m <sup>3</sup>	973.74	<b>695.54</b>
		RUB million	9.49	<b>7.35</b>

## Management systems



The Company put in place an integrated management system that includes the following management systems:

- ▶ Quality Management System
- ▶ Environmental Management System
- ▶ Occupational Health and Safety Management System
- ▶ Energy Management System

The Company's management systems comply with the requirements of GOST R ISO 9001, GOST R ISO 14001, GOST R ISO 45001 standards and are combined into the integrated management system (IMS).

### Information on the availability of certificates

Description	Management system/certificate validity				Certification authority
	GOST R ISO 9001	ISO 50001	GOST R ISO 14001	GOST R ISO 45001	
PJSC Rosseti South	04.11.2027	X	04.11.2027	04.11.2027	LLC Promstandart
	X	18.01.2028	X	X	JSC SGS Vostok Limited

Note:

- ▶ GOST R ISO 9001-2015 – Quality Management System
- ▶ GOST R ISO 14001-2016 – Environmental Management System
- ▶ GOST R ISO 45001-2020 – Occupational Health and Safety Management System
- ▶ ISO 50001 – Energy Management System

<sup>1</sup> The Company does not use nuclear energy, electromagnetic energy, oil, fuel oil, coal, oil shale, peat.

## Procurement activities

GRI 2-25, 2-26

### Procurement management

Procurement activities at the Company are governed by the following documents:

- ▶ Unified Procurement Standard of PJSC Rosseti (Regulations on Procurement)
- ▶ Liaison Protocol of PJSC Rosseti South's business units during scheduled procurement of goods, works and services of the Company
- ▶ Regulations on the Work of the Central Tender Commission of PJSC Rosseti South
- ▶ Regulations on the Work of the Standing Procurement Commission of PJSC Rosseti South

For efficient interaction with suppliers, the Company uses the electronic trading platforms [www.rts-tender.ru](http://www.rts-tender.ru) and [www.roseltorg.ru](http://www.roseltorg.ru), the functionality of which makes it possible to expand the range of suppliers involved in procurement, as well as provides a competitive environment, thereby contributing to the efficiency of the Company's procurement activities.

### Procurement procedures adopted at the Company

<b>Competitive procurement procedures</b>	<ul style="list-style-type: none"> <li>▶ Tender, auction;</li> <li>▶ Requests for offers, requests for quotations;</li> <li>▶ Competitive pre-qualification;</li> <li>▶ Request for prices based on the results of competitive pre-qualification</li> </ul>
<b>Non-competitive procurement procedures</b>	<ul style="list-style-type: none"> <li>▶ Pre-qualification;</li> <li>▶ Request for quotations based on the results of pre-qualification;</li> <li>▶ Price comparison;</li> <li>▶ Procurement from a single supplier (operator, contractor);</li> <li>▶ Procurement through participation in procedures organised by vendors</li> </ul>

## Supply chain management

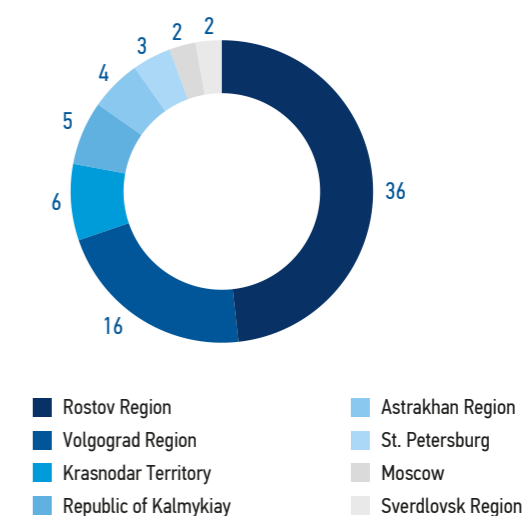
The Company's supply chain management strategy aims to optimise the procurement of goods and services through competitive procedures.

Types of suppliers involved in the supply chain:

- ▶ Financial and credit organisations
- ▶ Contractors (construction and installation, design and survey works, etc.);
- ▶ Suppliers (supply of materials, equipment, spare parts, etc.);
- ▶ Others (security, mail, administrative services).

Supplies and services for the Company's needs are provided by organisations from 46 regions of the Russian Federation, but the priority share of suppliers is made up of regional companies (84%).

Geography of the Company's suppliers in 2025, %



## Results of procurement activities in 2025

In the reporting year, the Company conducted 2,482 procurement procedures for a total of RUB 95.5 billion.

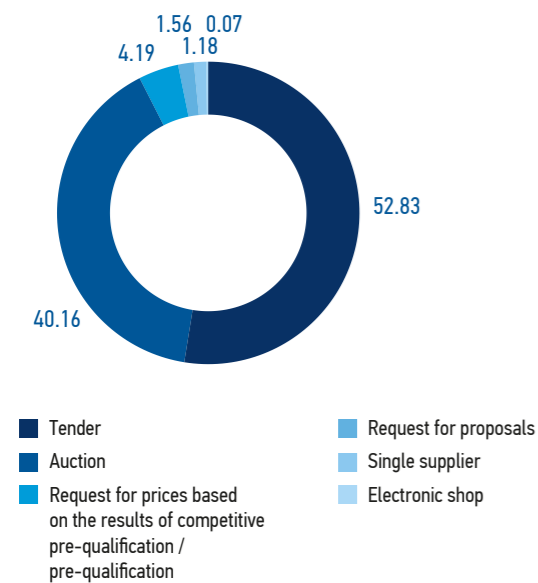
The Company focuses its efforts on improving the information transparency and access of participants to procurements, including mainly electronic procurement procedures. The share of

competitive purchases using electronic trading platforms in the reporting year was 98.35% (excluding purchases from a single supplier). There are no suppliers or contractors registered outside the Russian Federation.

### Openness of procurement procedures

Indicators	2024	2025	Change 2025/2024
Share of open competitive procurement procedures / as e-commerce procedures (using electronic trading platforms) in the total volume of procurement, %	97.86	<b>97.92</b>	+0.06 p.p.
	2.14	<b>2.08</b>	-0.06 p.p.

### Distribution by procurement method, %



**RUB 1,499.59 million,** including VAT, or 1.57% of the planned announced cost of competitive procurement – economic effect based on the results of procurement procedures in 2025

## Purchases from SMEs

Since 2023, PJSC Rosseti has been implementing a programme to support SMEs in order to encourage them to participate in procurement processes for goods, works, and services

required by PJSC Rosseti. The Company, along with other subsidiaries and affiliates of PJSC Rosseti, ensures the implementation of this programme.

In pursuance of the government policy on small and medium-sized business development, the Company approved the programme of the partnership between PJSC Rosseti South and SMEs. This Programme sets forth the measures aimed at searching and supporting reliable, qualified and responsible suppliers (contractors, operators) from among SMEs. The partnership programme outlines the requirements to small and medium-sized enterprises, rules and conditions of joining the programme.

As of yearend 2025, 39 small and medium-sized enterprises joined the partnership programme.

In accordance with Decree of the Government of the Russian Federation No. 1352 dated 11 December 2014, procurements were made and contracts were concluded with suppliers classified as SMEs, worth RUB 27,381.62 million, including VAT, which is 75.92% of the total volume of procurement procedures, including special procurements (where only SMEs could participate in the procurement) worth RUB 11,391.98 million, including VAT, which is 31.59% of the total volume of procurement procedures.

In accordance with the requirements of the Decree of the Government of the Russian Federation, quotas for purchases by specific customers from SMEs were approved at 20% (25% for special purchases). The Company regularly exceeds the plan of purchases from SMEs.

### Share of purchases from SMEs, %



### Share of purchases solely from SMEs, %



### Volume of purchases from SMEs, RUB million



### Volume of purchases solely from SMEs, RUB million



# Anti-corruption policy

GRI 2-25, GRI 2-26

**In accordance with the provisions of the Anti-Corruption Policy of PJSC Rosseti South<sup>1</sup>, the Company develops and takes measures to prevent and combat corruption, including:**

- ▶ Identification and further elimination of causes of corruption (anti-corruption);
- ▶ Identification, prevention and suppression of corruption and other offences
- ▶ Minimisation and (or) liquidation of the consequences of corruption and other offences
- ▶ Mitigation of the risks of holding the Company accountable

The main objective of the anti-corruption measures is to create an environment that would minimise corrupt practices. The success of this task directly affects the

Company's business reputation, its perception by partners and, consequently, the results of its financial and economic activities.

## Measures to implement the Company's Anti-Corruption Policy in 2025

GRI 2-15, GRI 205-2, GRI 205-3

Focus areas of Anti-Corruption Policy	Measures taken in 2025
<b>Development and introduction of standards and procedures to ensure good practice</b>	<ul style="list-style-type: none"> <li>▶ An anti-corruption plan for 2025 was developed and approved (all measures of the plan were fully completed on time);</li> <li>▶ Changes were made to:                             <ul style="list-style-type: none"> <li>– the procedure for receiving and reviewing applicants' complaints about possible corruption in PJSC Rosseti South received through the hotline,</li> <li>– the regulations on conflict of interest settlement,</li> <li>– the regulations on the notification of the receipt of a business gift by the Company's employees,</li> <li>– an anti-corruption clause included in the Company's contracts.</li> </ul> </li> </ul> <p>Documents adopted for prevention of and counteraction to corruption are communicated to employees on a mandatory basis</p>
<b>Establishment of the inner control and risk management process to prevent and combat corruption</b>	<p>Reports on the results of anti-corruption monitoring for 2024 and the first six months of 2025 were prepared and forwarded to the Management Board, the Audit Committee and further to the Board of Directors of the Company for review. The reports were reviewed and taken under advisement by the Audit Committee and the Board of Directors of the Company unconditionally.</p> <p>During 2025, financial and economic activities in the branches of PJSC Rosseti South were revised, and PJSC Rosseti South, Interregional Energy Institute of the South, Southern Interregional Qualification Centre for Electric Power Industry were subject to audit inspections. In order to address the identified issues and deficiencies, we developed corrective action plans. We also established deadlines for their implementation and identified responsible individuals for each plan's execution and monitoring.</p> <p>The annual report on the second line of defence for 2024, as well as the results of the self-assessment of the effectiveness of control procedures and quarterly updated functional and business process risk reports were prepared and directed to the Company's management. A progress report on the risk management action plan within the framework of the anti-corruption subprocess was presented.</p> <p>During the year, the risk of committing a corruption-related crime by employees of the Company was assessed and monitored, and the risk description was updated</p>

<sup>1</sup> Approved by the resolution of the Board of Directors of PJSC Rosseti South dated 2 August 2023 (Minutes No. 537/2023 dated 3 August 2023).

Focus areas of Anti-Corruption Policy	Measures taken in 2025
<b>Prevention and settlement of conflicts of interest</b>	<p>A total of 2,243 employees of the Company and 2,580 employees of JSC Rosseti Kuban were subject to annual declaration of employee conflicts of interest for 2024. The 2024 declaration campaign identified no cases of conflict of interest or pre-conflict situations.</p> <p>The Corporate Ethics Compliance and Conflict of Interest Commission had one meeting.</p> <p>The materials provided by substituting candidates were reviewed, 755 conclusions were prepared on the presence/absence of a conflict of interest between candidates for vacant positions (when applying for a job/transfer) at the Company. There are no cases of rejection of candidates based on negative opinions in 2025. Based on facts of possible conflicts of interest and pre-conflict situations involving Company employees, 20 additional reviews were conducted in preparation of conclusions on the presence/absence of conflicts of interest among candidates for vacant positions, and additional information was requested regarding candidates and persons closely related to them. There are no situations requiring settlement.</p>
<b>Consideration and resolution of information on possible instances of corruption and other abusive practice</b>	<p>In 2025, there was one report of possible corruption. The report was reviewed in due time under the current procedure in place. As a result, no signs of corrupt practices on the part of the Company's employees were confirmed, and no signs of conflict of interest were identified.</p> <p>In the fourth quarter of 2025, three criminal cases were initiated against the Company's employees under art. 290 of the Criminal Code of the Russian Federation (bribe-taking). Two criminal cases under part 2 of art. 290 of the Criminal Code of the Russian Federation were against the former chief engineer of the Pravoberezhny power grid region of the Astrakhanenergo branch, and one criminal case under part 5 of art. 290 was against the former engineer of the electricity metering and services sale group in the Aksai power grid region of the Rostovenergo branch of PJSC Rosseti South.</p> <p>Currently, no court decisions have been taken on these offences.</p>
<b>Anti-corruption measures in interaction with partners and subcontractors</b>	<p>Data on concluded contracts, additional agreements and subcontractors of the Company's counterparties were entered into the automated system for analysing and gathering information about beneficiaries on a daily basis. In 2025, 18,600 contracts and additional agreements were uploaded to this system.</p> <p>The anti-corruption clause and obligations of the counterparty to provide information about beneficiaries are included in 2,486 contracts submitted for procurement procedures, 2,329 beneficiaries are accounted for.</p> <p>The procurement documentation underwent the approval procedure.</p> <p>Verified:</p> <ul style="list-style-type: none"> <li>▶ 796 technical assignments, 69 of which were returned to the initiators for further revision. All comments were eliminated by the originators;</li> <li>▶ 1,442 assessment reports and analytical notes, 115 of which were returned to the originator for further revision and re-submitted thereafter.</li> </ul> <p>As a result of the work done in 2025, the initial (maximum) price for procurement procedures was reduced by RUB 166.817 million, including rebidding and pre-contract negotiations.</p>

Focus areas of Anti-Corruption Policy	Measures taken in 2025
<b>Legal education and laying the groundwork of law-abiding behaviour of employees, consulting and training of employees</b>	<p>The Company continuously updates its legal framework and takes all the necessary measures and anti-corruption procedures to instil zero tolerance to corruption in its employees.</p> <p>During 2025, 19 employees of the Company's Department of Security and Anti-Corruption Policy underwent relevant professional retraining, including:</p> <ul style="list-style-type: none"> <li>▶ 3 employees under the Anti-Corruption Compliance programme;</li> <li>▶ 11 employees under the Economic Security programme;</li> <li>▶ 5 employees under the Digital Sovereignty Model, Energy Development Strategy programme.</li> </ul> <p>In order to improve the effectiveness of awareness-raising, educational and other corruption prevention activities, the Company regularly updates the regulatory and legal framework, counselling and training of employees.</p> <p>The Company's corporate website has the Anti-Corruption section that contains up-to-date information on anti-corruption activities, hotline numbers and other ways to report possible instances of corruption.</p> <p>A total of 85 Information stands titled "Territory without Corruption" containing up-to-date information on the requirements of anti-corruption legislation, general principles of the Anti-Corruption Policy, hotlines, and other available ways to report corruption are placed in the reception areas of subdivisions and power grid regions, as well as in the Customer Service Centres of PJSC Rosseti South's branches.</p> <p>Individual staff consultations on the application of anti-corruption standards and procedures are constantly conducted.</p> <p>In 2025, verification measures were conducted at the Kalmenergo, Astrakhanenergo and Rostovenergo branches of PJSC Rosseti South, including offsite visiting. Working meetings were held with security teams and human resources offices, and information was shared on the organisation of a unified approach to implementing measures outlined in the Anti-Corruption Policy.</p> <p>As part of our ongoing efforts to create a culture of zero tolerance for corruption within our Company, we developed a set of slides that were sent to our branches. These slides contain principles and requirements for preventing conflict situations within PJSC Rosseti South. They were created taking into account recent changes in Russian anti-corruption legislation.</p> <p>Also, on the eve of the declaration campaign, an awareness-raising handout was developed and distributed to each employee</p>

**Anti-corruption plans for 2026:**

- ▶ To organise events under the Anti-Corruption Policy in accordance with the anti-corruption plan
- ▶ To hold events for the annual declaration of the conflict of interests of the Company's employees and the preparation of a respective progress report
- ▶ To organise self-assessment of the effectiveness of anti-corruption measures in the Company in cooperation with representatives of the Chamber of Commerce and Industry of the Russian Federation on participation in the Anti-Corruption Charter of Russian Business
- ▶ To strengthen control over compliance by employees with anti-corruption legislation and the requirements of the Anti-Corruption Policy of PJSC Rosseti South
- ▶ To arrange for collection, analysis and verification of information regarding the entire chain of ownership of counterparties, including beneficiaries, as well as information on the composition of executive bodies, and send consolidated reports to PJSC Rosseti
- ▶ To improve efforts to foster a culture of zero tolerance for corruption within the Company and in interactions with partners and contractors

# Information disclosure

The Information Policy of the Company is aimed at the complete satisfaction of shareholders, investment community, client, contractor, relevant market regulators, public authorities, employees and other interested parties seeking complete, relevant and accurate information about the Company and its activities, as well as the free and unhindered access to such information.

During the reporting year, the Company had public status and disclosed all information about its activities as required by Article 30 of Federal Law No. 39-FZ dated 22 April 1996 on the securities market and its own Regulations on Information Policy.

The Company's information transparency is based on the maximum exercise of the rights of shareholders, their representatives, potential investors and other interested parties to receive information on the Company's activities. The prerequisites are:

- ▶ Protection of restricted information, including information constituting a state, commercial or other secret protected by law, including personal data, as well as insider information;
- ▶ Compliance with the rules for the distribution and use of insider information as set out in the Company's internal documents.

Apart from the data subject to obligatory disclosure, the Company publishes detailed information on its operations, securities and shareholders, as well as its governing and control bodies, significant transactions, and subsidiaries and affiliates. The

Company also endeavours to disclose material non-financial information, which helps to form an objective and comprehensive view of the Company's impact on the environment, social sphere, and economy.

Simultaneously with the release of information in Russian, the Company also publishes a notice of a meeting or a proxy vote for decision-making by the General Meeting of Shareholders, the Annual Report, financial statements, and other relevant documents in English, making them freely available to the public.

The information policy shall be put in effect by the sole executive body of the Company.

The Board of Directors controls the implementation of the Information Policy Regulations by considering the reports of the General Director on compliance with the information policy on an annual basis.

## Main forms and channels of information disclosure

The main objective of the corporate website is to provide consumers with expanded and well-structured information about the Company.

Information about the Company's current and future activities is published on its official website and shared through the media and other media resources to keep the public well informed. The forms of communication vary, ranging from sending out news press releases to posting announcements (e.g., about scheduled maintenance and power outages). State authorities are informed in the similar manner.

Another public relations channel is social media. Since October 2025, the main channel of communication with consumers and authorities has been the Company's official channel on MAX. Here, information is presented in a visually appealing way to capture viewers' attention. The main communication channels for customer interaction are the Company's official channels on Telegram, VKontakte, and Odnoklassniki.

### 2025 results

In 2025, the Company prepared and published 516 press releases. The total number of mentions in regional media was 17,987.

According to the efficiency evaluation index of PR activities (according to the INTERFAX SCAN system), the visibility index of PJSC Rosseti South for the reporting period is 4,844,658 points. The visibility index is trending upwards as compared to 2024. The share of voice is 24%. Coverage for the specified period is almost 105 million people.

The reputational risk index is 36 points and in the moderate risk zone.

# 05 Corporate governance report



## Keeping a balance of interests

Rosseti South takes into account the interests of all stakeholders, guarantees the protection of shareholders' rights, and also ensures equal treatment for all.

97.5%

of the requirements of the Corporate Governance Code are fully or partially complied with

99.2%

attendance at meetings of the Board of Directors

Corporate governance corresponds to the well-developed practice

"Motherland is calling!" - sculpture on Mamayev Kurgan, Volgograd

The governing bodies of the Company made all the decisions that were required and sufficient to guarantee the Company's present and strategic operations in a timely and complete manner. The decision-making process involved active participation from all members of the Company's governing bodies.

The Company did not record any corporate conflicts.

In reporting year, the Russian Institute of Directors confirmed PJSC Rosseti South's National Corporate Governance Rating (NCGR) at level 7, Well-Developed Corporate Governance Practice.

## Controlling shareholder of PJSC Rosseti South

The controlling shareholder of PJSC Rosseti South is PJSC Rosseti, with a state stake of

**77.02%**  
of the outstanding shares

## Corporate governance system

Corporate governance of PJSC Posseti South is a system of relations between the Company's executive bodies, its Board of Directors, shareholders, S&As and other stakeholders.

Company, Company's Regulations on Protection of Insider Information, Company's Regulation on the Information Policy, and other internal documents.

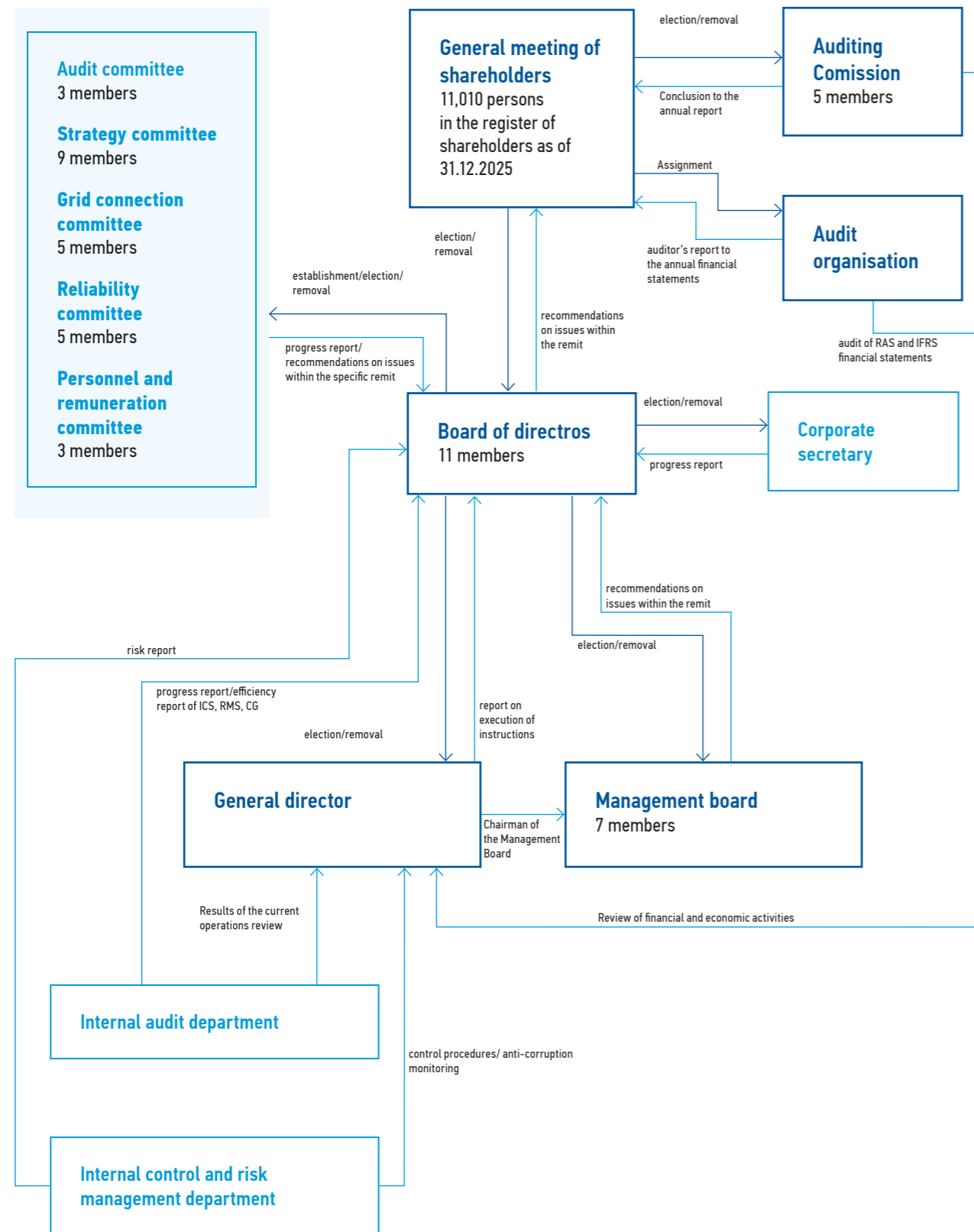
Corporate governance within the Company complies with the legislation of the Russian Federation, Company's Articles of Associations, bylaws for governing and control bodies of the

Internal documents regulating the Company's corporate governance are published on the Company's website: <https://rosseti-yug.ru/korporativnoe-upravlenie/vnutrennie-dokumenty/>.

## Principles of corporate governance

<b>Equal and fair treatment of all shareholders</b>	The Company commits to treating all shareholders fairly and equally, defending their rights, and giving them the chance to get strong protection in the case that such rights are violated
<b>Responsibility and accountability of the Board of Directors to the Company's shareholders</b>	In accordance with the law of the Russian Federation, the Corporate Governance Code of the Bank of Russia, the Board of Directors of the Company is accountable to the General Meeting of Shareholders of the Company
<b>Transparency and openness of information about the Company</b>	The Company ensures timely disclosure of complete and reliable information on all material facts related to its activities, including its financial position, performance (including social and environmental), ownership and management structure of the Company, as well as free access to such information to shareholders and other stakeholders through the implementation of the Information Policy approved by the Board of Directors
<b>Effective risk management and internal control system</b>	<p>The Company has a risk management system designed to ensure reasonable confidence in achieving the goals set for the Company, defined by the development strategy of the power grid complex of the Russian Federation, development policy documents and the Articles of Association of the Company, as well as to ensure the growth of the Company's value, while maintaining a balance of interests of all stakeholders. The Company regularly identifies, assesses and monitors risks, implements measures to lessen their probability and any potential consequences they may have, and informs shareholders and other stakeholders thereof.</p> <p>The Company acts in good faith and adheres to ethical values. The Board of Directors of the Company is independent of management and oversees the development and functioning of the internal control system. The Company assigns accountability to its governing bodies and personnel for their responsibilities in the area of internal control in the pursuit of objectives set</p>
<b>Responsibility of the Company to shareholders, consumers, employees, partners, society and the state</b>	The Company recognises and ensures the rights of shareholders and all interested parties as stipulated by the laws of the Russian Federation
<b>Sustainable development and implementation of strategic programmes and projects</b>	<p>The Company achieves its strategic goals in line with the principles of sustainable development, while observing the rights and interests of both the Company's shareholders and other stakeholders.</p> <p>The key objectives of PJSC Rosseti South in the field of sustainable development are:</p> <ul style="list-style-type: none"> <li>▶ To ensure reliable, high-quality and affordable energy supply for a comfortable life for people and the growth of the country's economy</li> <li>▶ To foster technological and innovative development</li> <li>▶ To ensure and maintain a high level of social stability and responsibility towards society and its citizens</li> <li>▶ To enhance occupational safety and health protection of its employees, and to improve production culture</li> <li>▶ To ensure environmental protection and deliver on the environmental policy</li> </ul>

## Corporate governance structure



## Improvement of corporate governance practices

In the reporting year, the Company focused on improving its corporate governance practices and maintaining dialogue with key stakeholders.

2025 results:

- ▶ Ensuring that the corporate governance rating is at a high level
- ▶ Updating of the Company's Articles of Association, internal documents related to corporate governance in general, as well as documents regulating the organisation of activities of governance bodies
- ▶ Making sure that the governing bodies' resolutions are fulfilled properly
- ▶ Conducting an external assessment of the activities of the Board of Directors and committees of the Board of Directors of the Company
- ▶ Disclosing non-financial statements in the form of an annual (integrated) report for 2024: the annual report passed the public assurance procedure in the Council of the Russian Union of Industrialists and Entrepreneurs on non-financial reporting, indices and ratings of sustainable development

In 2025, 185 corporate events were held, including:

- ▶ 2 General Meetings of Shareholders of the Company
- ▶ 52 in-person meetings / absentee ballots for decision-making by the Board of Directors of the Company
- ▶ 83 in-person meetings / absentee ballots for decision-making by the committees of the Board of Directors of the Company
- ▶ 48 absentee ballots for decision-making by the Company's Management Board

The governing bodies of the Company made all the decisions that were required and sufficient to guarantee the Company's present and strategic operations in a timely and complete manner. The decision-making process involved active participation from all members of the Company's governing bodies.

The reorganisation of the Company in the form of a merger with JSC Rosseti Kuban was conducted in full compliance with the legislation of the Russian Federation within the established time limit.

## Compliance with the principles and recommendations of the Corporate Governance Code of the Bank of Russia

The Company aligns<sup>1</sup> its operations with the recommendations of the Corporate Governance Code of the Bank of Russia.

The report on compliance with the principles and recommendations of the Corporate Governance Code of the Bank of Russia is reviewed annually by the Board of Directors of the Company as part of the process of preliminary approval of the Annual Report of the Company.

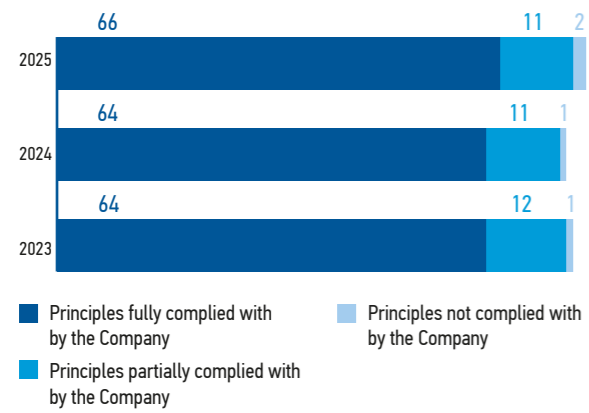
For the report on compliance with principles and recommendations of the Corporate Governance Code of the Bank of Russia, see Appendix 1.

The Board of Directors certifies that all report data contain full and reliable information on the Company's compliance with the principles and recommendations of the Corporate Governance Code of the Bank of Russia for 2025.

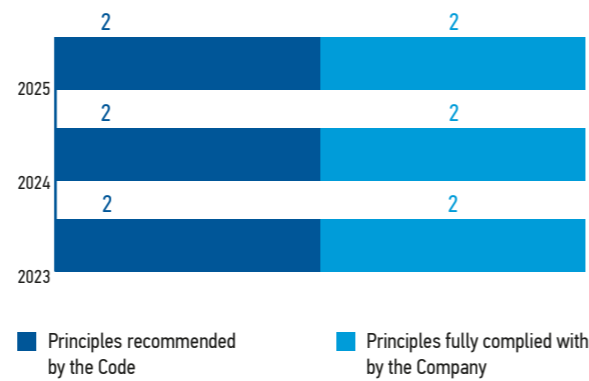
<sup>1</sup> It was determined by the decision of the Board of Directors of PJSC Rosseti South dated 31 October 2017 (Minutes No. 248/2017 dated 2 November 2017).

**Changes in the Company's compliance with the Bank of Russia's Corporate Governance Code in 2023–2025**

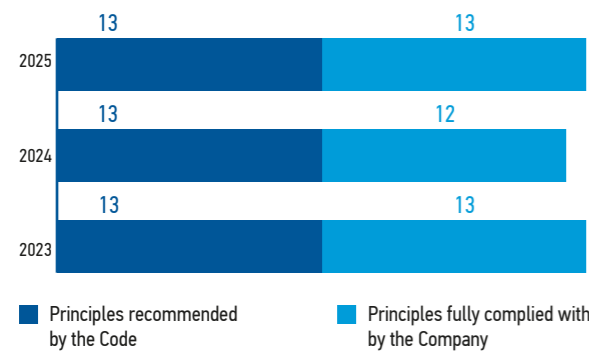
**Compliance with the principles of the Corporate Governance Code, %**



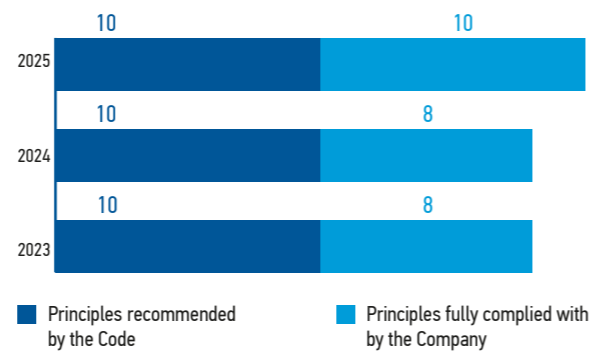
**Corporate Secretary of the Company**



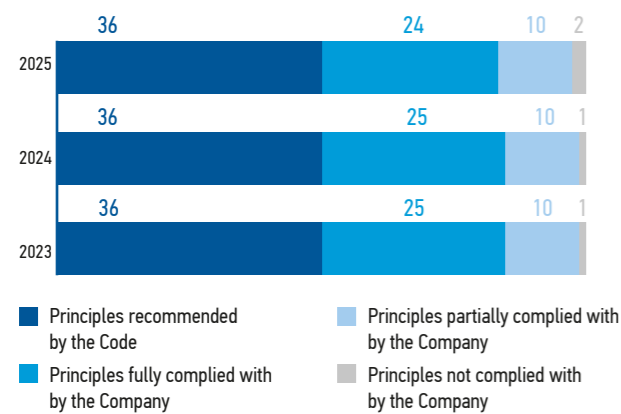
**Shareholder rights and equality of conditions for shareholders in exercising their rights**



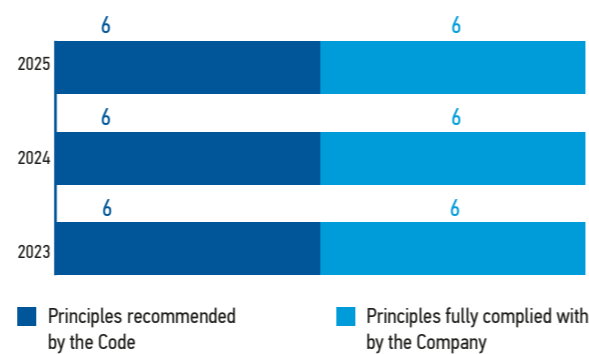
**Remuneration system for members of the Board of Directors, executive bodies and other key executives of the Company**



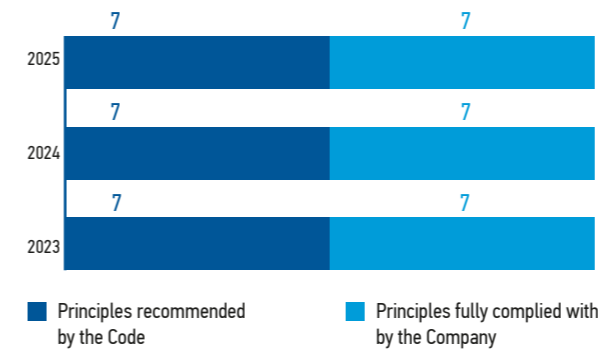
**Board of Directors of the Company**



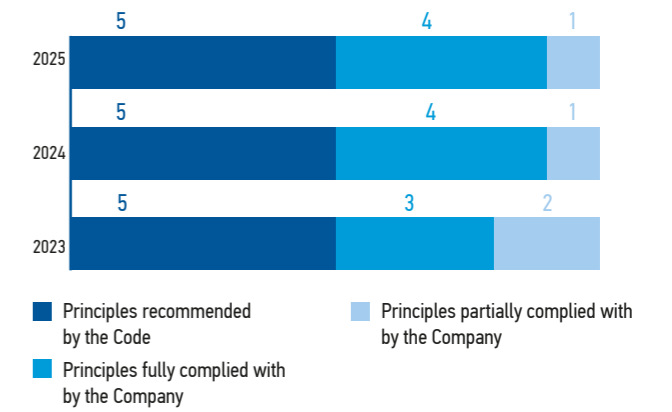
**Internal Control and Risk Management System**



**Disclosure of information about the Company, information policy of the Company**



**Material corporate actions**



**THE COMPANY MAINTAINS A HIGH LEVEL OF COMPLIANCE WITH THE RECOMMENDATIONS OF THE CORPORATE GOVERNANCE CODE OF THE BANK OF RUSSIA.**

- ▶ The rate of full and partial compliance with the recommendations of the Corporate Governance Code increased from 75% to 97.46% in the period from 2014 to 2025.
- ▶ The rate of full compliance with the Code's recommendations increased from 50% to 83.54%.

The policy pursued by the Company in the context of corporate governance contributes to building relations of trust and provides a real opportunity for the Company's shareholders to exercise their rights.

One of the ongoing processes in developing the Company's corporate governance structure is to implement as many best practices from abroad and Russia as possible.

**Plans to improve corporate governance**

- ▶ To adopt in-house Corporate Governance Code
- ▶ To maintain the corporate governance rating at the level of well-developed corporate governance practice
- ▶ To implement action plans based on the results of the Company's corporate governance assessment

In 2026, the Company will continue to analyse best corporate governance practices and assess the feasibility of their implementation.

## Assessment of the corporate governance level

### Self-assessment

The Company's internal audit department annually assesses the corporate governance of PJSC Rosseti South. Compliance of corporate governance with the principles and recommendations set out in the Corporate Governance Code and (or) the Listing Rules, and (or) best corporate practices is a measure used to assess corporate governance.

In the reporting year, the Company's internal audit function conducted an assessment of corporate governance at the end of the 2024/2025 corporate year against its compliance with the

laws of the Russian Federation, principles and recommendations of the Corporate Governance Code of the Bank of Russia, Listing Regulations of the Moscow Exchange and the best corporate practices. The assessment was carried out in accordance with the Methodology for Assessing Corporate Governance of PJSC Rosseti South, approved by the Company's Order No. 416 dated 16 July 2024.

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

### The results of the assessment of the Company's corporate governance in the 2024/2025 corporate year by the internal audit department

Component	Maximum score for 2024/2025	For the 2024/2025 corporate year	
		Score of the Company	Compliance with the applicable criteria, %
Shareholders' rights	61	59	97
Board of Directors	127.5	97.5	78
Executive management	34	20	59
Transparency and disclosures	128	114	89
Risk management, internal control and internal audit	61	59	97
Corporate social responsibility, business ethics and compliance	31	31	100
<b>Total score</b>	<b>448.5</b>	<b>388</b>	<b>87</b>

### Independent assessment

The Company engages an external corporate governance consultant as an independent expert on an ongoing basis, which enables tracking the effectiveness of ongoing changes and consistently implementing management system improvement tools, as well as elements of best practices.

In the reporting year, the Russian Institute of Directors conducted an annual monitoring of the Company's corporate governance practices and confirmed the Company's National Corporate Governance Rating at level 7 'Well-Developed Corporate Governance Practice':

- ▶ 03.02.2025 – for 2024;
- ▶ 10.02.2026 – for 2025.

The rating 7 means that the Company follows a significant number of recommendations of the Corporate Governance Code of the Bank of Russia and sustainable development standards. The Company is characterised by sufficiently low stakeholder risks related to the quality of corporate governance and sustainability management.

## General Meeting of Shareholders

The General Meeting of Shareholders of the Company is its supreme management body. The General Meeting of Shareholders of the Company abides by the laws of the Russian Federation, the Articles of Association of the Company, and the Regulations on the General Meeting of Shareholders of PJSC Rosseti South.

Materials for preparation for the General Meetings of Shareholder are posted on the Company's website in compliance with the recommendations of the Corporate Governance Code of the Bank of Russia on providing shareholders with additional materials to prepare for the General Meetings of Shareholder.

In preparation for the General Meetings of Shareholder, shareholders were told they could get comments from the Company's leadership and management on the agenda items for the General Meeting of Shareholders by joining a forum hosted on the Company's website. While preparing to the General Meetings of Shareholders, PJSC Rosseti South maintains a special telephone communication channel (hot line) for shareholders and a special e-mail address for discussing the meeting agenda issues.

The Company's shareholders may participate in the General Meetings of Shareholder by filling in the electronic ballot form in the Internet on the website of the Company's independent registrar, JSC R.O.S.T., through the use of the Shareholder's Personal Cabinet service.

The resolutions of the General Meeting of Shareholders of the Company are published on the Company's website in the [Shareholders and Investors section](#).

In 2025, two absentee ballots were held for decision-making by the General Meeting of Shareholders of the Company.

**Minutes dated 16 May 2025**

**Deadline for submitting completed voting papers: 15.05.2025**

**Quorum of the General Meeting of Shareholders of the Company (% of the total number of outstanding voting shares): 84.20% on all issues on the agenda**

**Decisions taken by the General Meeting of Shareholders**

**Issue No. 1**

On the reorganisation of Public Joint-Stock Company Rosseti South in the form of the merger of Joint-Stock Company Rosseti Kuban.

Decision on issue No. 1:

1. Reorganise PJSC Rosseti South in the form of the merger with JSC Rosseti Kuban in accordance with the procedure and on the terms stipulated in the agreement on the merger of JSC Rosseti Kuban into PJSC Rosseti South (hereinafter referred to as the Merger Agreement) approved by this decision.
2. Approve the Merger Agreement in accordance with Annex 1.
3. To determine that PJSC Rosseti South, within three working days from the date of the decision on reorganisation by the last of the reorganised companies, notifies in writing the authorised state body responsible for state registration of legal entities of the beginning of the reorganisation procedure, as well as, after making an entry in the unified state legal entity register on the beginning of the reorganisation procedure, twice at regular intervals, once a month, on behalf of all reorganised companies, publishes in the mass media, which publish data on the state registration of legal entities, a notice on the reorganisation of PJSC Rosseti South in the form of the merger JSC Rosseti Kuban.

**Issue No. 2**

On determining the number, par value, category (type) of declared shares of PJSC Rosseti South and the rights granted by these shares.

Decision on issue No. 2:

Determine that the number of declared ordinary shares that PJSC Rosseti South is entitled to place, in addition to the outstanding ordinary shares of PJSC Rosseti South, is 540,638,202,822 shares with a par value of RUB 0.10 each for a total par value of RUB 54,063,820,282.20.

Ordinary shares declared by PJSC Rosseti South for allocation grant their owners the rights specified in item 6.2. of Art. 6 of the Articles of Association of PJSC Rosseti South.

**Issue No. 3**

About making changes to the Articles of Association of PJSC Rosseti South.

Decision on issue No. 3:

Make changes to the Articles of Association of PJSC Rosseti South according to Annex 2, posted as part of the materials of the General Meeting of Shareholders of PJSC Rosseti South on the website of PJSC Rosseti South at <https://rosseti-yug.ru/aktsioneru-investoru/vosa-15.05.2025/>.

**Issue No. 4**

On the increase of the authorised capital of PJSC Rosseti South through the placement of additional shares.

Decision on issue No. 4:

1. Increase the authorised capital of PJSC Rosseti South by placing additional ordinary shares of PJSC Rosseti South in the amount of 540,638,202,822 shares with a par value of RUB 0.10 each for a total par value of RUB 54,063,820,282.20.
2. Determine the following method of placement of additional ordinary shares of PJSC Rosseti South – conversion of ordinary shares of JSC Rosseti Kuban into additional ordinary shares of PJSC Rosseti South in accordance with the procedure provided for in the agreement on the merger of JSC Rosseti Kuban into PJSC Rosseti South, which is Annex 1 hereto.
3. Determine the following conversion ratio: 0.000737,954 ordinary shares of JSC Rosseti Kuban are converted into 1 (One) ordinary share of PJSC South.

**Minutes No. 29 dated 11 June 2025**

**Deadline for submitting completed voting papers: 10.06.2025**

**Quorum of the General Meeting of Shareholders of the Company (% of the total number of outstanding voting shares): 89.75% on all issues on the agenda**

**Decisions taken by the General Meeting of Shareholders**

**Issue No. 1.**

On approval of the annual report of PJSC Rosseti South for 2024.

**Decision on issue No. 1:**

Approve the annual report of PJSC Rosseti South for 2024 according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10-06-2025/>.

**Issue No. 2**

On approval of the annual accounting (financial) statements of PJSC Rosseti South for 2024.

Decision on issue No. 2:

Approve the annual accounting (financial) statements of PJSC Rosseti South for 2024 according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10-06-2025/>.

**Issue No. 3**

On the distribution of profits (including the payment (declaration) of dividends) and losses of PJSC Rosseti South based on the results of 2024

Decision on issue No. 3:

1. Approve the following distribution of profits (losses) of PJSC Rosseti South based on the results of 2024:

**RUB '000**

Indicator	Amount
Retained profit (uncovered loss) of the reporting period:	7,225,489
Reserve fund	294,017
Dividends	0
Recovery of losses of prior periods	5,839,022
Profit for development	1,092,450

2. Not to pay dividends on ordinary shares of PJSC Rosseti South based on the results of 2024.

**Issue No. 4**

On the election of members of the Board of Directors of PJSC Rosseti South.

Decision on issue No. 4:

Elect the Board of Directors of PJSC Rosseti South consisting of:

1. D. Krainskiy, Deputy General Director for Legal Support of PJSC Rosseti
2. A. Rybin, General Director of PJSC Rosseti South
3. M. Dokuchaeva, Director of External Communications, PJSC Rosseti
4. B. Ebzeev, General Director of PJSC Rosseti Centre
5. K. Kravchenko, Deputy General Director for Digital Transformation of PJSC Rosseti
6. O. Klinkov, Director for Customer Relations — Head of Technological Development Department of PJSC Rosseti
7. E. Nikitchanova, Deputy Director — Head of the Expert Center of NPP RID
8. M. Tikhonova, Deputy General Director for Corporate Governance of PJSC Rosseti
9. A. Alyoshin, Deputy General Director for Economics and Finance of PJSC Rosseti
10. A. Kazakov
11. V. Zarkhin, temporarily off duty

**Issue No. 5**

On the election of members of the Auditing Commission of PJSC Rosseti South.

Decision on issue No. 5:

Elect the Auditing Commission of the Company consisting of:

1. L. Skrynnikova, Chief Expert of the Subsidiary Corporate Audit and Control Division of the Internal Audit Department of PJSC Rosseti
2. K. Venevtsev, Chief Expert of the Operational Audit Department of the Internal Audit Department of PJSC Rosseti
3. S. Trishina, Deputy Head of the Internal Audit Department – Head of the Subsidiary Corporate Audit and Control Division of the Internal Audit Department of PJSC Rosseti
4. A. Ulyanov, Director for Internal Audit – Head of the Internal Audit Department of PJSC Rosseti
5. V. Tsarkov, First Deputy Head of the Internal Audit Department of PJSC Rosseti

**Issue No. 6**

On the appointment of the audit organisation of PJSC Rosseti South.

Decision on issue No. 6:

Appoint a collective participant as part of LLC TSATR – Audit Services (leader of the collective participant) and LLC Intercom-Audit (a member of the collective participant) is an audit organisation of PJSC Rosseti South.

**Issue No. 7**

On the approval of the Articles of Association of PJSC Rosseti South in a new wording.

Decision on issue No. 7:

Approve the Articles of Association of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 8**

On the approval of the Regulations on the General Meeting of Shareholders of PJSC Rosseti South in a new wording.

Decision on issue No. 8:

Approve the Regulations on the General Meeting of Shareholders of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 9**

On the approval of the Regulations on the Board of Directors of PJSC Rosseti South in a new wording.

Decision on issue No. 9:

Approve the Regulations on the Board of Directors of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 10**

On the approval of the Regulations on the Management Board of PJSC Rosseti South in a new wording.

Decision on issue No. 10:

Approve the Regulations on the Management Board of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 11**

On the approval of the Regulations on the Auditing Commission of PJSC Rosseti South in a new wording.

Decision on issue No. 11:

Approve the Regulations on the Auditing Commission of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 12**

On the approval of the Regulations on Remuneration and Compensation to Members of the Board of Directors of PJSC Rosseti South in a new wording.

Decision on issue No. 12:

Approve the Regulations on the Remuneration and Compensation to Members of the Board of Directors of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

**Issue No. 13**

On the approval of the Regulations on Remuneration and Compensation to Members of the Auditing Commission of PJSC Rosseti South in a new wording.

Decision on issue No. 13:

Approve the Regulations on the Remuneration and Compensation to Members of the Auditing Commission of PJSC Rosseti South in a new wording according to the appendix posted on the Company's official website on the Internet at: <https://rosseti-yug.ru/aktsioneru-investoru/gosa-10.06.2025/>.

The resolutions of General Meeting of Shareholder of the Company to be enforced were accomplished. The Company was reorganised in accordance with the procedure and within deadlines established by the legislation of the Russian Federation, and the rights of shareholders were fully respected.

# Board of Directors

The Board of Directors of the Company is a collegial governing body that performs general management of the Company's activities, oversees the activities of the Company's executive bodies, as well as the execution of resolutions of the General Meeting of Shareholders and the safeguarding of the legitimate interests of the Company's shareholders in accordance with the requirements of the legislation of the Russian Federation.

The Board of Directors of the Company is governed by the laws of the Russian Federation, the Articles of Association, and the Regulations on the Board of Directors of PJSC Rosseti South<sup>1</sup>.

**The first-time elected members of the Board of Directors of the Company** are provided with an opportunity to get an insight into the Company's strategy, the corporate governance system adopted by the Company, the risk management and internal control system, the distribution of responsibilities between the Company's executive bodies and other essential information on the Company's production, financial and economic activities.

## Conflict of interest

GRI 2-15

The conflict of interests of a member of the Board of Directors of the Company is settled in accordance with the Regulations on the Board of Directors of PJSC Rosseti South.

Members of the Company's Board of Directors are required to refrain from actions that lead or may lead to a conflict between their interests and the interests of the Company, in particular, if the personal interests of a member of the Company's Board of Directors conflict or may conflict with the interests of the Company, if a member of the Company's Board of Directors takes actions or has interests that interfere with their ability to objectively and effectively carry out their duties in the Company.

In the event of any conflict of interest or the possibility of such a conflict, members of the Board of Directors of the Company must promptly inform the Chairman of the Board, the other members of the Board, and the Corporate Secretary of both the existence of the conflict and the reasons for its occurrence.

A member of the Board of Directors of the Company does not vote on an issue if there is a conflict of interest involved. They must abstain from voting on issues in respect of which they have or have had a conflict of interest.

# Membership of the Board of Directors

GRI 2-9, 405-1

The quantitative composition of the Board of Directors of the Company is 11 people.

**During the reporting year, there were two compositions of the Company's Board of Directors:**

- ▶ The composition of the Board of Directors of the Company, elected by the decision of the Annual General Meeting of Shareholders of the Company dated 19 June 2024 (Minutes No. 27 dated 19 June 2024) and effective from 19 June 2024 to 9 June 2025, while 9 of the 11 members of the Board of Directors of this composition were re-elected to the current Board of Directors of the Company;
- ▶ The current composition of the Board of Directors of the Company, elected by the decision of the General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025) (the second composition).

## Independent directors

The Corporate Governance Code of the Bank of Russia stipulates that the Board of Directors of the Company shall include a sufficient number of independent directors. The Company believes it is important to have independent directors as part of the Board of Directors of the Company.

In the reporting year, the Board of Directors of the Company consisted of the following independent directors:

- ▶ the first composition – A. Kazakov, M. Korotkova, E. Nikitchanova,
- ▶ the second composition – A. Kazakov, E. Nikitchanova.

Members of the Board of Directors of the Company, A. Kazakov and E. Nikitchanova, are recognised by the Board of Directors of the Company as independent, despite the existence of formal criteria

of dependence (relationship with the Company, a substantial shareholder of the Company, a substantial counterparty of the Company):

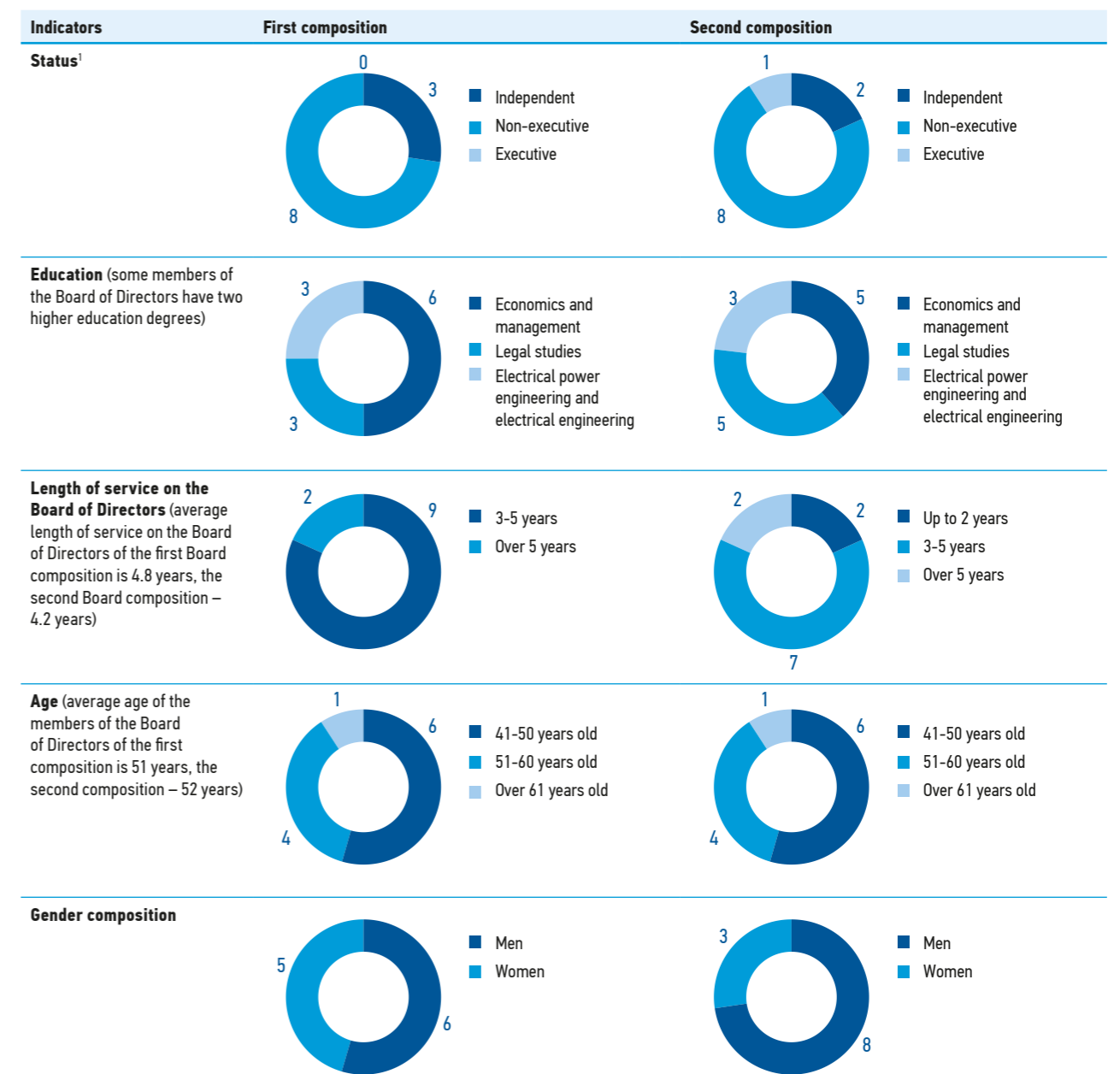
- ▶ in the first composition – by the decision of the Board of Directors of the Company dated 14 August 2024 (Minutes No. 586/2024 dated 16 August 2024),
- ▶ in the second composition – by the decision of the Board of Directors of the Company dated 15 October 2025 (Minutes No. 643/2025 dated 17 October 2025).

The personal composition of the Company's Board of Directors ensures an appropriate level of its independence from the Company's management, which allows for proper control over its operations. In 2025, the Board of Directors of the Company:

- ▶ had no executive directors in the first composition (B. Ebzeev was the General Director of the Company until 26 December 2024);
- ▶ had one Executive Director, A. Rybin, in the second composition (General Director of the Company since 26 December 2024).

The Senior Independent Director was not elected in the reporting year.

## Structure of the Board of Directors of the Company in the reporting year, people



<sup>1</sup> Approved by the decision of the General Meeting of Shareholders dated 10 June 2025 (Minutes No. 29 dated 11 June 2025). Until 10 June 2025, the Company had a different version of the Regulations on the Board of Directors of the Company, approved by the decision of the General Meeting of Shareholders of the Company on 29 May 2020 (Minutes No. 22 dated 2 June 2020).

<sup>1</sup> The status of the members of the Board of Directors of the Company (executive, non-executive, independent) is defined by the criteria of the Corporate Governance Code of the Bank of Russia.

## Personal background of the members of the Board of Directors<sup>1</sup>

The current composition of the Board of Directors of PJSC Rosseti South, elected by the decision of the annual General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025) (the second composition)<sup>2</sup>



**Daniil Krainskiy,**

Chairman of the Board of Directors, Non-Executive Director

<b>Year of birth</b>	1979		
<b>Educational background</b>	Higher.		
<b>(year, university, qualification, major)</b>	2002, Moscow State Law Academy, lawyer qualification, major in legal studies		
<b>Primary employment, position</b>	PJSC Rosseti, Deputy General Director for Legal Support		
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Member of the Strategy Committee of the Board of Directors		
<b>Participation in governing and control bodies of other organisations over the last five years</b>			
<b>Period</b>	<b>Organisation</b>	<b>Position</b>	
<b>From</b>	<b>To</b>		
2018	2022	JSC Lenenergo Energy Service Company	Member of the Board of Directors
		PJSC Rosseti Lenenergo	
2019	Present time	PJSC Rosseti Lenenergo	Member of the Management Board
		PJSC Rosseti Urals, PJSC Rosseti Moscow Region	
2020	2023	PJSC Rosseti Siberia, PJSC Rosseti Centre, PJSC Rosseti North Caucasus	Member of the Board of Directors
	2025	LLC Energotrans	Member of the governing bodies (Board of Directors, Management Board) of the management organisation (PJSC Rosseti Lenenergo)
2021	2022	PJSC Rosseti North-West	Member of the Board of Directors
	2025	JSC Rosseti Kuban	Chairman of the Board of Directors
	Present time	PJSC Rosseti South	
2022	2023	JSC Rosseti Tyumen, JSC Rosseti Yantar, JSC Rosseti Siberia Tyvaenergo, JSC Rosseti Tsifra, PJSC Rosseti Volga, PJSC Rosseti Tomsk, JSC Rosseti Scientific and Technical Centre	Member of the Board of Directors
		JSC Rosseti Property Management	Chairman of the Board of Directors
2023	Present time	PJSC Rosseti, JSC CECM UES	Member of the Board of Directors
		PJSC Rosseti	Member of the Management Board
2025	Present time	JSC Energetik	Chairman of the Board of Directors
2025	Present time	PJSC Rosseti Siberia, PJSC Rosseti Volga	Member of the Board of Directors
<b>Date of the first election to the Company's Board of Directors</b>		02.06.2021	
<b>Date of first election as Chairman of the Board of Directors of PJSC Rosseti South</b>		28.06.2021	



**Artyom Alyoshin,**

Non-Executive Director

<b>Year of birth</b>	1977		
<b>Educational background</b>	Higher.		
<b>(year, university, qualification, major)</b>	2000, Nizhny Novgorod State Technical University, qualification of managing economist, major in management.		
	2004, Volga-Vyatka Academy of Public Administration, qualification of lawyer, major in legal studies		
<b>Primary employment, position</b>	Deputy General Director for Economics and Finance of PJSC Rosseti		
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Chairman of the Strategy Committee of the Board of Directors		
<b>Participation in governing and control bodies of other organisations over the last five years</b>			
<b>Period</b>	<b>Organisation</b>	<b>Position</b>	
<b>From</b>	<b>To</b>		
2017	2023	JSC ATCh	Member of the Board of Directors
		JSC Svet	
2019	2024	JSC VGES	Chairman of the Board of Directors
		JSC Energetik Sanatorium	
2021	2022	PJSC TNS Energo	Member of the Board of Directors
		LLC Bryanskelectro	Chairman of the Board of Directors
2020	2024	JSC Ivgorelektrosset	Chairman of the Board of Directors
		PJSC Rosseti Centre, PJSC Rosseti Centre and Volga Region	
2024	Present time	PJSC Rosseti Moscow Region	Member of the Board of Directors
		PJSC Rosseti North-West	
2025	Present time	PJSC Rosseti Urals, PJSC Rosseti Yantar	Member of the Board of Directors
		JSC Rosseti Kuban	
<b>Date of the first election to the Company's Board of Directors</b>		11.06.2025	

<sup>1</sup> Consent to the disclosure of personal information set out in the Corporate Governance Report section was obtained from all people who are or were members of the Company's governing and control bodies.

<sup>2</sup> Information on the primary employment of the members of the Board of Directors of the Company and their positions in governing bodies of other organisations is given as of the end of the reporting year.



**Maria Dokuchaeva,**  
Non-Executive Director

<b>Year of birth</b>	1979
<b>Educational background</b>	Higher.
<b>(year, university, qualification, major)</b>	2000, Lomonosov Moscow State University, bachelor qualification, major in economics. 2002, Lomonosov Moscow State University, master qualification, major in management
<b>Primary employment, position</b>	Director of External Communications of PJSC Rosseti
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Member of the Strategy Committee of the Board of Directors
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2022 — Present time	PJSC Rosseti Centre, PJSC Rosseti South
2025	JSC Rosseti Tyumen
<b>Date of the first election to the Company's Board of Directors</b>	16.06.2022



**Vitaly Zarkhin,**  
Non-Executive Director

<b>Year of birth</b>	1976
<b>Educational background</b>	Higher.
<b>(year, university, qualification, major)</b>	1998, State University – Higher School of Economics, Bachelor of Economics, major in economics. 2000, State University – Higher School of Economics, Master of Management, major in management
<b>Primary employment, position</b>	Professional Director
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Member of the Strategy and Reliability Committees of the Board of Directors
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2019 — present time	PJSC Rosseti Centre and Volga Region, PJSC Rosseti Centre, PJSC Rosseti South
2021 — 2023	PJSC Rosseti Siberia
2022	PJSC EL5-Energo
<b>Date of the first election to the Company's Board of Directors</b>	31.05.2019



**Alexander Kazakov,**  
Independent Director

<b>Year of birth</b>	1948
<b>Educational background</b>	Higher.
<b>(year, university, qualification, major)</b>	1971, Sergo Ordzhonikidze Moscow Engineering and Economic Institute, engineering economist qualification, major in economics and organisation of machine-building industry. Academic degree: Doctor of Economics
<b>Primary employment, position</b>	Professional Director
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Member of the Audit Committee of the Board of Directors
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>from</b> <b>to</b>	<b>Position</b>
2018 — 2025	PJSC Rosseti Centre and Volga Region
2021	JSC Rosseti Kuban
2022 — Present time	PJSC Rosseti South
2022	PJSC Rosseti Volga
<b>Date of the first election to the Company's Board of Directors</b>	31.08.2021



**Oleg Klinkov,**  
Non-Executive Director

<b>Year of birth</b>	1972
<b>Educational background</b>	Higher.
<b>(year, university, qualification, major)</b>	1994, Mozhaisky Military Space Engineering Academy, electrical engineer qualification, major in automatic control systems for aircraft
<b>Primary employment, position</b>	Director for Customer Relations, Head of the Technological Development Department of PJSC Rosseti
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Members of the Grid Connection Committee of the Board of Directors
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2021 — Present time	OJSC Tomsk Main Power Grids
2023 — 2025	PJSC Rosseti South
2023 — Present time	PJSC Rosseti Siberia
2024	JSC Rosseti Siberia Tyvaenergo
	JSC Electromagistral
<b>Date of the first election to the Company's Board of Directors</b>	31.08.2021



**Konstantin Kravchenko,**  
Non-Executive Director

<b>Year of birth</b>	1973	
<b>Educational background</b>	Higher.	
<b>(year, university, qualification, major)</b>	1995, Voronezh State Technical University, design and process engineer qualification, major in design and technology of power grid regions.	
	Academic degree: Candidate of Technical Sciences	
<b>Primary employment, position</b>	Deputy General Director for Digital Transformation of PJSC Rosseti	
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	–	
<b>Participation in governing and control bodies of other organisations over the last five years</b>		
<b>Period</b>	<b>Organisation</b>	<b>Position</b>
<b>From</b>	<b>To</b>	
2021	2023	JSC Rosseti Tsifra
	2022	LLC Infrastructure Investments-3
	Present time	JSC Chitatchenergo, JSC MTCES, JSC Rosseti Tyumen, JSC Rosseti Tsifra, LLC IT Energy Service, JSC Chitatchenergo
	2023	PJSC Rosseti Siberia, JSC Rosseti Scientific and Engineering Centre
	2025	JSC Rosseti Kuban, PJSC Rosseti Centre and Volga Region
		Member of the Board of Directors
2022	Present time	PJSC Rosseti South
	2023	JSC NWEMC
2024	Present time	JSC NWEMC
2025	Present time	PJSC Rosseti Centre
<b>Date of the first election to the Company's Board of Directors</b>	16.06.2022	



**Ekaterina Nikitchanova,**  
Independent Director

<b>Year of birth</b>	1973	
<b>Educational background</b>	Higher.	
<b>(year, university, qualification, major)</b>	1996, Voronezh State University, lawyer qualification, major in legal studies	
<b>Primary employment, position</b>	Deputy Director – Head of the Centre of Expertise of NPP RID	
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Chairman of the Audit Committee of the Board of Directors, member of the Personnel and Remuneration Committee of the Board of Directors	
<b>Participation in governing and control bodies of other organisations over the last five years</b>		
<b>Period</b>	<b>Organisation</b>	<b>Position</b>
<b>From</b>	<b>To</b>	
2011	Present time	JSC Higher School Publishing House, JSC Gorky Film Studio
2016		JSC TPO SDF
2020	2024	JSC Sovetskaya Sibir
2021	2022	PJSC Rosseti North-West
	Present time	PJSC Rosseti South
2024		JSC Russian Newspapers
		Member of the Board of Directors
<b>Date of the first election to the Company's Board of Directors</b>	31.08.2021	



**Alexey Rybin,**  
Executive Director

<b>Year of birth</b>	1972
<b>Educational background</b> (year, university, qualification, major)	Higher. 1994, Zhukovsky Kharkov Aviation Institute, mechanical engineer qualification, major in aviation engines and power plants. 1998, Rostov State University, lawyer qualification, major in legal studies; 2024, Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute, Master's degree in electrical power engineering and electrical engineering
<b>Primary employment, position held</b>	General Director of PJSC Rosseti South
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	–
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b>	<b>To</b>
2013	2024
2021	2025
2018	Present time
2024	Present time
	2025
2025	2025
	Present time
<b>Date of the first election to the Company's Board of Directors</b>	
	11.06.2025



**Maria Tikhonova,**  
Non-Executive Director

<b>Year of birth</b>	1980
<b>Educational background</b> (year, university, qualification, major)	Higher. 2002, Volga-Vyatka Academy of Public Administration, major in state and municipal management Academic degree: Candidate of Economic Sciences
<b>Primary employment, position</b>	Deputy Director General for Corporate Governance of PJSC Rosseti
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	–
<b>Participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b>	<b>To</b>
2021	2021
	2022
	2023
	2025
	Present time
2022	Present time
	2023
2025	Present time
<b>Date of the first election to the Company's Board of Directors</b>	
	16.06.2022



**Boris Ebzeev,**  
Non-Executive Director

<b>Year of birth</b>	1975		
<b>Educational background</b>	Higher.		
<b>(year, university, qualification, major)</b>	1997, Lomonosov Moscow State University, lawyer qualification, major in legal studies.		
	Academic degree: Candidate of Legal Sciences		
<b>Primary employment, position</b>	General Director of PJSC Rosseti Centre		
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	–		
<b>Participation in governing and control bodies of other organisations over the last five years</b>			
<b>Period</b>	<b>Organisation</b>	<b>Position</b>	
<b>From</b> <b>To</b>			
2014	2024	PJSC Rosseti South	General Director, Chairman of the Management Board
2015	Present time	PJSC Rosseti South	Member of the Board of Directors
2018	2025	JSC VMES	Chairman of the Board of Directors
2021	2024	JSC Rosseti Kuban	Chairman of the Management Board, Acting General Director (part-time)
		JSC Rosseti Kuban	Member of the Board of Directors
2023		JSC Energoservis Yuga	Chairman of the Board of Directors
2024	Present time	PJSC Rosseti Centre	General Director, Chairman of the Management Board
		PJSC Rosseti Centre and Volga Region	General Director of the managing organisation – PJSC Rosseti Centre, Chairman of the Management Board
2025		PJSC Rosseti Centre, PJSC Rosseti Centre and Volga Region	Member of the Board of Directors
<b>Date of the first election to the Company's Board of Directors</b>		27.03.2015	

The composition of the Board of Directors of PJSC Rosseti South, elected by the decision of the annual General Meeting of Shareholders of the Company dated 19 June 2024 (Minutes No. 27 dated 19 June 2024) and acting before the election of the new Board of Directors of the Company on 10 June 2025 (the first composition)

1. Daniil Krainskiy, Chairman of the Board of Directors
2. Maria Dokuchaeva
3. Vitaliy Zarkhin
4. Alexander Kazakov

5. Oleg Klinkov
6. Konstantin Kravchenko
7. Ekaterina Nikitchanova
8. Maria Tikhonova
9. Boris Ebzeev

The above-mentioned members of the Board of Directors of the Company were re-elected to the current Board of Directors of PJSC Rosseti South. For more details, see p. [118 -128](#).



**Maria Korotkova,**  
Independent Director<sup>1</sup>

<b>Year of birth</b>	1984		
<b>Educational background</b>	Higher.		
<b>(year, university, qualification, major)</b>	2006, Lobachevsky Nizhny Novgorod State University, manager qualification, major in management of organisations		
<b>Primary employment, position</b>	Development Director of LLC Technoinnovatsia		
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	Chairman of the Audit Committee, member of the Strategy Committee of the Board of Directors		
<b>Participation in governing and control bodies of other organisations over the last five years</b>			
<b>Period</b>	<b>Organisation</b>	<b>Position</b>	
<b>From</b> <b>To</b>			
2013	2021	LLC MKS	Director
2017	2023	PJSC Rosseti Volga	Member of the Board of Directors
2020	2025	PJSC Rosseti South	
2021	2024	PJSC Rosseti Centre	
<b>Date of the first election to the Company's Board of Directors</b>		29.05.2020	

<sup>1</sup> Information about M. Korotkova's primary place of employment and the positions she holds in the governing bodies of other organisations are given as of the beginning of the reporting year.



**Natalia Paramonova,**  
Non-Executive Director<sup>1</sup>

<b>Year of birth</b>	1970
<b>Educational background</b>	Higher.
<b>(year, university, qualification, major)</b>	1995, Gubkin State Academy of Oil and Gas, engineer in process automation qualification. 2005, Institute of Business and Politics (Moscow), economist qualification, major in accounting, analysis and audit
<b>Primary employment, position</b>	Deputy Head of the Economics Department of PJSC Rosseti
<b>Participation in the work of the committees of the Board of Directors of PJSC Rosseti South</b>	–

**Participation in governing and control bodies of other organisations over the last five years**

Period		Organisation	Position
From	To		
2019	2021	PJSC Rosseti Siberia, JSC FTC	
2020		PJSC Rosseti Volga	
	2022	JSC Kuban Main Power Grids	
2022	Present time	PJSC Rosseti Northen Caucasus	
		2023	JSC Rosseti Yantar, JSC STC UES
2023	2025	PJSC Rosseti South	
		PJSC Rosseti North-West	
2024	2024	JSC Electromagistral	
	2025	JSC Rosseti Kuban	
<b>Date of the first election to the Company's Board of Directors</b>			09.06.2023

<sup>1</sup> Information about N. Paramonova's primary place of employment and the positions she holds in the governing bodies of other organisations are given as of the beginning of the reporting year.

All members of the Board of Directors of the Company in 2025 are citizens of the Russian Federation.

None of the members of the Board of Directors of the Company:

- ▶ Owned the shares of the Company and its S&As or made transactions with them during the reporting year<sup>1</sup>;
- ▶ Took training courses at the expense of the Company;
- ▶ Had family ties with people who are members of the bodies that manage and/or control the financial and economic activities of the Company;
- ▶ Was held administratively liable for financial improprieties, offence regarding tax and fees or security market, or had any criminal record for economic crimes or crimes against the state;
- ▶ Hold positions in the management bodies of commercial organisations during the period when bankruptcy proceedings were initiated against these organisations and/or one of the bankruptcy procedures provided for by the insolvency legislation of the Russian Federation was introduced;

- ▶ Has entered into civil law contracts, including those involving property benefits, with the Company or subsidiaries and affiliates of the Company.

The Company has not received any information:

- ▶ on filing claims against members of the Board of Directors of the Company;
- ▶ on any conflicts of interest (including those related to participation in the governing bodies of the Company's competitors) among the members of the Board of Directors.

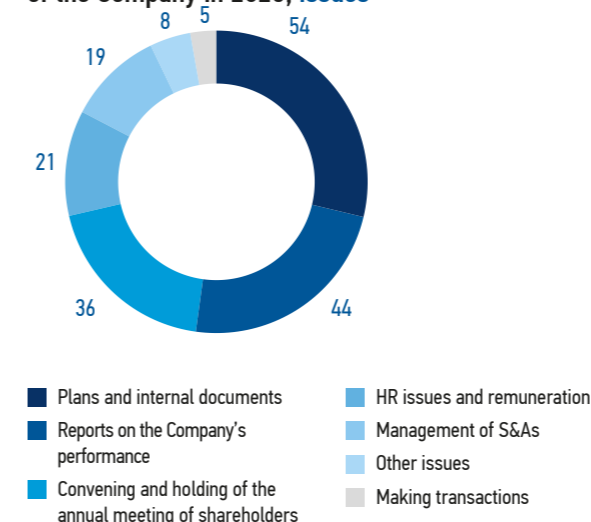
Personal background information on the Board members acting in 2025 can be found on the website of the Company: <https://rosseti-yug.ru/korporativnoe-upravlenie/organy-upravleniya/sovet-direktorov/>.

## Performance results of the Board of Directors in 2025

### Activity of the Company's Board of Directors in 2023–2025:

Indicator	2023	2024	2025
Number of in-person meetings held and absentee ballots for decision-making by the Board of Directors, total	46	44	52
▶ Including meetings	3	4	2
Number of issues discussed	189	159	187
Number of tasks given to the Company's executive bodies	X	X	37
Average attendance of the Board meetings by the Board members, %	X	X	99.2

### Structure of issues reviewed by the Board of Directors of the Company in 2025, issues



<sup>1</sup> According to the data provided to the Company by the members of the Board of Directors of PJSC Rosseti South.

## Significant decisions taken by the Company's Board of Directors in the reporting year

### The Company's long-term plans and programmes were approved

Investment programme for 2025–2029  
 The innovative development programme for 2024–2029 with an outlook for 2035  
 Updated programme of upgrade (renovation) of power grid facilities for 2025–2029  
 Updated digital transformation programme for 2024–2027 and forecast indicators until 2030  
 Updated roadmap for the development of additional (non-tariff) services until 2029  
 KPIs and functional KPIs of the Company's management for 2025–2027  
 Action plan for the implementation of the strategy of PJSC Rosseti and its subsidiaries and affiliates  
 Plan for the development of the production asset management system for 2024–2026 and resource plan for its implementation

### The Company's annual and quarterly plans and programmes were approved.

Business plan  
 Time-phased-action plan to reduce overdue receivables for electricity transmission services and to resolve disputes  
 Insurance protection programme  
 Credit plan

### The Company's internal documents were approved

Regulation on the Unified Technical Policy  
 Human Rights Policy  
 The shareholding policy for members of the Board of Directors, executive bodies and other key management personnel of the Company  
 New editions:  
 ▶ Quality Policy  
 ▶ Regulations on the Protection of Insider Information, on Information Policy, on the Corporate Secretary  
 ▶ Company's Internal Audit Quality Assurance and Improvement Programme  
 ▶ Internal Audit Policy

### Decisions taken

On holding absentee voting for decision-making by the General Meeting of Shareholders of PJSC Rosseti South on the reorganisation of the Company in the form of the merger with JSC Rosseti Kuban  
 On recommendations to the General Meeting of Shareholders of the Company on issues related to the reorganisation of PJSC Rosseti South  
 On approval of the document containing the terms of share offering

### The following reports were reviewed

Report of the General Director of the Company on various aspects of the financial and economic activities of the Company, Report of Committees of the Board of Directors of the Company on the work done  
 Report of Internal Audit Function on the organisation, functioning and effectiveness of the Company's risk management and internal control system, as well as report on the assessment of:  
 ▶ reliability and effectiveness of the Company's risk management and internal control system  
 ▶ effectiveness of the corporate governance system

### Positions of the following were defined

Positions of representatives of the Company at general meetings of shareholders of S&As and in the Boards of Directors of the Company's S&As

At in-person meetings held during the reporting year, the Board of Directors reviewed the reports:

- ▶ On the results of the business plan and investment programme
- ▶ On the progress on the higher-priority investment projects

## Information on the participation of members of the Board of Directors of PJSC Rosseti South in the meetings in 2025

Full name	Members of the Board of Directors of the Company	Number of in-person meetings and absentee ballots a Board member took part in (from those they were able to attend)					
		Board of Directors of the Company	Reliability Committee of the Board of Directors of the Company	Audit Committee of the Board of Directors of the Company	Strategy Committee of the Board of Directors of the Company	Personnel and Remuneration Committee of the Board of Directors of the Company	Grid Connection Committee of the Board of Directors of the Company
<b>Daniil Krainskiy, Chairman of the Board of Directors</b>	First and second	<b>52 out of 52</b>	–	–	33 out of 33	–	–
<b>Maria Dokuchaeva</b>	First and second	<b>52 out of 52</b>	–	–	12 out of 12	–	–
<b>Vitaliy Zarkhin</b>	First and second	<b>50 out of 52</b>	10 out of 10	–	33 out of 33	–	–
<b>Alexander Kazakov</b>	First and second	<b>52 out of 52</b>	–	17 out of 17	–	–	–
<b>Oleg Klinkov</b>	First and second	<b>52 out of 52</b>	–	–	–	–	8 out of 8
<b>Konstantin Kravchenko</b>	First and second	<b>52 out of 52</b>	–	–	–	–	–
<b>Ekaterina Nikitchanova</b>	First and second	<b>52 out of 52</b>	–	4 out of 4	–	15 out of 15	–
<b>Maria Tikhonova</b>	First and second	<b>52 out of 52</b>	–	–	–	–	–
<b>Boris Ebzeev</b>	First and second	<b>52 out of 52</b>	–	–	–	–	–
<b>Maria Korotkova</b>	First	<b>21 out of 21</b>	–	13 out of 13	21 out of 21	–	–
<b>Natalia Paramonova</b>	First	<b>21 out of 21</b>	–	–	–	–	–
<b>Artem Alyoshin</b>	Second	<b>31 out of 31</b>	–	–	33 out of 33	–	–
<b>Alexey Rybin</b>	Second	<b>31 out of 31</b>	–	–	–	–	–

## Performance review of the Board of Directors

GRI 2-18

The performance of the Company's Board of Directors and committees of the Company's Board of Directors is assessed in the following ways: internal assessment (self-assessment) – annually, an external independent assessment (through the involvement of an independent consultant) – once every three years.

Assessment of the Board of Directors of the Company	Type of assessment	Organiser
2022–2023	Self-assessment	Corporate Governance and Shareholder Relations Department of the Company
2023–2024	Self-assessment	Corporate Governance and Shareholder Relations Department of the Company
2024–2025	External assessment	JSC VTB Registrar

In the reporting year, JSC VTB Registrar conducted an external (independent) assessment of the performance of the Board of Directors of the Company, its members and committees of the Board of Directors of the Company for the 2024–2025 corporate year by analysing internal documents and decisions of the governing bodies and committees of the Board of Directors of the Company, questioning members of the Board of Directors and committees of the Board of Directors of the Company.

### Based on the results of the assessment, the following conclusions were drawn:

- ▶ The development and implementation of a wide range of internal documents attests to the high level of maturity of the corporate governance system at PJSC Rosseti South. All key aspects of the work of the Board of Directors of the Company and the management of the Company are regulated, which contributes to transparency, efficiency and consistency of management processes. This approach is consistent with the best corporate governance practices recommended by both Russian and international standards.
- ▶ The Company meets the issuer's requirements for corporate governance, which is a condition for inclusion of shares on the second level of listing on PJSC Moscow Stock Exchange.
- ▶ A systematic approach to succession management and reduction of onboarding time for new members of the Board of Directors of the Company (the presence of the guidelines

on onboarding of newly elected member(s) of the Board of Directors, committees of the Board of Directors of the Company demonstrates a strategic approach to personnel planning, which allows not only to maintain stability in the management of the Company, but also to introduce new members of the Board of Directors of the Company with the necessary competencies in a timely manner).

- ▶ The operating procedure of the Board of Directors of the Company ensure a clear structuring of its activities, including the procedure for holding meetings, making decisions and interacting with executive bodies.
- ▶ The policies and regulations are aimed at ensuring the long-term sustainability of the business, minimising risks and improving the efficiency of the Company's Board of Directors.
- ▶ The structure of the Board of Directors of the Company is balanced and optimal for the effective work of the Board of Directors of the Company and the current needs of the Company.
- ▶ Decision-making procedures comply with the Company's established standards and ensure objectivity and transparency. The Board of Directors of the Company effectively interacts with the executive bodies of the Company, ensuring a balance of interests.

- ▶ The Board of Directors of the Company demonstrates its commitment to the principles of corporate governance and readiness to further improve its activities, ensuring sustainable growth, strategic prospects and development of the Company.
- ▶ During the reporting period, the Company's Board of Directors reviewed strategic documents, including the business plan, investment programme and strategy implementation documents, taking into account the specific nature of the business and forecasted indicators. This indicates a high level of involvement in strategic planning, monitoring the implementation of policies in various areas of the Company's activities.
- ▶ Information, organisational and legal support for the activities of the Board of Directors of the Company is provided at a high standard. The Board of Directors of the Company operates according to the approved plan, which includes all key issues of competence. The materials are comprehensive, well-organised, and visually appealing.
- ▶ The Company's Board of Directors demonstrates high maturity in introducing new members, preventing conflicts of interest, and ensuring an adequate remuneration system.
- ▶ The number of independent directors on the Board of Directors of the Company complies with the current legislation and the requirements of the Moscow Stock Exchange; the

Board of Directors of the Company is balanced in terms of composition and expertise, its structure is optimal; a high level of participation of members of the Board of Directors of the Company in meetings and absentee voting for decision-making by the Board of Directors of the Company is noted (99.8%).

- ▶ The Chairman of the Board of Directors of the Company has a high level of competence, knowledge and managerial skills, ensures effective organisation of the work of the Board of Directors of the Company and professional interaction between the members of the Board of Directors of the Company and the executive bodies of the Company, monitors the implementation of decisions of the Board of Directors of the Company and improves the quality of the work of the Board of Directors of the Company as a whole; the work of the Chairman of the Board of Directors of the Company is rated as highly effective.
- ▶ The Corporate Secretary of the Company performs their functions efficiently and to the highest standard, facilitates the exchange of information between members of the Board of Directors of the Company, the Company's management and other participants in corporate relations, ensures compliance with procedures and regulations, and contributes to the development of the corporate governance system in the Company.

### Results of the assessment for the 2024/2025 corporate year conducted by JSC VTB Registrar (on a scale from 1 to 5 points)

Target of assessment	Points	For reference, the results of the self-assessment for the corporate year:	
		2022/2023	2023/2024
Board of Directors of the Company	4.79	4.80	4.70
Board of Directors as a governing body of the Company	4.83	4.70	4.60
Chairman of the Board of Directors of the Company	4.90	4.90	4.80
Members of the Board of Directors of the Company (average score for 11 members, including the Chairman)	4.66	X	X
Committees of the Board of Directors of the Company (average score for five committees)	4.80	4.80	4.64
Corporate Secretary of the Company	5.00	X	X

# Committees under the Board of Directors

In accordance with the Company's Articles of Association, for the purpose of preliminary consideration of issues within the competence of the Board of Directors of the Company, as well as the development of necessary recommendations to the Board of Directors and executive bodies of the Company, by decision of the

- ▶ Audit Committee (AC)
- ▶ Personnel and Remuneration Committee (PRC)
- ▶ Strategy Committee (SC)
- ▶ Reliability Committee (RC)
- ▶ Grid Connection Committee (GCC)

The Committees are formed by the Board of Directors of the Company and are auxiliary bodies that provide advice to the Board in its decision-making process. They are advisory in nature and are accountable to the Board for their activities.

The objectives, tasks and powers of the Committees, as well as the procedure for their formation and operation, are defined in the Regulations for each respective committee, approved by decisions of the Board of Directors and posted on the Company's official website. The Committees work is aligned with their action plans approved annually at the Committees' meetings.

The Board of Directors of the Company approves the personal composition of the committees, taking into account the knowledge, qualifications and experience of the candidates. Each

Board of Directors of the Company, five specialised committees have been established and are functioning. These committees preliminarily examine the most significant issues within the Board's competence that are relevant to their areas of expertise.

of them provides detailed information about their biography and competencies. The Committees comprise representatives of various shareholder groups of the Company and the Company's management, which ensures a multifaceted approach to the formation and adoption of objective and balanced decisions and the issuance of recommendations to the Board of Directors and the executive body of the Company.

In 2025, new members were elected to the committees: D. Skripalshchikov, M. Dokuchaeva, A. Tykushin, A. Polinov. The Corporate Secretary of the Company familiarised the members of the committees of the Board of Directors of the Company with their main duties and responsibilities.

The guidelines [on onboarding of newly elected member\(s\) of the Board of Directors, Committees of the Board of Directors of the Company](#) can be found on the Company's website.

## Structure of committees by status<sup>1</sup>

	AC	PRC	SC	RC	GCC
Management representatives	–	–	1 (11 %)	2 (40 %)	2 (40 %)
Representatives of PJSC Rosseti	1 (33 %)	2 (67 %)	4 (44.5 %)	2 (40 %)	2 (40 %)
Non-executive directors	–	–	4 (44.5 %)	1 (20 %)	1 (20 %)
Independent directors	2 (67 %)	1 (33 %)	–	–	–

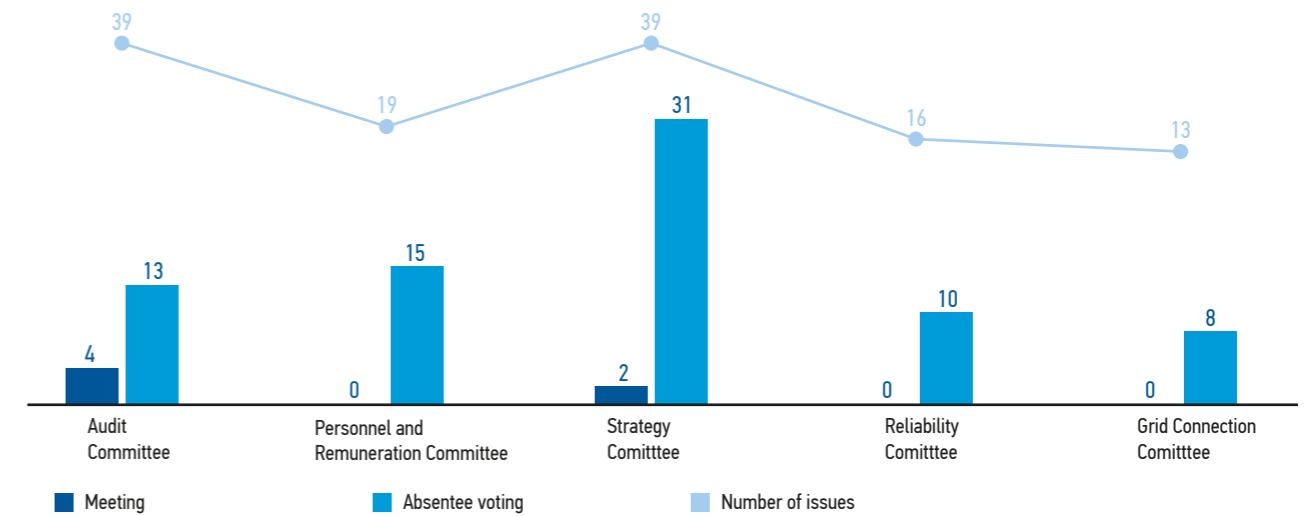
## Gender composition of the Committees<sup>1</sup>

	AC	PRC	SC	RC	GCC
Men	2 (67 %)	1 (33 %)	6 (67 %)	5 (100 %)	5 (100 %)
Women	1 (33 %)	2 (67 %)	3 (33 %)	0	0

<sup>1</sup> As of 31 December 2025.

In 2025, two of the five committees were headed by women (the Audit Committee and the Personnel and Remuneration Committee).

## Statistics of meetings/ absentee ballots for decision-making by the committees of the Board of Directors of the Company and the issues considered in 2025.



## Audit Committee

The activities of the Audit Committee of the Board of Directors of the Company (hereinafter referred to as the Audit Committee) are regulated by [the Regulations on the Audit Committee of the Board of Directors of PJSC Rosseti South](#)<sup>1</sup>.

## The personal composition of the Audit Committee and information on the participation of its members in in-person meetings/ absentee ballots for decision-making by the Audit Committee in 2025

Full name	Position	Attendance	Share of attendance, %
<b>The composition of the Audit Committee, effective from 01.01.2025 to 14.10.2025, elected by decision of the Board of Directors on 21.08.2024 (Minutes No. 588/2024 dated 23.08.2024)</b>			
<b>The total number of in-person meetings/absentee ballots held for decision-making by the Audit Committee is 13, of which: 3 in-person meetings, 10 absentee ballots</b>			
<b>Maria Korotkova</b> Chairman of the Committee Independent Director	Development Director, LLC Technoinnovatsia, member of the Board of Directors of PJSC Rosseti South	13/13	100
<b>Alexander Kazakov</b> Independent Director	Member of the Board of Directors of PJSC Rosseti South	13/13	100
<b>Anton Ulyanov</b>	Director for Internal Audit – Head of the Internal Audit Department of PJSC Rosseti	13/13	100

<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 11 March 2016 (Minutes No. 180/2016 dated 14 March 2016), taking into account the amendments made by the decision of the Board of Directors of the Company dated 2 November 2016 (Minutes No. 206/2016 dated 7 November 2016) and dated 10 October 2022 (Minutes No. 499/2022 dated 13 October 2022) and posted on the official website of the Company.

<sup>2</sup> The position is as of the date of election.

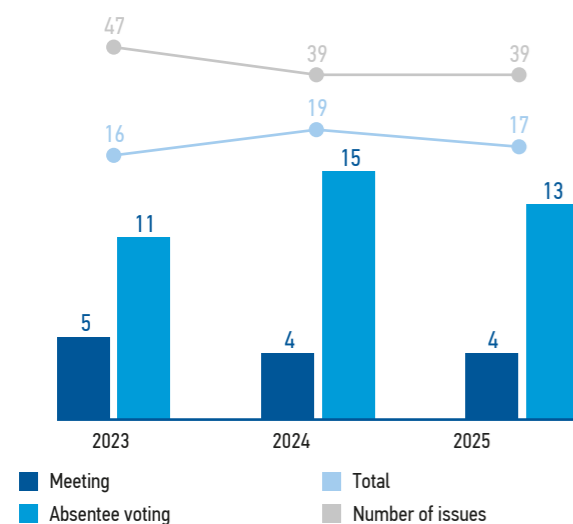
Full name	Position <sup>1</sup>	Attendance	Share of attendance, %
<b>The composition of the Audit Committee, effective from 15.10.2025 to 31.12.2025, elected by the decision of the Board of Directors of the Company dated 15.10.2025 (Minutes No. 643/2025 dated 17.10.2025)</b>			
<b>Total number of meetings held is four, of which: one in-person meeting, three absentee ballots</b>			
<b>Ekaterina Nikitchanova</b> Chairman of the Committee Independent Director	Deputy Director – Head of the Centre of Expertise of NPP RID	4/4	100
<b>Alexander Kazakov</b> Independent Director	Member of the Board of Directors of PJSC Rosseti South	4/4	100
<b>Anton Ulyanov</b>	Director for Internal Audit – Head of the Internal Audit Department of PJSC Rosseti	4/4	100

During 2025, two of the three elected members of the Audit Committee were independent directors and at the same time members of the Company's Board of Directors. The Audit Committee was headed by an independent director.

### Activities of the Audit Committee in 2025

In the reporting year, 17 in-person meetings/absentee ballots were held for decision-making by the Audit Committee, at which 39 issues were reviewed.

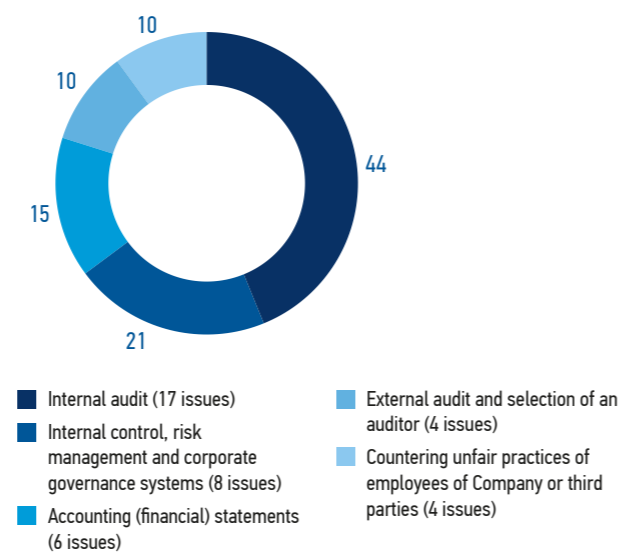
#### Statistics of in-person meetings/ absentee ballots for decision-making by the Audit Committee for 2023–2025



### Topics and categories of issues

In 2025, the Audit Committee gave out 18 recommendations to the Company's Board of Directors. The recommendations issued to the Board of Directors of the Company based on the Audit Committee's work in 2025 enabled the improvement of financial reporting and audit practices, which is in the interests of the Company's shareholders.

#### Topics and categories of issues, %



## Personnel and Remuneration Committee

The activities of the Personnel and Remuneration Committee of the Board of Directors of the Company (hereinafter referred to as the Personnel and Remuneration Committee) are governed by [the Regulations on the Personnel and Remuneration Committee of the Board of Directors of the Company](#)<sup>1</sup>.

### The personal composition of the Personnel and Remuneration Committee and information on the participation of its members in in-person meetings/ absentee ballots for decision-making by the Personnel and Remuneration Committee in 2025

Full name	Position <sup>2</sup>	Attendance	Share of attendance, %
<b>The composition of the Personnel and Remuneration Committee, effective from 01.01.2025 to 20.08.2025, elected by decision of the Board of Directors on 21.08.2024 (Minutes No. 588/2024 dated 23.08.2024)</b>			
<b>The total number of absentee ballots held for decision-making by the Personnel and Remuneration Committee is 9</b>			
<b>Darya Borisova</b> Chairman of the Committee	Director for HR Management of PJSC Rosseti	9/9	100
<b>Ekaterina Nikitchanova</b> Independent Director	Deputy Director – Head of the Centre of Expertise of Non-Profit Partnership Russian Institute of Directors, member of the Board of Directors of PJSC Rosseti South	9/9	100
<b>Konstantin Suvorovskiy</b>	Head of the Remuneration, Organisational Design and Personnel Administration Department at PJSC Rosseti	9/9	100
<b>The composition of the Personnel and Remuneration Committee, effective from 21.08.2025 to 31.12.2025, elected by the decision of the Board of Directors of the Company dated 21.08.2025 (Minutes No. 635/2025 dated 21.08.2025)</b>			
<b>The total number of absentee ballots held for decision-making by the Personnel and Remuneration Committee is 6</b>			
<b>Darya Borisova</b> Chairman of the Committee	Director for HR Management of PJSC Rosseti	6/6	100
<b>Ekaterina Nikitchanova</b> Independent Director	Deputy Director – Head of the Centre of Expertise of Non-Profit Partnership Russian Institute of Directors, member of the Board of Directors of PJSC Rosseti South	6/6	100
<b>Konstantin Suvorovskiy</b>	Head of the Remuneration, Organisational Design and Personnel Administration Department at PJSC Rosseti	6/6	100

<sup>1</sup> The position is as of the date of election.

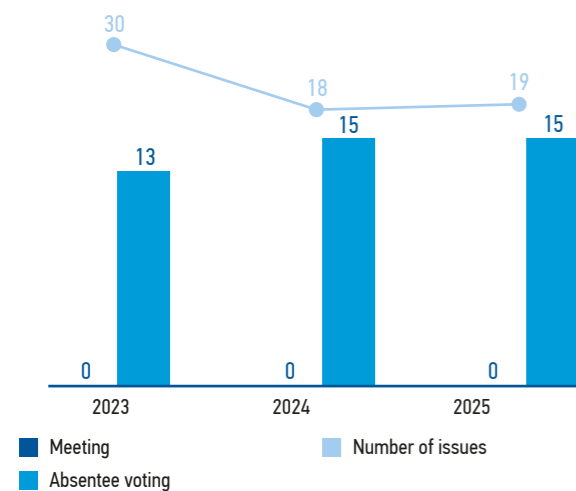
<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 8 May 2024 (Minutes No. 571/2024 dated 8 May 2024) and posted on the Company's official website.

<sup>2</sup> The position is as of the date of election.

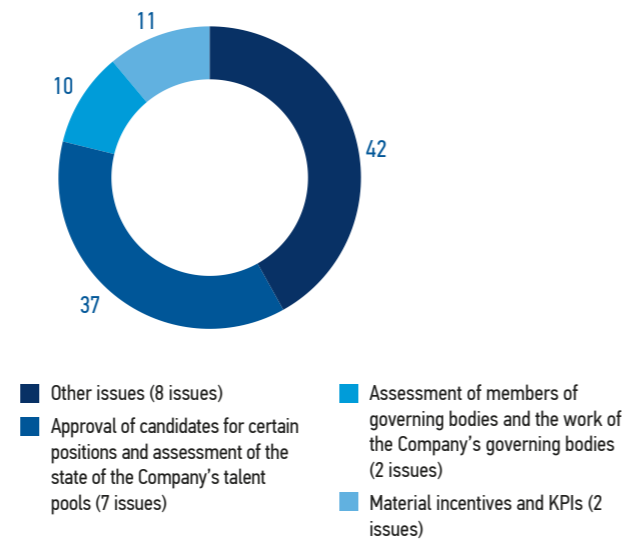
## Activities of the Personnel and Remuneration Committee in 2025

In the reporting year, 15 absentee ballots of the Personnel and Remuneration Committee were held, at which 19 issues were reviewed.

### Statistics of in-person meetings/ absentee ballots for decision-making by the Personnel and Remuneration Committee for 2023–2025



### Topics and categories of questions, %



In the reporting period, the Personnel and Remuneration Committee issued 16 recommendations to the Board of Directors.

In 2025, the Personnel and Remuneration Committee contributed to the formation of a professional composition of the Company's governing bodies, supervised the selection and evaluation of persons appointed to certain positions of the executive staff, and continued to work towards ensuring that the independence criteria for the members of the Board of Directors of the Company were met. As a result of this work, the Company's Board of Directors was given recommendations on recognising A. Kazakov and E. Nikitchanova as independent directors.

## Strategy Committee

The activities of the Strategy Committee of the Board of Directors of the Company (hereinafter referred to as the Strategy Committee) are governed by [the Regulations on the Strategy Committee of the Board of Directors of PJSC Rosseti South](#)<sup>1</sup>.

### The personal composition of the Strategy Committee and information on the participation of its members in in-person meetings/ absentee ballots for decision-making by the Strategy Committee in 2025

Full name	Position <sup>2</sup>	Attendance	Share of attendance, %
<b>The composition of the Strategy Committee, effective from 01.01.2025 to 20.08.2025, elected by decision of the Board of Directors on 21.08.2024 (Minutes No. 588/2024 dated 23.08.2024)</b>			
<b>The total number of in-person meetings and absentee ballots held for decision-making by the Strategy Committee is 21, including 2 meetings and 19 absentee ballots</b>			
<b>Artem Alyoshin</b>	Deputy General Director for Economics and Finance of PJSC Rosseti	21/21	100
<b>Julia Leschevskaya</b>	Deputy General Director for Strategy of PJSC Rosseti	8/21	38
<b>Alexander Korneev</b>	Head of the Department for Grid Connection and Infrastructure Development of PJSC Rosseti South	21/21	100
<b>Maria Korotkova</b>	Development Director of LLC Technoinnovatsia	21/21	100
Independent Director			
<b>Madina Kaloeva</b>	Director for Corporate Governance – Head of the Corporate Governance Department of PJSC Rosseti	21/21	100
<b>Kirill Iordanidi</b>	Deputy General Director for Economics and Finance of PJSC Rosseti South, member of the Management Board of PJSC Rosseti South	21/21	100
<b>Daniil Krainskiy</b>	Deputy General Director for Legal Support of PJSC Rosseti, Chairman of the Board of Directors of PJSC Rosseti South	21/21	100
<b>Marina Lavrova</b>	Deputy Head of the Economics Department of PJSC Rosseti	21/21	100
<b>Vitaliy Zarkhin</b>	Member of the Board of Directors of PJSC Rosseti South	21/21	100
Independent Director			
<b>The composition of the Strategy Committee, effective from 21.08.2025 to 31.12.2025, elected by the decision of the Board of Directors of the Company dated 21.08.2025 (Minutes No. 635/2025 dated 21.08.2025)</b>			
<b>The total number of absentee ballots held for decision-making by the Strategy Committee is 12</b>			
<b>Artem Alyoshin</b>	Deputy General Director for Economics and Finance of PJSC Rosseti	12/12	100
<b>Alexey Polinov</b>	Acting Deputy General Director for Strategy of PJSC Rosseti	12/12	100
<b>Alexander Korneev</b>	Head of the Department for Grid Connection and Infrastructure Development of PJSC Rosseti South	12/12	100
<b>Maria Dokuchaeva</b>	Director of External Communications of PJSC Rosseti	12/12	100
<b>Madina Kaloeva</b>	Director for Corporate Governance – Head of the Corporate Governance Department of PJSC Rosseti	12/12	100
<b>Alexander Tykushin</b>	Deputy General Director for Sale of Services at PJSC Rosseti South	12/12	100
<b>Daniil Krainskiy</b>	Deputy General Director for Legal Support of PJSC Rosseti, Chairman of the Board of Directors of PJSC Rosseti South	12/12	100
<b>Marina Lavrova</b>	Deputy Head of the Economics Department of PJSC Rosseti	12/12	100
<b>Vitaliy Zarkhin</b>	Member of the Board of Directors of PJSC Rosseti South	12/12	100

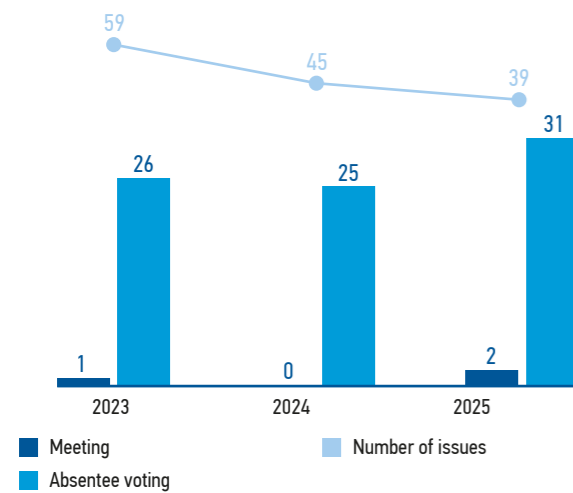
<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 25 July 2019 (Minutes No. 327/2019 dated 29 July 2019) and posted on the Company's official website.

<sup>2</sup> The position is as of the date of election.

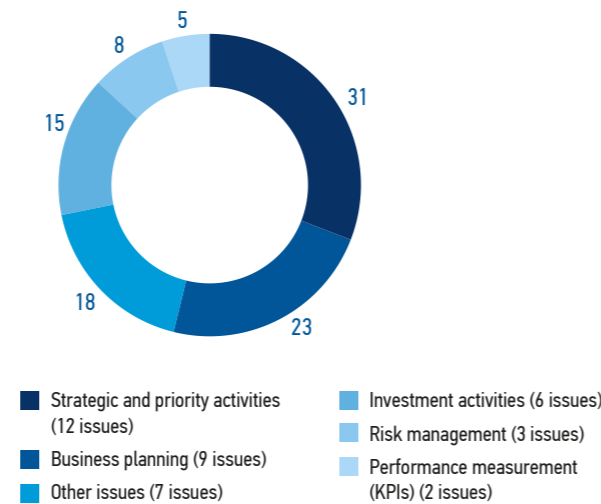
## Activities of the Strategy Committee in 2025

In the reporting year, 33 in-person meetings/absentee ballots were held for decision-making by the Strategy Committee, at which 39 issues were reviewed.

### Statistics of in-person meetings/ absentee ballots for decision-making by the Strategy Committee for 2023–2025



### Topics and categories of questions, %



In the reporting period, the Strategy Committee issued 39 recommendations to the Company's Board of Directors, including in the area of strategic development and priority activities, business planning, investment activities, performance evaluation (KPIs), and risk management.

## Reliability Committee

The activities of the Reliability Committee of the Board of Directors of the Company (hereinafter referred to as the Reliability Committee) are governed by [the Regulations on the Reliability Committee of the Board of Directors of the Company](#)<sup>1</sup>.

### The personal composition of the Reliability Committee and information on the participation of its members in in-person meetings/ absentee ballots for decision-making by the Reliability Committee in 2025

Full name	Position <sup>2</sup>	Attendance	Share of attendance, %
<b>The composition of the Reliability Committee, effective from 01.01.2025 to 20.08.2025, elected by resolution of the Board of Directors of the Company on 23.07.2024 (Minutes No. 584/2024 dated 23.07.2024)</b>			
<b>The total number of absentee ballots held for decision-making by the Reliability Committee is 6</b>			
<b>Vladimir Ukolov</b>	Deputy Chief Engineer – Chief Dispatcher of PJSC Rosseti	6/6	100
Chairman of the Committee			
<b>Pavel Goncharov</b>	First Deputy Director General – Chief Engineer of PJSC Rosseti South, member of the Management Board of PJSC Rosseti South	6/6	100

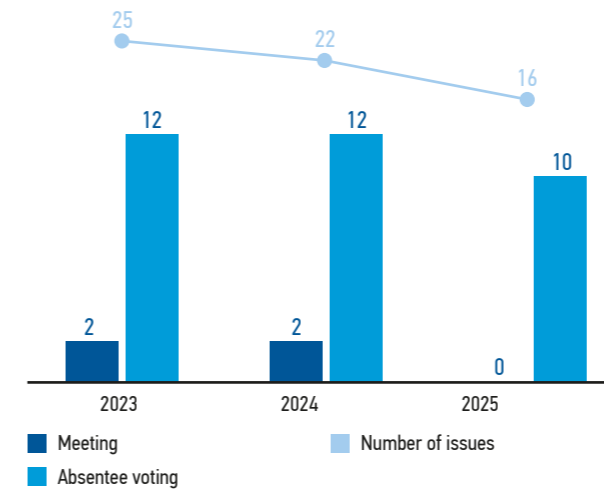
<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 8 May 2024 (Minutes No. 571/2024 dated 8 May 2024) and posted on the Company's official website.

<sup>2</sup> The position is as of the date of election.

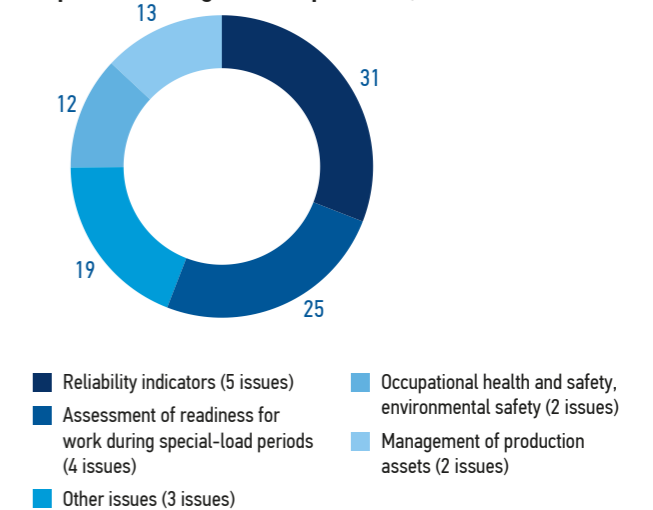
## Activities of the Reliability Committee in 2025

In the reporting year, 10 absentee ballots were held for decision-making by the Reliability Committee, at which 16 issues were reviewed.

### Statistics of in-person meetings/ absentee ballots for decision-making by the Reliability Committee for 2023–2025



### Topics and categories of questions, %



In 2025, the Reliability Committee gave out eight recommendations to the Company's Board of Directors.

During the reporting period, special attention was paid to the autumn–winter period of 2024–2025, preparation for work during the thunderstorm and fire-hazardous periods of 2025. These issues were thoroughly studied during their consideration by the Reliability Committee, and appropriate recommendations were made to the Company's management.

<sup>1</sup> The position is as of the date of election.

## Grid Connection Committee

The activities of the Grid Connection Committee of the Board of Directors of the Company (hereinafter referred to as the Grid Connection Committee) are governed by [the Regulations on the Grid Connection Committee of the Board of Directors of PJSC Rosseti South](#)<sup>1</sup>.

The personal composition of the Grid Connection Committee and information on the participation of its members in in-person meetings / absentee ballots for decision-making by the Grid Connection Committee in 2025

Full name	Position <sup>2</sup>	Attendance	Share of attendance, %
<b>The composition of the Grid Connection Committee, effective from 01.01.2025 to 08.20.2025, elected by decision of the Board of Directors on 21.08.2024 (Minutes No. 588/2024 dated 23.08.2024)</b>			
<b>The total number of absentee ballots held for decision-making by the Grid Connection Committee is 3</b>			
<b>Alexey Molsky</b> Chairman of the Committee	Deputy General Director for Investments and Capital Construction of PJSC Rosseti	3/3	100
<b>Marina Gazdanova</b>	Deputy Head of the Department for Grid Connection and Infrastructure Development – Head of the Department for Development of Additional Services and Customer Services of PJSC Rosseti	3/3	100
<b>Dmitriy Zhuravlev</b>	Deputy General Director for Development and Grid Connection of PJSC Rosseti South	3/3	100
<b>Nikita Kalashnikov</b>	Deputy General Director for Investments and Capital Construction of PJSC Rosseti South	3/3	100
<b>Oleg Klinkov</b>	Director for Customer Relations – Head of the Technological Development Department of PJSC Rosseti, member of the Board of Directors of PJSC Rosseti South	3/3	100
<b>The composition of the Committee, effective from 21.08.2025 to 31.12.2025, elected by the decision of the Board of Directors of the Company dated 21.08.2025 (Minutes No. 635/2025 dated 21.08.2025)</b>			
<b>The total number of absentee ballots held for decision-making by the Grid Connection Committee is 5</b>			
<b>Alexey Molsky</b> Chairman of the Committee	Deputy General Director for Investments and Capital Construction of PJSC Rosseti	5/5	100
<b>Marina Gazdanova</b>	Deputy Head of the Department for Grid Connection and Infrastructure Development – Head of the Department for Development of Additional Services and Customer Services of PJSC Rosseti	5/5	100
<b>Dmitriy Zhuravlev</b>	Deputy General Director for Development and Grid Connection of PJSC Rosseti South	5/5	100
<b>Nikita Kalashnikov</b>	Deputy General Director for Investments and Capital Construction of PJSC Rosseti South	5/5	100
<b>Oleg Klinkov</b>	Director for Customer Relations – Head of the Technological Development Department of PJSC Rosseti, member of the Board of Directors of PJSC Rosseti South	5/5	100

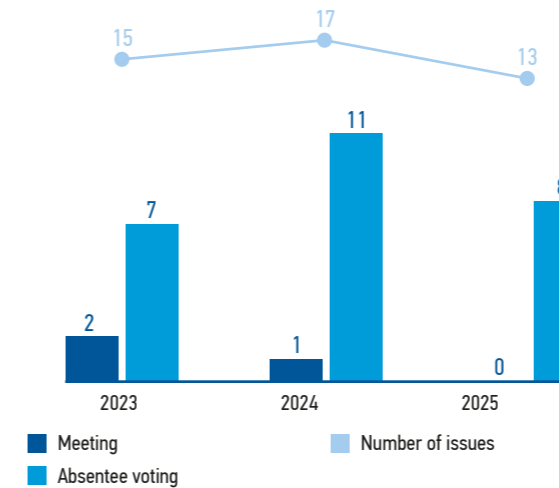
<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 31 January 2020 (Minutes No. 355/2020 dated 31 January 2020) and posted on the official website of the Company.

<sup>2</sup> The position is as of the date of election.

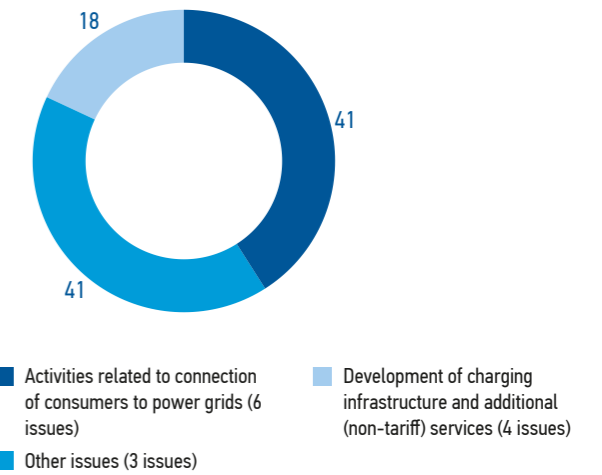
## Activities of the Grid Connection Committee in 2025

In the reporting year, eight absentee ballots were held for decision-making by the Grid Connection Committee and 13 issues were reviewed.

Statistics of in-person meetings / absentee ballots for decision-making by the Grid Connection Committee



Topics and categories of questions, %



In the reporting period, the Grid Connection Committee issued eight recommendations to the Company's Board of Directors.

In the reporting period, particular attention was paid to updating and implementing the Roadmap for the Development of Additional (Non-Tariff) Services of Rosseti South, as well as analysing the current situation in Rosseti South's activities related to grid connection. These issues were reviewed by the Grid Connection Committee, and the Company's management was given appropriate recommendations and instructions.



# Corporate Secretary

In order for the Company to properly comply with the procedure for preparing and holding a meeting or absentee voting for decision-making by the General Meeting of Shareholders of the Company, the Corporate Secretary of the Company may be elected by the decision of the Board of Directors of the Company, who is reports directly to the Board of Directors of the Company.

The candidacy of the Corporate Secretary of the Company is proposed by the Chairman of the Board of Directors of the Company in consultation with the General Director of the Company.

The Corporate Secretary of the Company is the official of the Company that makes sure that the Company complies with the laws of the Russian Federation, the Articles of Association, and internal documents that guarantee the exercise of rights and legal interests of the Company's shareholders.

The Corporate Secretary of the Company is guided by the legislation of the Russian Federation, the Company's Articles of Association and internal documents of the Company, decisions of the General Meeting of Shareholders of the Company, the Board of Directors of the Company and the Regulations on the Corporate Secretary of PJSC Rosseti South, approved by the decision of the Board of Directors of the Company dated 15 October 2025 (Minutes No. 643/2025 dated 17 October 2025). The Corporate Secretary of the Company interacts with the governing bodies and structural divisions of the Company to the extent necessary for the proper performance of their functions.



Since 21 October 2024,  
**Larisa Kuznetsova**  
has been acting as the Corporate Secretary of the Company<sup>1</sup>.

<b>Year of birth</b>	1976		
<b>Education</b>	Higher. 2006, Kuban State Agrarian University, lawyer qualification, major in legal studies		
<b>Primary employment and position held</b>	Deputy Head of the Department for Corporate Governance and Shareholder Relations of PJSC Rosseti South		
<b>Positions held by this person in the Company and in the governing and control bodies of other organisations over the past five years</b>			
<b>Period</b>		<b>Organisation</b>	<b>Position</b>
<b>From</b>	<b>To</b>		
2013	Present time	PJSC Rosseti South	Deputy Head of the Department for Corporate Governance and Shareholder Relations, Secretary of the Management Board
2024			Secretary of the Committees of the Board of Directors: <ul style="list-style-type: none"> <li>▶ Reliability Committee,</li> <li>▶ Strategy Committee</li> <li>▶ Personnel and Remuneration Committee,</li> <li>▶ Grid Connection Committee</li> </ul>
2025			Secretary of the Audit Committee of the Board of Directors
Period of acting as the Company's corporate secretary			Since 21 October 2024

By the decision of the Board of Directors of the Company dated 18 November 2025, it was agreed that L. Kuznetsova would combine the functions of Corporate Secretary of PJSC Rosseti South with the functions of Deputy Head of the Corporate Governance and Shareholder Relations Department and Secretary of the Company's Management Board (Minutes No. 648/2025 dated 18 November 2025).

In the reporting year, L. Kuznetsova:

- ▶ Did not own neither Company's nor S&As' shares, or made transactions with them during the reporting year.
- ▶ Had no family ties with people who are members of the bodies that manage and/or control the financial and economic activities of the Company.
- ▶ Was not held administratively liable for financial improprieties, offence regarding tax and fees or security market, or had any criminal record for economic crimes or crimes against the state.

- ▶ Did not hold positions in governing bodies of commercial organisations during the period, when bankruptcy proceedings and/or one of the bankruptcy procedures under the Russian insolvency (bankruptcy) laws were initiated against these organisations.
- ▶ Had no conflict of interest with the Company in the reporting year.
- ▶ Received no loans (credits) from the Company.

In the reporting year, JSC VTB Registrar, as part of an external (independent) assessment of the performance of the Board of Directors of the Company and the Committees of the Board of Directors of the Company for the 2024–2025 corporate year, rated the work of the Corporate Secretary of the Company at 5 out of 5 points, establishing that the Corporate Secretary of the Company performs their functions efficiently and to the highest standard.

<sup>1</sup> Elected by decision of the Board of Directors on 21 October 2024 (Minutes No. 591/2024 dated 21 October 2024).

# Executive governing bodies

The General Director, who is the sole executive body, and the Management Board (a collective executive body) are in charge of executive management of PJSC Rosseti South.

The General Director and the Management Board of the Company are accountable to the General Meeting of Shareholders and the Board of Directors.

According to the Articles of Association of the Company, the General Director is elected by the Board of Directors and chairs the Management Board. The members of the Management Board

are also elected by the Board of Directors on the proposal of the General Director; the number of members of the Management Board is determined by the decision of the Board of Directors and may not be less than 3 (three) persons.

## General Director

In accordance with the Articles of Association of PJSC Rosseti South, the General Director of the Company manages the Company's day-to-day operations in accordance with the decisions of the General Meeting of Shareholders of the Company, the Board of Directors of the Company and the Management Board of the Company, made within their respective areas of expertise.

The authority of the General Director of the Company includes issues related to the management of the Company's day-to-day operations, except for issues within the purview of the General Meeting of Shareholders, the Board of Directors and the Management Board of the Company.

The General Director of the Company shall act on behalf of the Company without a power of attorney, subject to the restrictions stipulated by the legislation of the Russian Federation, the Articles of Association and decisions of the Board of Directors of the Company.

### Relations of the General Director of the Company with the Board of Directors of the Company:

- ▶ The Board of Directors of the Company:
  - Elects the General Director of the Company and approves the terms of their employment contract, prematurely terminates the powers of the General Director of the Company.
  - Establishes the amount of remuneration and compensation to be paid to the General Director of the Company.

- Approves key performance indicators and functional key performance indicators of the Company's management, the procedure for calculating them, target values and reports on their achievement.
- Approves the combination of positions in the governing bodies of other organisations and other paid positions by the General Director of the Company.
- Makes recommendations to the General Director of the Company on any issues of the Company's activities.

- ▶ The General Director of the Company regularly submits to the Board of Directors reports on the Company's performance results, including reports on implementation of the duties and resolutions of the General Meeting of Shareholders and the Board of Directors by the General Director.

Since 28 December 2024, Alexey Rybin has been the General Director of the Company, who was<sup>1</sup> elected to this position by the decision of the Board of Directors of the Company dated 26 December 2024 (Minutes No. 600/2024 dated 26 December 2024). [For more details on Alexey Rybin, see the Composition of the Board of Directors and the Management Board subsections of the Corporate Governance Report section herein.](#)

<sup>1</sup> Approved by the General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025). Until 10 June 2025, that version of the Regulations on the Management Board of the Company was in effect, which was approved by the decision of the annual General Meeting of Shareholders of the Company on 31 May 2019 (Minutes No. 20 dated 5 June 2019).

# Management Board

The Management Board of the Company manages the current activities of the Company within the remit defined by the Articles of Association, acts in the interests of the Company and its shareholders, and ensures practical realisation of the goals, development strategy and policy of the Company.

### Relations of the Board of Directors of the Company and Management Board of the Company

- ▶ The Board of Directors of the Company:
  - Elects the members of the Management Board of the Company and terminates their powers.
  - Sets the amount of remuneration and compensation to be paid to them.
  - Approves the combination of positions in the governing bodies of other organisations and other paid positions by the Management Board of the Company.
  - Makes recommendations to the General Director of the Company on any issues of the Company's activities.
- ▶ The Management Board of the Company:
  - Develops and submits to the Board of Directors of the Company the priority areas of the Company's activities, including those of the Company's development strategies.
  - Preliminarily considers the most important issues falling within the competence of the Board of Directors of the Company and develops recommendations on them to the Board of Directors of the Company.
  - Prepares a business plan and a quarterly report on its execution, an annual report, reports on the Board's implementation of decisions of the General Meeting of Shareholders of the Company, and the Board of Directors of the Company.

The Management Board of the Company acts on the basis of the Articles of Association of the Company and the Regulations on the Management Board<sup>1</sup>. According to subpara 22.2 of art. 22 of the Articles of Association of PJSC Rosseti South, along with other issues, the competence of the Company's Management Board includes the issue of exercising the powers of General Meetings of Shareholders (participants) of subsidiaries, all voting shares (stakes) of which belong to the Company, in accordance with their constituent documents or on other legal grounds.

<sup>1</sup> Approved by the General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025). Until 10 June 2025, that version of the Regulations on the Management Board of the Company was in effect, which was approved by the decision of the annual General Meeting of Shareholders of the Company on 31 May 2019 (Minutes No. 20 dated 5 June 2019).

### Composition of the Management Board

The quantitative composition of the Company's Management Board is determined by the decision of the Company's Board of Directors dated 26 May 2023 (Minutes No. 523/2023 dated 29 May 2023) and consists of seven people.

From the beginning of the reporting year until 24 February 2025, the Management Board of PJSC Rosseti South included six people, and from 24 February 2025 – seven people (A. Tykushin, Deputy General Director for Sale of Services of the Company, was elected to the Management Board of the Company).

Events after the reporting date.

On 3 February 2026, by decision of the Board of Directors of PJSC Rosseti South (Minutes No. 655/2026 dated 3 February 2026), the personal composition of the Company's Management Board underwent significant personnel changes:

- ▶ The powers of the members of the Management Board of the Company, K. Iordanidi, P. Goncharov, A. Chusovskoy, were terminated.
- ▶ Members of the Management Board of the Company were elected:
  - V. Mikhailov, First Deputy General Director of the Company – Chief Engineer
  - S. Zavorin, Deputy General Director for Economics and Finance of the Company
  - E. Armaganyan, Deputy General Director and Director of the Kubanenergo branch of PJSC Rosseti South

Information about the current Management Board of the Company is published on the Company's website at: <https://rosseti-yug.ru/korporativnoe-upravlenie/organy-upravleniya/pravlenie/>.

**The personal composition of the Company's Management Board as of 31 December 2025**

**Alexey Rybin**

General Director of the Company, Chairman of the Management Board of the Company

<b>Year of birth</b>	1972
<b>Educational background</b>	Education: higher. 1994, Zhukovsky Kharkov Aviation Institute, mechanical engineer qualification, major in aviation engines and power plants; 1998, Rostov State University, lawyer qualification, major in legal studies; 2024, Federal State Budgetary Educational Institution of Higher Education National Research University Moscow Power Engineering Institute, Master's degree in electrical power engineering and electrical engineering
<b>Information on employment of the Chairman of the Management Board and on their participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From To</b>	<b>Position</b>
2012 2021	PJSC Rosseti South Deputy General Director for Economics and Finance
2013 2024	Member of the Management Board
2021 2024	Deputy General Director – Director of Volgogradenergo branch
2025	JSC VMES General Director (part-time)
2018 Present time	JSC VMES Member of the Board of Directors, Chairman of the Board of Directors
2024 Present time	PJSC Rosseti South Chairman of the Management Board, General Director
2025	JSC Rosseti Kuban Chairman of the Management Board, Acting General Director (part-time)
2025 2025	Member of the Board of Directors
Present time	PJSC Rosseti South, JSC Energoservis Yuga Member of the Board of Directors
	JSC Energoservis Kuban Chairman of the Board of Directors
<b>Date of assuming the position of the Chairman of the Company's Management Board</b>	28.12.2024


**Pavel Goncharov**

Member of the Reliability Committee of the Board of Directors of the Company

<b>Year of birth</b>	1966
<b>Educational background</b>	1992, Pavlodar Industrial Institute, electrical engineer qualification, major in electrical systems
<b>Information on employment of the Chairman of the Management Board and on their participation in governing and control bodies of other organisations over the last five years</b>	
<b>Period</b>	<b>Organisation</b>
<b>From To</b>	<b>Position</b>
2011 2026	PJSC Rosseti South Member of the Management Board
2013 2022	PJSC Rosseti South Deputy General Director for Technical Issues – Chief Engineer
2013 2023	JSC Energoservis Yuga Chairman of the Board of Directors
2021 2022	JSC Rosseti Kuban Assistant to the General Director (part-time)
2022 2025	PJSC Rosseti South First Deputy General Director — Chief Engineer
2023 2025	JSC Energoservis Yuga Member of the Board of Directors
2025 Present time	PJSC Rosseti South Advisor
	JSC VMES Member of the Board of Directors
<b>Date of election as a member of the Management Board of the Company</b>	16.09.2011


**Yulianna Dzhabrailova**

<b>Year of birth</b>	1981
<b>Educational background</b>	2003, Higher Kuban Institute of International Business and Management, economist qualification, major in finance and credit 2016, Kuban State Agrarian University, Bachelor's degree, major in agroengineering
<b>Information on places of employment of a member of the Management Board of the Company for the last five years and on participation in governing and control bodies of other organisations</b>	
<b>Period</b>	<b>Organisation</b>
<b>From To</b>	<b>Position</b>
2016 Present time	PJSC Rosseti South Deputy General Director – Head of the Office, member of the Management Board
2025	JSC Energetik Recreation Facility Chairman of the Board of Directors
2017 2025	PJSC Rosseti South Director of Kubanenergo branch (part-time)
2018 Present time	ERA of Russia Association Member of the Supervisory Board
2021 2025	JSC Rosseti Kuban Deputy General Director – Head of the Office (part-time), member of the Management Board
<b>Date of election as a member of the Management Board of the Company</b>	07.09.2016


**Kirill Iordanidi**

<b>Year of birth</b>	1985
<b>Educational background</b>	2006, University of Indianapolis (Indiana, USA), Bachelor's degree, major in economics and finance 2007, International College (Republic of Cyprus), Bachelor's degree in management 2011, Federal State Budgetary Educational Institution of Higher Professional Education South Russian State University of Economics and Service, Master's degree in management
<b>Information on places of employment of a member of the Management Board of the Company for the last five years and on participation in governing and control bodies of other organisations:</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2016   2021	PJSC Rosseti South Head of the Department of Economics
2017   2025	JSC Energetik Recreation Facility Member of the Board of Directors
2021   2025	PJSC Rosseti South Deputy General Director for Economics and Finance Member of the Management Board
2025	JSC Rosseti Kuban Deputy General Director for Economics and Finance (part-time), member of the Management Board
<b>Date of election as a member of the Management Board of the Company</b>	29.10.2021


**Oleg Musinov**

<b>Year of birth</b>	1972
<b>Educational background</b>	1998, Khabarovsk State Academy of Economics and Law, lawyer qualification, major in legal studies; 2016, Federal State Budgetary Educational Institution of Higher Education Don State Agrarian University, Master's degree in electrical power engineering and electrical engineering. Additional education: 2021, Federal State Autonomous Educational Institution of Higher Education, Moscow State Institute of International Relations (University) of the Ministry of Foreign Affairs of the Russian Federation, Executive MBA programme, Master of Business Administration (MBA)
<b>Information on places of employment of a member of the Management Board of the Company for the last five years and on participation in governing and controlling bodies of other organisations:</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2014   Present time	PJSC Rosseti South Deputy General Director for Corporate Governance, Deputy General Director for Legal and Corporate Governance
2018	JSC VMES Member of the Board of Directors
2019	PJSC Rosseti South Member of the Management Board
2021   2022	JSC Rosseti Kuban Assistant to the General Director (part-time)
2024   2024	
2024   2025	JSC Rosseti Kuban Deputy General Director for Corporate Governance (part-time), member of the Management Board
<b>Date of election as a member of the Management Board of the Company</b>	27.02.2019


**Alexander Chusovskoy**

<b>Year of birth</b>	1957
<b>Educational background</b>	1978, Moscow Higher Frontier Command Red Banner College of the KGB under the Council of Ministers of the USSR named after Mossovet, general military officer with higher general education qualification, major in command, general military. 1985, Andropov Red Banner Institute of the USSR KGB, specialist on international affairs qualification, major in international relations
<b>Information on places of employment of a member of the Management Board for the last five years and on participation in governing and controlling bodies of other organisations:</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2013   2025	PJSC Rosseti South Deputy General Director for Security
2014   2026	PJSC Rosseti South Member of the Management Board
2022   2025	JSC Rosseti Kuban Assistant to the General Director (part-time)
2025   2026	PJSC Rosseti South Assistant to the General Director
<b>Date of election as a member of the Management Board of the Company</b>	21.04.2014


**Alexander Tykushin**

Member of the Strategy Committee of the Board of Directors

<b>Year of birth</b>	1984
<b>Educational background</b>	2008, Federal State Educational Institution of Higher Professional Education Kuban State Agrarian University, major in electrification and automation, engineer qualification
<b>Information on places of employment of a member of the Management Board for the last five years and on participation in governing and controlling bodies of other organisations:</b>	
<b>Period</b>	<b>Organisation</b>
<b>From</b> <b>To</b>	<b>Position</b>
2017   2023	PJSC Rosseti South Head of Directorate, Head of the Department for the Sale of Services and Electricity Metering
2023   Present time	Deputy General Director for Sale of Services
2025   Present time	Member of the Management Board
<b>Date of election as a member of the Management Board of the Company</b>	24.02.2025

All members of the Company's Management Board are citizens of the Russian Federation.

The average age of the Management Board members is 51 years.

There is one woman on the Management Board of the Company.

None of the Management Board members held any positions in the governing bodies of any commercial organisations when bankruptcy procedures were initiated and/or implemented against these companies as specified by the insolvency (bankruptcy) laws of the Russian Federation.

None of the Company's Management Board:

- ▶ Made any transactions with the Company in the reporting year;
- ▶ Received any loans (borrowings) from the Company;
- ▶ Had family ties with people who are members of the bodies that manage and/or control the financial and economic activities of the Company;
- ▶ Was held administratively liable for financial improprieties, offence regarding tax and fees or security market, or had any criminal record for economic crimes or crimes against the state;

- ▶ Had a conflict of interest with members of the Board of Directors and executive bodies of PJSC Rosseti South (including those related to the participation of these persons in governing bodies of the Company's competitors);
- ▶ Submitted information on certain shareholders that might purchase or purchased a degree of control disproportionate to their shareholdings in the Company, including under shareholder agreements, availability of ordinary shares with different share denomination;

Member of the Management Board of the Company, Pavel Goncharov, owned ordinary shares of PJSC Rosseti South in the amount of 0.000034% of the Company's authorised capital. The remaining members of the Company's Management Board do not own shares in PJSC Rosseti South, as well as shares in subsidiaries and affiliates of the Company. The Company had no information on transactions made by the members of the Management Board on acquiring or disposing the shares.

## Performance of the Management Board

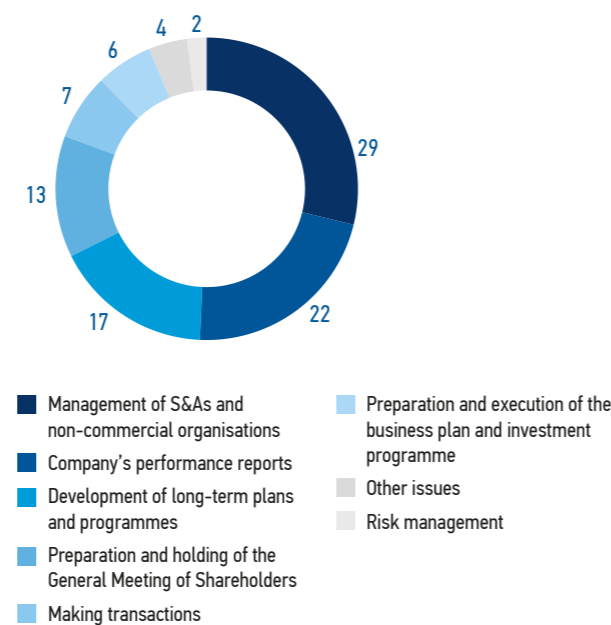
### Activity of the Company's Management Board in 2023–2025

Indicator	2023	2024	2025
Meetings and absentee voting held	61	50	48
▶ Including meetings	0	0	0
Issues reviewed	253	253	253
▶ Including by way of preliminary consideration of issues within the competence of the Board of Directors of the Company and making recommendations on them to the Board of Directors of the Company	X	X	171

Absentee voting for decision-making by the Company's Management Board in the reporting year was conducted in accordance with its action plans, as well as at the initiative of the Chairman of the Company's Management Board. The members of the Company's Management Board took an active part in the work of this governing body.

The action plan of the Company's Management Board is formed in accordance with the decisions of the General Meeting of Shareholders of the Company and the Board of Directors of the Company, the Articles of Association of the Company, the instructions of the Board of Directors of the Company and the General Director of the Company, as well as on the proposals from management.

### Structure of the issues reviewed by the Management Board of the Company in the reporting year<sup>1</sup>, %



<sup>1</sup> Taking into account the preliminary consideration by the Management Board of issues within the competence of the Board of Directors in order to develop relevant recommendations on them.

# Prevention of conflicts of interest

GRI 2-15

The Company is more focused on preventing and reducing the effects of any conflicts of interest among government body members of the Company.

The settlement of conflicts of interest is based on the Code of Corporate Ethics, the Regulations on the Board of Directors and the Regulations on the Management Board of the Company approved by the Company.

As recommended by the Corporate Governance Code of the Bank of Russia, members of the Board of Directors of the Company are advised to refrain from actions that will or may lead to a conflict

between their interests and the interests of the Company. The executive bodies of the Company are subject to the duty to act fairly and honestly in the best interests of the Company.

The requirements of art. 82 of the Federal Law on joint stock companies for the sending of notices to PJSC Rosseti South regarding indications of potential interest in the Company's transactions were satisfied by all members of the management bodies of the Company.

# Major transactions made by the Company in 2025

No. Ser.	Categories of major transactions	Material terms of the transaction (parties, subject, price, validity period) in the reporting year
1	Transactions recognised as major transactions under Chapter X of the Federal Law on Joint-Stock Companies	The Company did not enter into any major transactions in the reporting year
2	Related-party transactions (Chapter XI of the Federal Law on Joint Stock Companies)	In the reporting year, the Company concluded seven related-party transactions. Information on related-party transactions concluded by the Company in 2025 is given in Appendix 2 to the full version of the Annual Report of PJSC Rosseti South for 2025, published on the <a href="#">website of PJSC Rosseti South in the home / Shareholders and Investors / Annual Reports section</a>
3	Transactions for the sale of shares (interests) in Company-controlled S&As that have of a significant importance to the Company and result in the loss of control over those legal entities	No such transactions were made

No. Ser.	Categories of major transactions	Material terms of the transaction (parties, subject, price, validity period) in the reporting year
4	Transactions with property of the Company (including several interrelated transactions) made by the Company, the value of which exceeds the amount specified in the Company's Articles of Association or which is material to its business operations	<p>Transactions (including several interrelated transactions) involving non-current assets of the Company amounting to more than 10% of the book value of such assets according to the financial statements as at the last reporting date</p> <p>In the reporting year, an addendum was concluded to the lease agreement for power grid property with a purchase option dated 28 November 2024 No. 407/30–2,335 between JSC Rosseti Capital (lessor) and PJSC Rosseti Kuban (lessee); this agreement is an related-party transaction. For more details, see Appendix 2 to the full version of the Annual Report of PJSC Rosseti South for 2025 published on the <a href="#">website of PJSC Rosseti South in the Home / Shareholders and Investors / Annual Reports section</a></p>
		<p>Transactions (including several interrelated transactions) related to the acquisition, alienation or possibility of alienation of property comprising fixed assets, intangible assets, construction in progress, the purpose of which is generation, transmission, dispatching, distribution of electricity and heat in cases (amounts) determined by individual decisions of the Board of Directors of the Company, or, if the specified cases (amounts) are not determined by the Board of Directors of the Company</p> <p>In the reporting year, the Company concluded two lease transactions for power grid property with a purchase option that meet these criteria:</p> <ul style="list-style-type: none"> <li>▶ between the Company (lessor) and PJSC Rosseti (lessee) dated 29 December 2025,</li> <li>▶ an addendum to the lease agreement for power grid property with a purchase option dated 28 November 2024 between JSC Rosseti Capital (lessor) and the Company (the lessee).</li> </ul> <p>Both agreements are related-party transactions; for more details on them, see Appendix 2 to the full version of the Annual Report of PJSC Rosseti South for 2025, published on the <a href="#">website of PJSC Rosseti South in the home / Shareholders and Investors / Annual Reports section</a></p>
		<p>Transactions (including several interrelated transactions) related to the acquisition, alienation or possibility of alienation of property comprising fixed assets, intangible assets, construction in progress, the purpose of which is not associated with generation, transmission, dispatching, distribution of electricity and heat in cases (amounts) determined by individual decisions of the Board of Directors of the Company, or, if the specified cases (amounts) are not determined by the Board of Directors of the Company</p> <p>No such transactions were made</p>
5	Establishment of a legal entity controlled by the Company that is material to its operations	<p>Transactions for more than five years on the transfer for temporary possession and use or temporary use of real estate, power grid facilities or the receipt for temporary possession and use or temporary use of real estate, in cases (amounts) determined by individual decisions of the Board of Directors of the Company, or if such cases (amounts) are not determined by the Board of Directors of the Company</p> <p>No such transactions were made</p>

# The system of compensation for expenses and remuneration of the Company's governing bodies

GRI 2-19, 2-20

## Remuneration of compensation for expenses and remuneration of members of the Board of Directors of the Company

The procedure for calculating and paying remuneration and compensation to members of the Company's Board of Directors is governed by the Regulations on Payment of Remuneration and Compensation to the Members of PJSC Rosseti South's Board of Directors<sup>1</sup> (hereafter the Regulations).

According to the Regulations, remuneration is paid to members of the Board of Directors quarterly for the period from the date of election to the Board of Directors until the termination date.

Board of Directors Committee, and meetings of the Company's General Meeting of Shareholders, in accordance with the current travel reimbursement rates established for the Company's top managers.

The Regulations:

- ▶ Do not apply to members of the Board of Directors of the Company who are simultaneously members of the Management Board of the Company or the General Director of the Company;
- ▶ State that remunerations are not accrued and paid to the Chairman or members of the Company's Board of Directors if the legislation of the Russian Federation restricts or prohibits them to receive any payments from commercial organisations
- ▶ Provides for the right of members of the Company's Board of Directors to receive compensation for expenses associated with attending the meetings of the Board of Directors, the Company's

The amount of quarterly remuneration for participation in the work of the Company's Board of Directors for each Board member is calculated taking into account the total number of meetings of the Company's Board of Directors and absentee ballots of the Company in the reporting quarter and the number of meetings and absentee ballots attended by a member of the Company's Board of Directors.

The text of the Regulations is available on the Company's website.

<sup>1</sup> Approved by the decision of the General Meeting of Shareholders dated 10 June 2025 (Minutes No. 29 dated 11 June 2025).

The remuneration consists of base and additional parts:

- ▶ The base part of the remuneration S (1) is calculated as per the formula:

$S(1) = R_{base}/4 \times 100/130 \times (n/m)$ , where:

- Rbase is the amount of the base annual remuneration by reference to the Company's revenue under RAS calculated for the last completed reporting year before the election of the Company's Board of Directors.

The amount of the Company's revenue under RAS calculated for the last completed reporting year before the election of the Company's Board of Directors	Rbase (RUB)
Over RUB 200 billion	3,000,000
Over RUB 70 billion	2,700,000
Over RUB 30 billion	2,200,000
Over RUB 10 billion	1,600,000
Over RUB 1 billion	1,000,000
Over RUB 600 million	800,000
Less than RUB 600 million	600,000

- n – the number of meetings and absentee ballots in which a member of the Board of Directors participated in the reporting quarter,
- m – the total number of meetings and absentee ballots in the reporting quarter;
- ▶ additional part – premiums expressed as a percentage of the remuneration base:
  - 30% – for the Chairman of the Company's Board of Directors,
  - 20% – for the Chairman of committees of the Company's Board of Directors,
  - 10% – for a member of committees of the Company's Board of Directors.

Premiums to the Chairman and (or) members of the Committees of the Board of Directors of the Company are not paid if no meetings or absentee ballots were held in the reporting quarter for decision-making by the relevant Committee of the Board of Directors of the Company.

The total amount of quarterly remuneration for each member of the Company's Board of Directors, including premiums, may not exceed 1/4 of the base remuneration.

Remuneration is not paid to the member of the Board of Directors of the Company if they did not take part in more than 50% of the meetings and absentee ballots held in the reporting quarter.

The base remuneration is paid to the members of the Board of Directors within 30 calendar days after the end of the reporting quarter.

#### Remuneration paid to members of the Company's Board of Directors in 2023–2025, RUB '000:

2023	2024	2025
14,167	18,742	19,422

No other remuneration was paid to the members of the Board of Directors of PJSC Rosseti South. In the reporting year, members of the Board of Directors of the Company were compensated for expenses in the amount of RUB 37,600. The Company has no remuneration or reimbursement payments overdue to the Board of Directors members.

The Company did not provide any loans (credits) to the Board of Directors members.

The Regulations do not provide for a system of long-term motivation for members of the Board of Directors of the Company.

## Remuneration and compensation of expenses of executive bodies and other key management personnel

In accordance with the decision of the Board of Directors of the Company on 29 June 2023 (Minutes No. 531/2023 dated 30 June 2023), members of the Management Board of the Company are classified as senior managers of the Company.

Pursuant to the Regulations on Remuneration and Material Incentives for High-Ranking Executives of PJSC Rosseti South approved by the Board of Directors of the Company on 29 June

2023 (Minutes No. 531/2023 dated 30 June 2023), if a high-ranking manager is elected to the Management Board of the Company, remuneration shall be paid by setting an additional payment for membership in the collegial executive body (Management Board) of the Company in the amount corresponding to the minimum wage under art. 133 of the Labour Code of the Russian Federation.

#### Remuneration paid to members of the Company's Management Board, including the person holding the position of sole executive body, for 2023–2025, RUB '000<sup>1</sup>

Payment	2023	2024	2025
Salary and wage	63,525	68,296	63,740
Remuneration for acting as a member of the Management Board of the Company	1,522	1,038	1,227
Bonuses	34,425	54,029	37,639
▶ Including annual remuneration	21,006	54,029	37,639
Other payments	501	0	0
Termination payments	0	0	0
Total remuneration	99,973	123,366	102,606

#### Information on the amount of remuneration paid to other key management personnel of the Company for 2023–2025, RUB '000<sup>1</sup>

Payment	2023	2024	2025
Salary and wage	32,519	32,299	43,917
Bonuses	24,147	42,316	27,307
▶ Including annual remuneration	24,147	42,316	27,307
Other payments	0	0	0
Total remuneration	56,666	74,615	71,224

<sup>1</sup> Remuneration amounts are stated before personal income tax.

# Risk management, internal control and internal audit

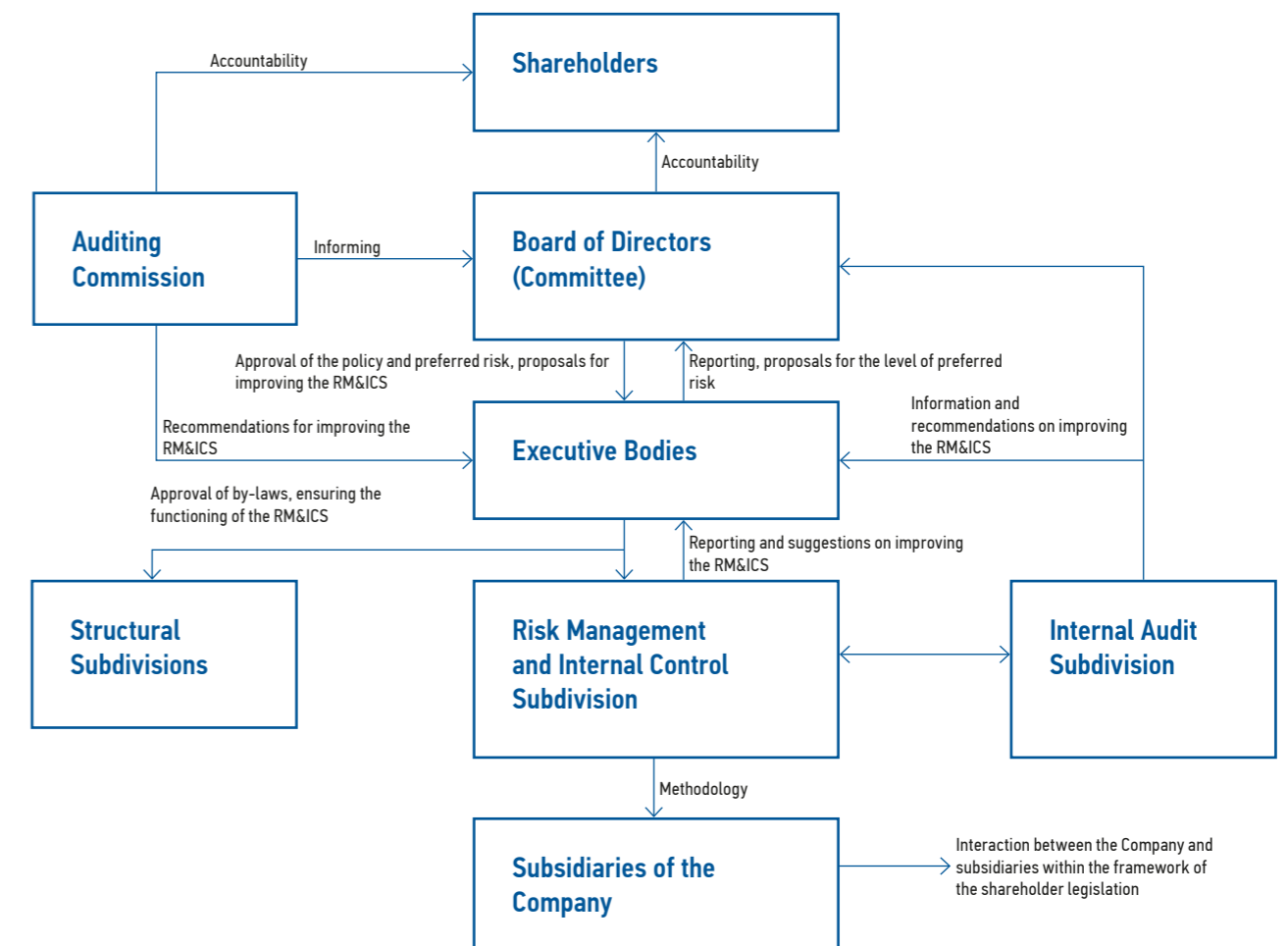
## Risk management and internal control

The Company has put the risk management and internal control system in place (hereinafter – the RM&ICS). The purpose of this system is to provide reasonable assurance in achieving our goals and implementing our development strategy as part of Rosseti Group.

### The main documents that regulate the organisation and functioning of the RM&ICS in the Company:

- ▶ Risk Management and Internal Control Policy approved by the decision of the Board of Directors dated 7 June 2023 (Minutes No. 525/2023 dated 8 June 2023)
- ▶ Preferred risk (risk appetite) approved by the decision of the Board of Directors of the Company dated 17 September 2025 (Minutes No. 640/2025 dated 17 September 2025)
- ▶ The RM&ICS Development Programme (Order No. 669 dated 8 November 2024)
- ▶ The procedure for organising risk management and internal control (approved by the Company's Order No. 557 dated 28 August 2025)
- ▶ Risk assessment and monitoring methodology (approved by the Company's Order No. 927 dated 18 December 2025)
- ▶ Procedure for determining preferred risk (risk appetite) (approved by the Company's Order No. 772 dated 21 November 2025)
- ▶ Glossary on risk management and internal control (Order No. 337 dated 28 May 2025)
- ▶ The Risk Register approved by the decision of the Company's Management Board dated 13 December 2024 (Minutes No. 584 dated 13 December 2024)

## Pattern of interaction of RM&ICS participants



## Assessment of the RM&ICS

The Internal Audit Department conducts an annual internal independent assessment of how effective and reliable the RM&ICS is.

The assessment results and respective recommendations designed to improve the efficiency of RM&ICS functioning are included in the internal auditor's report submitted annually for consideration by the Company's governing bodies.

The internal audit report on the assessment of the reliability and effectiveness of the RM&ICS based on the results of 2024 was reviewed at the meeting of the Board of Directors (Minutes No. 621/2025) dated 2 June 2025). Based on the findings of 2024, the maturity of the RM&ICS was assessed as 5.2.

The internal audit report on the assessment of the reliability and effectiveness of the RM&ICS based on the results of 2025 was reviewed at the meeting of the Board of Directors (Minutes No. 666/2026 dated 13.05.2026). According to the results of 2025, the maturity level of the RM&ICS, based on the averaging assessments of the compliance of the current condition with the criteria of the target condition, has not changed compared to 2024 and is estimated at 5.2 points out of 6.

### Indicators related to risk management and internal control

Indicators	UoM	2023	2024	2025
Number of control activities aimed at risk identification and minimisation	pcs	103	188	195
Number of eliminated violations based on the results of inspections conducted by external control bodies	pcs	859	9,232	3,232
Total amount of cancelled fines after appealing against the decision to impose administrative penalties	RUB million	1.775	28.915	11.015
Total amount of funds received by the Company from counterparties in bankruptcy and liquidation proceedings	RUB million	475.12	112.287	67.019

### Plans for improvement of the RM&ICS for 2026

- ▶ To document business processes in accordance with the updated Business Process Model of the Company
- ▶ To participate in control activities: internal audits, internal audits of subsidiaries and training centres, inspections of financial and economic activities of subsidiaries and affiliates, official inspections

## Improvement of the RM&ICS in 2025

1. Regulatory and methodological documents on risk management and internal control were developed / updated:
  - ▶ Preferred risk (risk-appetite) of the Company
  - ▶ Procedure for organising risk management and internal control of the Company
  - ▶ Risk assessment and monitoring methodology of the Company
  - ▶ Glossary on risk management and internal control
  - ▶ Procedure for determining preferred risk (risk appetite) (approved by the Company's Order No. 772 dated 21 November 2025)
  - ▶ Regulations for accounting for inspections of the Company and its subsidiaries carried out by external control (supervision) bodies
  - ▶ Regulations for accounting for the Company's verification activities carried out by the structural divisions of the Executive Office and branches of the Company
2. A new model of the Company's business processes was introduced. The formation of business process passports and updating of risk matrices and control procedures of business processes were organised.
3. Control measures were carried out to assess the adequacy, effectiveness and efficiency of the RM&ICS, including as part of comprehensive audits of the financial and economic activities of the Company's branches and audits of subsidiaries, during the analysis of information on inspections conducted by external control (supervisory) bodies.

## Internal audit

The Internal Audit Department is a separate subdivision responsible for the implementation of the internal audit function in the Company.

In accordance with the Internal Audit Policy of PJSC Rosseti South<sup>1</sup>, the Internal Audit Department is functionally subordinate to the Board of Directors of the Company, which oversees and organises the activities of the Internal Audit Department.

The purpose of internal audit is to strengthen the Company's ability to create, protect and preserve the Company's value by providing independent, risk-based, objective assurances, opinions, recommendations and forecasts to the Company's Board of Directors and executive bodies.

As of 31 December 2025, the actual number of employees involved in internal audit function is 10 FTEs.

### Improvement of the internal audit system

By the decision of the Board of Directors of the Company on 23 December 2024, the action plan and budget of the Internal Audit Department of the Company for 2025 were approved<sup>2</sup>.

The Head of Internal Audit receives feedback from the sole executive body of the Company, the Audit Committee of the Board of Directors of the Company, the Board of Directors of the Company in various forms during interaction with the sole executive body, the Audit Committee, including participation in its meetings, analysis of decisions /recommendations of the Audit Committee, the Board of Directors of the Company on issues related to competence internal audit, as well as through a survey of the sole executive body and members of the Audit Committee.

In accordance with the Company's Internal Audit Quality Assurance and Improvement Programme, a survey was conducted to assess the satisfaction of the Audit Committee of the Company's Board of Directors with the performance of the internal audit function in 2025. The average score based on the results of the survey (the weighted average sum of points from the questionnaires of the voted members of the Audit Committee to the number of voted members of the Audit Committee) was four, which indicates a high level of satisfaction of the Audit Committee with the activities of the Internal Audit Department of the Company in 2025.

According to the results of an external independent assessment of the Company's internal audit conducted in 2024, according to an external independent expert, LLC B1-CONSULT, the internal audit unit of PJSC Rosseti South received the highest rating, which means that the Company's internal audit generally meets the requirements of International Professional Standards of Internal Audit, the Code of Ethics and the Internal Audit Policy, namely, has regulations on internal audit, policies and procedures; their implementation and results are assessed as conforming to International Professional Standards of Internal Audit<sup>3</sup>. Based on the recommendations of the members of the Audit Committee of the Board of Directors of the Company and an external independent expert in the Company has approved and is carrying out the action plan for the development and improvement of internal audit activities at PJSC Rosseti South for the period from 2025 to 2029<sup>4</sup>.

<sup>1</sup> The Internal Audit Policy of PJSC Rosseti South was approved by the decision of the Board of Directors of the Company dated 30 December 2025 (Minutes No. 654/2025 dated 30 December 2025).

<sup>2</sup> The Company's business plan and budget for 2025 were approved by the decision of the Board of Directors of the Company dated 23 December 2024 (Minutes No. 598/2024 dated 23 December 2024).

<sup>3</sup> The results of the external assessment were reviewed by the Board of Directors of the Company dated 30 May 2025 (Minutes No. 621/2025 dated 2 June 2025).

<sup>4</sup> The action plan for the development and improvement of internal audit activities at PJSC Rosseti South for the period from 2025 to 2029 was approved by the decision of the Board of Directors of the Company dated 30 May 2025 (Minutes No. 621/2025 dated 2 June 2025).

# Auditing commission

The Auditing Commission of the Company is a permanent elected control body over the financial and economic activities of the Company.

The Auditing Committee of the Company periodically reviews the financial and economic activities of the Company, the activities of its business units and separate subdivisions and the Company's governing bodies through documentary and field audits (inspections):

- ▶ Legitimacy and economic feasibility of the business and finance transactions carried out by the Company during the period audited;
- ▶ Completeness and accuracy of the representation of business and financial transactions in the Company's documents;

The activities of the Company's Auditing Commission are governed by the legislation of the Russian Federation, the Articles of Association and [the Regulations on the Audit Commission of PJSC Rosseti South](#), approved by the decision of the General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025)<sup>1</sup>.

In accordance with the Articles of Association of the Company, the Auditing Commission of the Company includes five members. In 2025, there were two compositions of the Company's Auditing Commission.

## Members of the Auditing Commission in force since 10.06.2025<sup>2</sup>

Full name	Information on the members of the Auditing Commission
<b>ULYANOV Anton</b> Chairman	<p>Born in 1979.</p> <p>Education: higher</p> <p>Moscow State Law Academy, lawyer qualification, graduation year – 2004.</p> <p>Institute of Internal Auditors, occupational retraining, consulting auditor, graduation year – 2024.</p> <p>LLC IVA Training Centre, professional retraining, Internal Auditor, Professional level, graduation year – 2021.</p> <p>LLC Consulting, Training and Methodological Centre of the Audit Chamber of Russia, occupational retraining, Head of an independent internal control unit. Professional Standard for specialist in internal control (internal controller). Level 7, graduation year – 2021.</p> <p><b>Position and place of employment</b></p> <p>Since 2021 – PJSC Rosseti – Director of Internal Control and Risk Management – Head of the Internal Control and Risk Management Department; since 12.2022 – Director of Internal Audit – Head of the Internal Audit Department;</p> <p><b>Positions held in the past or currently in the Auditing Commission in PJSC Rosseti South and in the governance bodies of other organisations over the past three years:</b></p> <p>2022–2023 – member of the Board of Directors of PJSC Rosseti Centre and Volga Region, PJSC Rosseti Siberia, PJSC Rosseti Volga, PJSC Rosseti Northern Caucasus, JSC Rosseti Mobile GRES</p>
<b>TSAR'KOV Viktor</b> Deputy Chairman	<p>Born in 1977.</p> <p>Education: higher</p> <p>Moscow Institute of Economics, Management and Law, economist qualification, major in finance and credit, graduation year – 2005.</p> <p>Russian Academy of Public Administration under the President of the Russian Federation, manager qualification, major in state and municipal management, graduation year – 2007.</p> <p>Self-regulated organisation of auditors Russian Union of Auditors (Association), Intrecon Intellect Training and Methodological Centre of the Russian Union of Auditors, qualification of professional internal auditor, graduation year – 2017.</p> <p>Institute of Internal Auditors, Chief Auditor qualification (7th level of qualification), issue year – 2023.</p> <p><b>Position and place of employment</b></p> <p>Since 2017 – PJSC Rosseti – First Deputy Head of the Internal Audit Department</p>

<sup>1</sup> Until 10 June 2025, the Regulations on the Audit Commission of the Company approved by the decision of the Annual General Meeting of Shareholders of the Company on 16 June 2022 (Minutes No. 25) were in force.

<sup>2</sup> As of 31 December 2025. Elected by the decision of the General Meeting of Shareholders of the Company dated 10 June 2025 (Minutes No. 29 dated 11 June 2025).

Full name	Information on the members of the Auditing Commission
<b>TRISHINA Svetlana</b> Secretary	<p>Born in 1979.</p> <p>Education: higher</p> <p>Amur State University, controlling manager, bank official qualification, major in finance and credit, graduation year – 2001.</p> <p>International Academy of Expertise and Appraisal, occupational retraining in internal audit and control in commercial organisations, graduation year – 2018.</p> <p>International Academy of Expertise and Appraisal, advanced training in internal audit, graduation year – 2021.</p> <p>LLC Enterprise Reform Centre, qualification certificate (Ministry of Labour Order No. 398n). Code E qualification 7: management (governance) of the internal audit service, issue year – 2021.</p> <p><b>Position and place of employment</b></p> <p>Since 2017 – PJSC Rosseti – Head of the Financial Audit Department; Head of the Financial Audit, Methodology and Reporting Department; Head of the Corporate Audit and Control Department; Deputy Head of the Internal Audit Department – Head of the Corporate Audit and Control Office of the Internal Audit Department</p>
<b>VENEVTSEV Konstantin</b>	<p>Born in 1989.</p> <p>Education: higher</p> <p>Federal State Budgetary Educational Institution of Higher Professional Education National Research University "Moscow Power Engineering Institute", Bachelor of Engineering and Technology, major in electrical engineering, electromechanics and electrical engineering, graduation year – 2011.</p> <p>Federal State Budgetary Educational Institution of Higher Professional Education National Research University "Moscow Power Engineering Institute", managing engineer qualification, major in organisation management, graduation year – 2013.</p> <p>The international certification "Certified Internal Auditor" was passed, the international professional certificate of the Certified Internal Auditor (CIA) was issued, issue year – 2020.</p> <p><b>Position and place of employment</b></p> <p>Since 2017 – PJSC Rosseti – Chief Expert of the Operational Audit Office of the Internal Audit Department</p>
<b>SKRYNNIKOVA Lyudmila</b>	<p>Born in 1979.</p> <p>Education: higher</p> <p>Balasagyn Kyrgyz National University, Master's degree in economics, graduation year – 2002.</p> <p>Balasagyn Kyrgyz National University, Bachelor's degree in economics, graduation year – 2000.</p> <p><b>Position and place of employment</b></p> <p>Since 2023 – PJSC Rosseti – Chief Expert of the Corporate Audit and Control Office of the Internal Audit Department.</p> <p>2019–2023 – PJSC Rosseti – Chief Expert of the Audit Activities Office of the Audit Control Department; Chief Expert of the Oversight Activities Office of the Internal Control and Risk Management Department; Chief Expert of the Corporate Audit and Control Office of the Internal Audit Department</p>

**Members of the Auditing Commission<sup>1</sup> in force until 9 June 2025**

- A. Ulyanov, Chairman
- V. Tsarkov, Deputy Chairman
- S. Trishina, Secretary
- E. Roptanova
- G. Andriasova

Information on the Auditing Commission of the Company is available on the Company's website: <https://rosseti-yug.ru/korporativnoe-upravlenie/revizionnaya-komissiya/>.

None of the persons who held the positions of members of the Auditing Commission of the Company in the reporting period received loans from the Company and its controlled companies. In the reporting period, none of the persons holding the positions of members of the Auditing Commission held any shares/securities of the Company and its controlled companies, or made any transactions with them. The Company did not bring any claims against the members of the Auditing Commission.

None of the persons who held the positions of members of the Auditing Commission of the Company in the reporting year, except A. Ulyanov, did not hold any other positions in the Company, as well as in the governing bodies of other organisations.

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

- ▶ The members of the Auditing Commission of the Company have no family ties (spouses, parents, children, adoptive parents, adopted children, siblings, grandparents, grandchildren) with

- members of the Board of Directors, members of the collegial executive body, a person holding the position (performing functions) of the sole executive body of PJSC Rosseti South;
- ▶ The members of the Auditing Commission were not held administratively liable for violations in the field of finance, taxes and fees, securities market, or criminally liable (including record of conviction) for economic and (or) public-order crimes;
- ▶ The members of the Auditing Commission did not hold positions in governing bodies of commercial organisations during the period, when bankruptcy proceedings and/or one of the bankruptcy procedures under art. 27 of the Federal Law on insolvency (bankruptcy) were initiated against those organisations;

**Results of the work of the Auditing Commission**

In 2025, three meetings of the Auditing Commission of the Company were held.

By the decision of the Company's Auditing Commission, the Audit Programme of the financial and economic activities of PJSC Rosseti South for 2025 was approved (Minutes No. 2 dated 28 January 2026).

Decisions of the Company's Auditing Commission are published on the Company's official website<sup>2</sup>.

In 2025, the Company's Auditing Commission conducted an audit of the financial and economic activities of PJSC Rosseti South for 2024.

**Key matters reviewed by the Auditing Commission in 2025**

Area of responsibility	Action taken	Outcome
Assessment of the reliability of the annual accounting (financial) statements prepared as of 31.12.2024	The issues of organisation and maintenance of accounting records, preparation of accounting (financial) statements were reviewed	No errors and misstatements that had a significant impact on the reliability of the accounting (financial) statements as of 31.12.2023 were identified
Assessment of reliability of the data in the Annual Report and annual accounting (financial) statements	Annual Report for 2024 and annual accounting (financial) statements of the Company for 2024 were reviewed	No misstatements of data that could materially affect the said statements were identified
Assessment of the financial condition of the Company as of 31.12.2024	The financial results of the Company's activities were analysed and its financial position was assessed as of 31.12.2024	No substantial violations were revealed
Checking whether the legislation of the Russian Federation regarding observance with the procedure for concluding related-party transactions is complied with	The related-party transactions report for 2024 was reviewed	The facts of violation of legal acts of the Russian Federation were not revealed. The accuracy of the data contained in the related-party transactions report for 2024 was confirmed
Control of the Company's activities related to the organisation of technological and price audit of progress reports on the investment programme of the Company, as well as measures to eliminate violations and shortcomings contained in the conclusions of expert organisations based on the results of technological and price audit of progress reports on the investment programme of the Company	The conclusions and reports of the technological and price audits on the implementation of the Company's investment programme for the 1st, 2nd, 3rd, and 4th quarters of 2024 and 2024 were reviewed	The facts of violation of legal acts of the Russian Federation were not revealed
Analysis of key performance indicators (KPIs), their formation, evaluation of their accomplishment	The issues of calculating and evaluating target and intermediate performance indicators and bonus reduction indicators of the Company's management, determining the amount of incentive payments for the accomplishment of KPIs and FKPIs were reviewed	No data corruption was identified that could significantly affect the reporting on the achievement of KPIs and KPIs



<sup>1</sup> Elected by the decision of the annual General Meeting of Shareholders of the Company on 19 June 2024 (Minutes No. 27 dated 19 June 2024).

<sup>2</sup> [The decisions of the Company's Auditing Commission are posted on the official website.](#)

## Remuneration to members of the Auditing Commission

Remuneration to a member of the Company's Auditing Commission is paid in accordance with the Regulations on Remuneration and Compensation to Members of the Auditing Commission of PJSC Rosseti South<sup>1</sup>, based on the results of the work for the corporate year and depends on the degree of their participation in the work of the Company's Auditing Commission.

The full text of the Regulations is available on the Company's website: <https://rosseti-yug.ru/korporativnoe-upravlenie/dokumenty-reglamentiruyushchie-deyatelnost-organov-upravleniya-i-kontrolya-obshchestva/>. The Regulation is applied to the members of the Auditing Commission, in respect of which the federal law prescribes a restriction or prohibition on receipt of any payments from commercial organisations.

The amount of remuneration of the members of the Auditing Commission of the Company is calculated taking into account:

- ▶ Size of the base part of the remuneration set according to the Company RAS profits for the financial year;
- ▶ The personal participation coefficient, which reflects the participation of a member of the Company's Auditing Commission in meetings of the Company's Auditing Commission (absentee ballots for decision-making by the Company's Auditing Commission), as well as their performance of additional duties as Chairman of the Company's Auditing Commission; or the Secretary of the Auditing Commission of the Company.

No remuneration is paid to a member of the Company's Auditing Commission who did not participate in more than half of the meetings of the Company's Auditing Commission (absentee ballots for decision-making by the Company's Auditing Commission) held during their membership in the Company's Auditing Commission.

Remuneration is paid within 30 calendar days from the date of the annual General Meeting of Shareholders of the Company and after the Chairman of the Auditing Commission of the Company submits to the General Director of the Company the calculation of the personal participation coefficient of the members of the Auditing Commission of the Company.

Compensation to members of the Company's Auditing Commission for expenses related to their participation in meetings of the Company's Auditing Commission (absentee ballots for decision-making by the Company's Auditing Commission) is determined equal to, but not higher than the amount of actual expenses confirmed by relevant documents.

### Remuneration paid to members of the Auditing Commission of the Company (RUB '000)

2023 (for 2022–2023 corporate year)	2024 (for the 2023–2024 corporate year)	2025 (for the 2024–2025 corporate year)
792	794	794

The expenses of the Auditing Commission members were not reimbursed in the reporting year. For the members of the Auditing Commission, the Company has no remuneration or reimbursement payments overdue.

<sup>1</sup> Approved by the decision of the General Meeting of Shareholders dated 10 June 2025 (Minutes No. 29 dated 11 June 2025).

## Audit organisation

The Company attracts an external auditor on a competitive basis for an independent assessment of the reliability of accounting (financial) statements composed under the Russian and international standards.

To audit and confirm the Company's annual financial statements for 2025, the General Meeting of Shareholders appointed the Company's Audit Organisation.

The Company's Board of Directors suggests a candidate for an audit organisation to be appointed on the annual General Meeting of Shareholders in the course of preparation and holding of this Meeting.

By the decision of the General Meeting of Shareholders of the Company dated 10 June 2025, the Company's audit organisation appointed a collective participant consisting of LLC B1-Audit (until January 2026, the name was LLC TsATR – Audit Services (leader of the collective participant)) and LLC Intercom Audit (member of the collective participant) (Minutes No. 29 dated 11 June 2025).

An agreement between the Company and an audit organisation stipulates service fees and terms of payment for the audit organisation. The decision of the Board of Directors of the Company dated 16 May 2025 determined the amount of payment for the Company's services for auditing accounting (financial) statements for 2025 prepared under the RAS and for auditing consolidated financial statements for 2025 prepared under the IFRS in the amount of RUB 2,888,321.13, including VAT (20%) of RUB 481,386.85 (Minutes No. 618/2025 dated 16 May 2025).

Due to the completion of the Company's reorganisation in the form of the merger of JSC Rosseti Kuban, the obligations under the mandatory audit contract of JSC Rosseti Kuban were transferred to PJSC Rosseti South. Changes in the volume and composition of services for 2025 include:

- ▶ Audit of the final accounting (financial) statements of JSC Rosseti Kuban, prepared in accordance with Federal Law No. 402-FZ dated 6 December 2011 "On Accounting" for the period from 1 January to 30 November 2025;
- ▶ Audit of special-purpose financial information and consolidated special-purpose financial statements of JSC Rosseti Kuban for the 11 months ended 30 November 2025;

The cost of audit services for 2025, taking into account changes in their volume and composition, as well as the effect from an increase in the VAT rate from 1 January 2026, amounted to RUB 6,860,131.53, including VAT of RUB 1,219,316.83.

No non-audit services were provided in the reporting year.

In accordance with the opinion of the Company's internal audit on the assessment of the audit performance, auditors' conclusions, and efficiency of the external audit of the accounting (financial) statements of PJSC Rosseti South for 2025:

- ▶ Procedures conducted by LLC TsATR – Audit Services in the course of the external audit of the RAS-compliant financial (accounting) statements of the Company for 2025 comply with the terms of the Agreement and the requirement of Federal Law on auditing No. 307-FZ dated 30 December 2008;
- ▶ Independent Auditor's report on the Company's accounting (financial) statements for 2025 was prepared in accordance with Federal Law No. 307-FZ dated 30 December 2008 "On Auditing", International Standards on Auditing, and contains an opinion expressed in the prescribed form on the reliability of the audited entity's (PJSC Rosseti South) financial statements.

# Shares and dividends

## Authorised capital and authorised shares

Indicator	As of 01.01.2025	As of 31.12.2025
Type, category of securities		Ordinary shares
Nominal value of each share		RUB 0.10
Authorised capital	RUB 15,164,142,635.43	69,227,956,368.03
Number of outstanding shares	151,641,426,354.30	692,279,563,680.3
Including:		
▶ shares of the main issue (registration number 1-01-34956-E dated 20 September 2007)		151,641,426,354.30
▶ additional issue shares (registration number 1-01-34956-E-011D dated 2 September 2025) to convert shares of JSC Rosseti Kuban	–	540,638,137,326
Number of declared shares / total amount of declared shares at par value	28,918,182,335 / RUB 2,891,818,233.50	65,496 / RUB 6,549.60
Treasury shares (own shares)	– 4,142,335,813 / 0.6% of the authorised capital	
Quasi-treasury shares (ownership of own shares through subsidiaries)	– 284,196,576 / 0.04% of the authorised capital	

Preferred shares: not placed.

In the reporting year, as a result of the execution of the decisions of the General Meetings of Shareholders of PJSC Rosseti South dated 15 May 2025 (Minutes No. 28 dated 16 May 2025) and JSC Rosseti Kuban dated 16 May 2025 (Minutes No. 52 dated 19 May 2025) regarding reorganisation, as well as the increase in the authorised capital of the Company through the placement of additional ordinary shares and the conversion of ordinary shares to these shares of JSC Rosseti Kuban, and the corresponding increase in the number of declared shares, the authorised capital of the Company increased by almost 4.6 times.

In accordance with the agreement on the merger of JSC Rosseti Kuban with PJSC Rosseti South, approved by the above-mentioned decisions, 0.000737954 ordinary shares of JSC Rosseti Kuban were converted into one ordinary share of PJSC Rosseti South.

The shares of JSC Rosseti Kuban into additional shares of PJSC Rosseti South were converted on 1 December 2025, the day when an entry was made into the unified State Register of Legal Entities on the termination of activities of JSC Rosseti Kuban. As a result of the conversion, the Company placed 540,638,137,326 additional ordinary shares.

On 18 December 2025, the Bank of Russia carried out the state registration of the report on the results of the additional issue of shares of PJSC Rosseti South.

On 30 December 2025, the state registration of changes in the Articles of Association of PJSC Rosseti South regarding an increase in the authorised capital by the amount of additional shares placed and a corresponding decrease in the number of declared shares.

**By the decision of the Bank of Russia dated 19 March 2026, the individual code 011D of the additional issue of ordinary shares of the Company with registration number 1-01-34956-E-011D dated 2 September 2025 was cancelled, after which 540,638,137,326 shares of the Company are available for public trading.**

In accordance with art. 75 of Federal Law No. 208-FZ dated 26 December 1995 "On Joint-Stock Companies", as a result of shareholders' exercise of the right to request the repurchase of their shares in PJSC Rosseti South in connection with the upcoming reorganisation<sup>1</sup>, the Company purchased 4,142,335,813 treasury shares at a price of RUB 0.08454 per share<sup>2</sup> for a total amount of RUB 350,193,069.62.

As of the end of the reporting year, quasi-treasury shares of PJSC Rosseti South are available: JSC Energetik Health Resort, 100% of which belongs to the Company, owns 0.04% of the authorised capital of PJSC Rosseti South. The Company's cross-owned shares appeared as a result of JSC Rosseti Kuban's repurchase of its own shares from shareholders<sup>1</sup> and their subsequent payment for additional shares of JSC Energetik Health Resort. On 1 December

2025, the block of shares of JSC Rosseti Kuban, owned by JSC Energetik Health Resort, was converted into the corresponding number of shares of PJSC Rosseti South.

The Articles of Association of the Company states that each registered ordinary share of the Company grants the equal scope of rights to its holder. The rights of the shareholders are specified in the Company's Articles of Association.

## Share capital

As of 31 December 2025, 11,010 persons were registered in the Company's register of shareholders (excluding disclosure of information by nominee holders about their clients).

### Information on persons registered in the register of shareholders of the Company (excluding information on clients of nominee holders) as of 31.12.2025

Type of shareholder	Number of accounts of registered persons	Number of the Company's shares owned by registered persons	Share of the Company's authorised capital owned by registered persons, %
Issuer's treasury account	1	4,142,335,813	0.60
Quasi-treasury shares (owned by a subsidiary of JSC Energetik Health Resort)	1	284,196,576	0.04
Owners – individuals	10,825	1,780,222,708	0.26
Owners – legal entities	100	641,093,546,299	92.61
Co-ownership accounts	79	26,587,482	0.00
Nominee holders	4	44,952,674,802.30	6.49
<b>Total</b>	<b>11,010</b>	<b>692,279,563,680.30</b>	<b>100</b>

### List of persons whose accounts hold more than 5% of the Company's outstanding shares as of 31.12.2025

Registered person	Type of shareholder	Number of shares of the Company on the personal accounts of registered persons	Share of the Company's authorised capital owned by the registered person, %
Public Joint-Stock Company Federal Grid Company – Rosseti	Holder	666,748,921,056	96.31

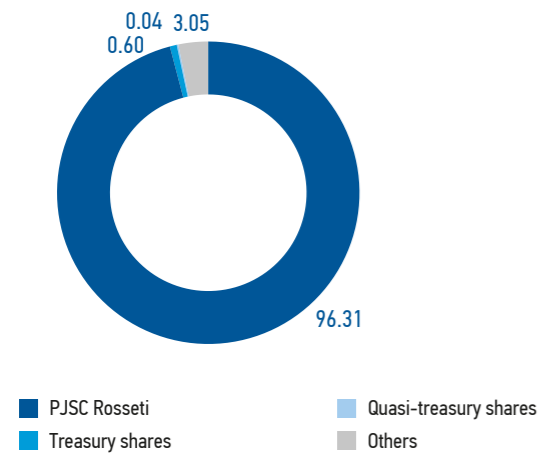
The controlling shareholder of the Company, PJSC Rosseti, owns 96.31% of the shares of PJSC Rosseti South. At the same time, the Russian Federation owns 77.02% of the authorised capital of PJSC Rosseti, therefore, it is an indirect holder of shares of PJSC Rosseti South.

<sup>1</sup> Shares of PJSC Rosseti Kuban (since 24 January 2025 – JSC Rosseti Kuban) were submitted by shareholders for repurchase by this company in accordance with art. 75 of Federal Law No. 208-FZ dated 26 December 1995 "On Joint-Stock Companies" in connection with the adoption of decisions by the General Meeting of Shareholders of PJSC Rosseti Kuban (JSC Rosseti Kuban): 14.06.2024 (Minutes No. 51 dated 17.06.2024) – on delisting of shares, 16.05.2025 (Minutes No. 52 dated 19.05.2025) about the reorganisation.

<sup>1</sup> The report on the results of shareholders' demands was approved by the decision of the Company's Board of Directors on 4 July 2025 (Minutes No. 628/2025 dated 4 July 2025).

<sup>2</sup> The price was determined by the decision of the Board of Directors of PJSC Rosseti South, Minutes No. 611/2025 dated 17 March 2025.

**The share capital structure of PJSC Rosseti South, % of the authorised capital:**



The reorganisation of PJSC Rosseti South in the form of the merger of JSC Rosseti Kuban caused changes in the composition of shareholders. Thus, the share of PJSC Rosseti increased from 84.16% to 96.31%. In addition, as of the end of the reporting year, the share of treasury shares (treasury shares purchased by the Company from shareholders) is 0.6%, the share of quasi-treasury shares (owned by JSC Energetik Health Resort) is 0.04%. The share of other shareholders is 3.05%.

PJSC Rosseti South does not have any information:

- ▶ On the existence of shareholders holding over 5% of the Company's issued shares, other than those mentioned above;
- ▶ On whether certain shareholders may acquire or have acquired a degree of control disproportionate to their shareholdings in the Company, including on the basis of shareholder agreements;

No decision was made to use the special right of participation of the Russian Federation in the management of the Company ('golden share').

**Trading shares on the stock exchange**

Ordinary shares of PJSC Rosseti South are traded on the Moscow Stock Exchange:

- ▶ 27.06.2008, included in the Quotation List I;
- ▶ 15.01.2009, included in List of non-listed stock;
- ▶ 12.07.2010, included in the Quotation List B;
- ▶ 09.06.2014, included in the Second level of the List of securities listed on PJSC Moscow Stock Exchange;

- ▶ 26.02.2018, included in the Third Level of the List of Securities listed on Trading in PJSC Moscow Stock Exchange.

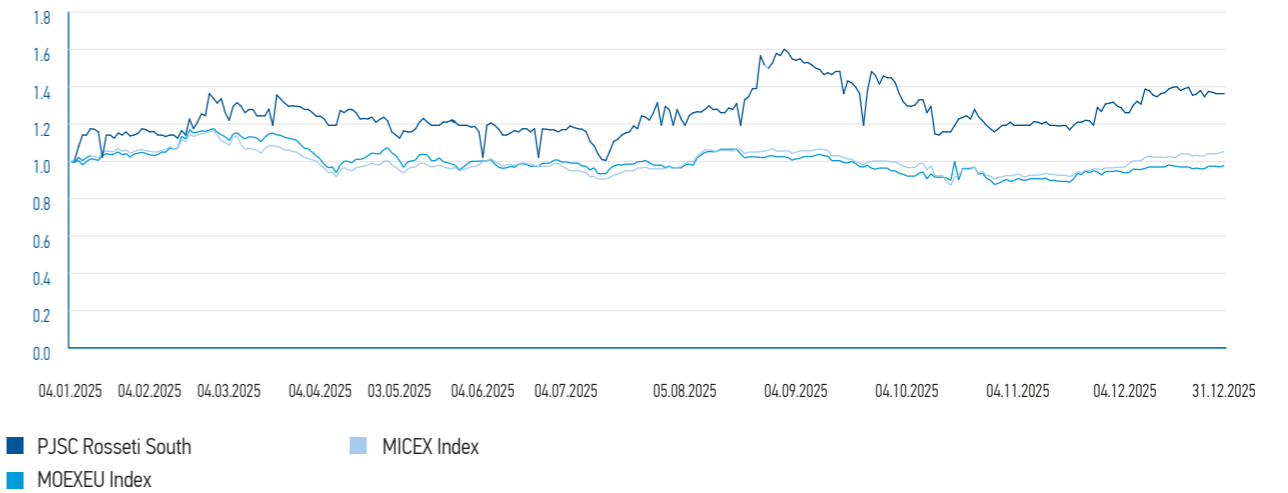
Since 19 September 2025, the Company's shares have been on the waiting list for inclusion in the calculation base of the Broad Market Index of the Moscow Stock Exchange.

Indicator	Ordinary shares
Ticker	MRKY
Start of trading	03.07.2008
ISIN code	RU000A0JPPG8

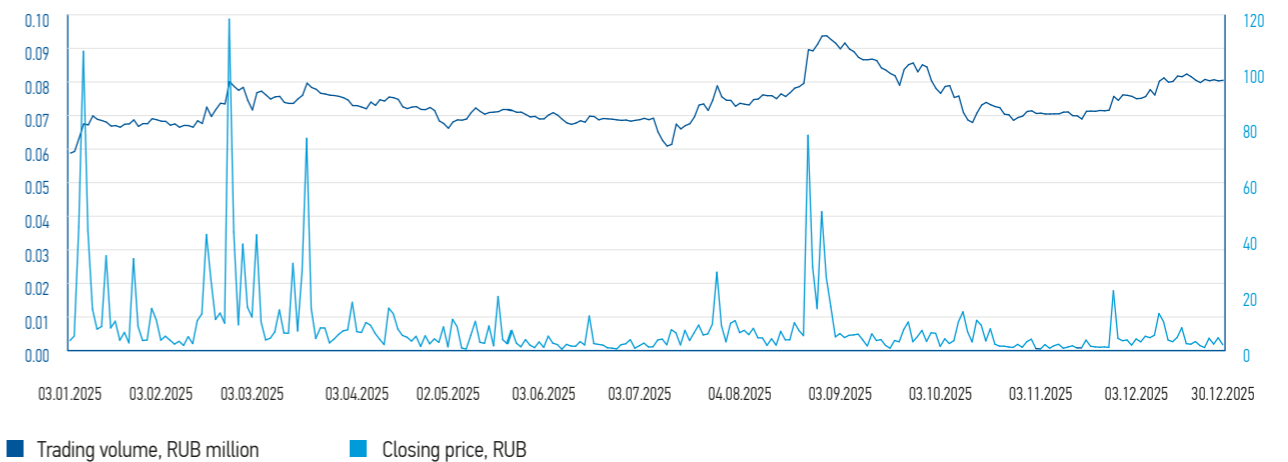
In the reporting period, the reorganisation of PJSC Rosseti South in the form of the merger of JSC Rosseti Kuban had a significant impact on the market value of shares. By the end of 2025, the weighted average price of one share of PJSC Rosseti South on the Moscow Stock Exchange increased from RUB 0.05845 to RUB 0.08095 (by 38.5%) against an decrease in the Moscow Exchange index (IMOEX) by 4.0% and an increase in the electric power index (MOEXEU) by 4.9%.

The Company's market capitalisation as of 31 December 2025, according to the Moscow Stock Exchange, amounted to RUB 12,275.37 million.

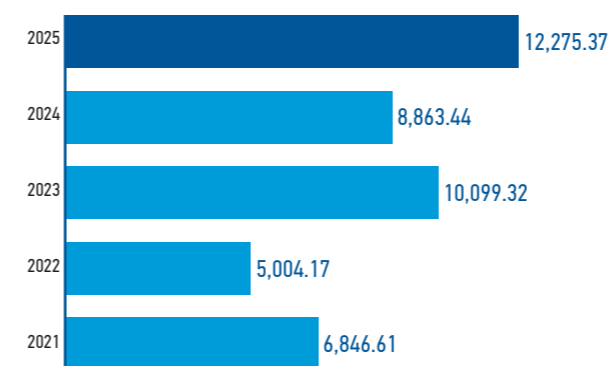
**Changes in the price of one share of PJSC Rosseti South in 2025 in comparison with the indices of the electric power industry and the Moscow Stock Exchange**



**Changes in stock pricing of PJSC Rosseti South and trading volumes in 2025 (at the close of trading on the Moscow Exchange)**



**Changes in the market capitalisation of PJSC Rosseti South in 2021–2025<sup>1</sup>, RUB million:**



<sup>1</sup> Excluding the additional issue of shares to convert the shares of JSC Rosseti Kuban, which was merged into the Company on 1 December 2025.

Indicators	2024	2025	Change, 2025/2024, %
Weighted average price (at the end of the period, RUB)	0.05845	<b>0.08095</b>	38.5
Capitalisation at the end of the reporting period (excluding the additional issue of shares into which the shares of JSC Rosseti Kuban were converted on 1 December 2025), RUB million	8,863.40	<b>12,275.37</b>	38.5
Minimum price, RUB	0.04105	<b>0.05675</b>	38.25
Maximum price, RUB	0.1187	<b>0.09885</b>	-16.72
Number of transactions	523,658.00	<b>216,628.00</b>	-58.6
Volume of transactions (RUB million)	7,828.15	<b>2,144.41</b>	-72.6

The trading volume of the Company's shares on the Moscow Stock Exchange in 2025 amounted to RUB 2,144.41 million / 28,355.31 million shares. In 2025, trading activity was significantly lower than in previous years, with the trading volume (in monetary terms)

decreasing by 72.6%. The peak of trading activity was observed in the 1st quarter of the reporting year – 93,440 transactions were concluded for 14,169.93 million shares, which accounted for 50% of the annual turnover.

## Dividends

The Company's dividend policy is defined by the Regulations on Dividend Policy<sup>1</sup> approved by the decision of the Company's Board of Directors dated 2 February 2018 in a new wording (Minutes No. 258/2018 dated 5 February 2018) with amendments dated 31 July 2018 (Minutes No. 281/2018 dated 3 August 2018).

Principles of the Dividend Policy of the Company
Calculation of dividends for appropriation of profits, ignoring the impact of revaluation of financial investments
The need to maintain the required level of financial and technical condition of the Company (implementation of the investment programme), providing the development potential for the Company
Compliance with the Company's practice of accrual and payment of dividends under the legislation of the Russian Federation and the best standards of corporate ethics
Optimal harmonisation of the interests of the Company and shareholders
Higher investment appeal of the Company and its capitalisation
Transparency (clarity) of procedures used to determine the amount of dividends and their payout

The dividend policy of the Company sets the amount of dividends at the level of not less than 50% of net profit under IFRS, and in addition there is a number of restrictions on the payment of interim dividends, including if the payment requires borrowing, if the payment leads to a deterioration in creditworthiness or if failure to fulfil the investment programme.

<sup>1</sup> Approved by the decision of the Board of Directors of the Company dated 2 February 2018 in a new wording (Minutes No. 258/2018 dated 5 February 2018) as amended on 31 July 2018 (Minutes No. 281/2018 dated 3 August 2018).

## Profit distribution for 2022–2024<sup>1</sup>, RUB '000

Indicator	For 2022 (the Company's annual General Meeting of Shareholders for 2023)	For 2023 (the Company's annual General Meeting of Shareholders for 2024)	For 2024 (the Company's annual General Meeting of Shareholders for 2025)
<b>Undistributed profit (loss) of the reporting period, including:</b>	(559,272)	2,430,773	7,225,489
<b>Reserve fund</b>	0	121,539	294,017
<b>Profit for development</b>	0	2,309,234	1,092,450
<b>Dividends</b>	0	0	0
<b>Recovery of losses of prior periods</b>	0	0	5,839,022

In accordance with the Company's Articles of Association, the annual General Meeting of Shareholders will decide on the distribution of profits based on the results of 2025.

- ▶ During 2020–2025, no dividends were accrued or paid on the Company's shares.

Since the date of the Company's reorganisation, 1 January 2025, PJSC Rosseti South has assumed obligations to pay dividends to the former shareholders of JSC Rosseti Kuban for nine months

of 2022, 2022, 2023 and the first half of 2025. The reason for the incomplete payment of dividends is the lack of data for the transfer of dividends in the questionnaire of a registered person in the register of shareholders, the data for which must be provided by the shareholder.

The payment obligations expire after three years from the date of the dividend accrual.

## Total amount of unclaimed dividends on shares of JSC Rosseti Kuban as of 31.12.2025

Dividend period, year	Number and date of the Minutes of the General Meeting of Shareholders, when the dividend payment decision was made	Record date of making a list of persons entitled to dividends for the particular dividend period	Volume of declared (accrued) dividends for the shares of this category (type) per one share, RUB	Cumulative declared (accrued) dividends for all shares of this category (type), RUB	Total amount of dividends paid on all Company shares of one category (type), RUB	Amount of unclaimed dividends, RUB
9 months of 2022	No. 49 dated 08.12.2022	16.12.2022	5,482,304,107	1,943,544,484.10	1,942,915,833.58	628,650.52
2022	No. 50 dated 21.06.2023	30.06.2023	2,002,2935	766,499,988.07	766,162,471.28	337,516.79
2023	No. 51 17.06.2024	28.06.2024	4,874,327	1,944,691,114.44	1,943,936,809.18	754,305.26
Six month of 2025	No. 54 17.09.2025	23.09.2025	8,772,6757	3,499,243,478.95	3,497,773,528.59	1,469,950.36

<sup>1</sup> Decisions on the distribution of profits for 2022–2024 were made by decisions of the annual General Meeting of Shareholders of the Company dated 9 June 2023 (Minutes No. 26 dated 13 June 2023), dated 19 June 2024 (Minutes No. 27 dated 19 June 2024), dated 10 June 2025 (Minutes No. 29 dated 11 June 2025).

## Shareholder and investor relations

During the reporting year, the Company continued to provide information and interact with various groups of shareholders and investors, ensuring unconditional compliance with the legal rights of all interested parties.

In order to ensure that the Company's shareholders are able to exercise their rights, the Company shall disclose information in a timely manner in accordance with the law and the Company's internal documents.

One of the important ways that PJSC Rosseti South uses to share information with interested parties is its website, which allows interested parties to quickly find all the information disclosed by the Company.

A dedicated email address was set up to respond to queries and requests from shareholders, investors and other interested parties. In addition to the general contact details, the Company's website also lists a telephone number for shareholder consultations.

During the preparation period for the annual General Meeting of Shareholders of the Company, for the convenience of shareholders and other interested parties, an interactive creeping line feature will be activated on the Company's corporate website, allowing shareholders to quickly navigate to the section of the website containing information materials for the annual meeting.

The Company strives to prevent or fairly resolve any corporate conflicts between the Company and its shareholders, while ensuring the protection of shareholders' rights and compliance with the requirements of legislation and internal documents.

The Company uses particular care to advise shareholders on updating their personal data, receiving dividends, inheritance and other issues related to the exercise of their rights to securities.

For more details on disclosure of information by the Company to shareholders and investors, see the Information Disclosure section of this Annual Report.

The action plan for interaction between PJSC Rosseti South and the investment community for 2025 was published on the Company's website in the Home/Shareholders and Investors/IR Calendar section at: <https://rosseti-yug.ru/aktsioneru-investoru/ir-kalendar/>.



# GRI Content Index

The provisions of the GRI 2021 standard (disclosure level: with reference) were used in preparation of the Report.

GRI Standard	Indicator	Place in the Report (section or subsection)/Comment
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	About the Report Geographic reach of the Company Addresses and contact details
	2-2 Entities included in the organization's sustainability reporting	About the Report
	2-3 Reporting period, frequency and contact point	Reporting period – 2025 calendar year. Frequency of reporting – annually. Contact point can be found in the Addresses and Contact Details section
	2-4 Restatements of information	About the Report
	2-5 External assurance	About the Report
	2-6 Activities, value chain and other business relationships	At a glance Geographic reach of the Company Business model Electricity transmission Grid connection
	2-7 Employees	Headcount and personnel breakdown
	2-8 Workers who are not employees	The Company does not keep such records
	2-9 Governance structure and composition	Membership of the Board of Directors
	2-12 Role of the highest governance body in overseeing the management of impacts	Certain aspects of sustainable development are discussed at the meetings of the Company's Board of Directors
	2-13 Delegation of responsibility for managing impacts	Functional heads are responsible for managing individual sustainability aspects and related impacts within their respective purview
	2-14 Role of the highest governance body in sustainability reporting	The annual integrated report is pre-approved by the Board of Directors of the Company
	2-15 Conflicts of interest	Board of Directors Prevention of conflicts of interest
	2-17 Collective knowledge of the highest governance body	Each member of the Board of Directors is responsible for individual aspects of ESG within their remit
	2-18 Evaluation of the performance of the highest governance body	Performance review of the Board of Directors
	2-19 Remuneration policies	Remuneration and compensation of the Company's governing bodies
	2-20 Process to determine remuneration	Remuneration and compensation of the Company's governing bodies
	2-21 Annual total compensation ratio	This indicator is not currently calculated by the Company as it is not required by the current remuneration policies and regulations

## Reference information

GRI Standard	Indicator	Place in the Report (section or subsection)/Comment	
	2-22 Statement on sustainable development strategy	Message from the Chairman of the Board of Directors Message from the General Director	
	2-23 Policy commitments	Mission and strategic priorities Social policy Occupational health and safety Environmental policy	
	2-24 Embedding policy commitments	Mission and strategic priorities Social policy Occupational health and safety Environmental protection	
	2-25 Processes to remediate negative impacts	Consumer relations Procurement activities Anti-corruption policy	
	2-26 Mechanisms for seeking advice and raising concerns	Consumer relations Procurement activities Anti-corruption policy	
	2-27 Compliance with laws and regulations	Main environmental protection activities	
	2-29 Approach to stakeholder engagement	Stakeholder relations	
	2-30 Collective bargaining agreements	Social policy	
	<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Investment activities
	<b>GRI 205: Anti-Corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Measures to implement the Company's Anti-Corruption Policy in 2025
		205-3 Confirmed incidents of corruption and actions taken	Measures to implement the Company's Anti-Corruption Policy in 2025
	<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Energy consumption and energy saving
	<b>GRI 303: Water and Effluents 2018</b>	303-5 Water consumption	Results of environmental protection efforts
	<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Results of environmental protection efforts
	<b>GRI 306: Waste 2020</b>	306-3 Waste generated	Results of environmental protection efforts
306-5 Waste directed to disposal		Results of environmental protection efforts	
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Strategy in action	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	The benefits established by the collective bargaining agreement apply to all employees of the Company and do not depend on the status and conditions of labour relations	

GRI Standard	Indicator	Place in the Report (section or subsection)/Comment
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational health and safety
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational health and safety
	403-6 Promotion of worker health	Social policy
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety
	403-9 Work-related injuries	Work-related injuries and ill-health
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Staff training and development
	404-2 Programs for upgrading employee skills and transition assistance programs	Staff training and development
	404-3 Percentage of employees receiving regular performance and career development reviews	Staff training and development
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Headcount and personnel breakdown Membership of the Board of Directors
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	The Company does not use child labour in its own operations and supply chain
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	The Company does not tolerate the use of forced and compulsory labour in its own operations and supply chain
<b>GRI 416: Customer Health and Safety</b>	416-1 Assessment of the health and safety impacts of product and service categories	Assessment of the customer satisfaction level

## Contact details

### GRI 2-1, 2-3

Full company name:  
**Public Joint-Stock Company Rosseti South**

Legal and actual address: 49/42 Bolshaya Sadovaya St., Rostov-on-Don, Russia, 344002

Abbreviated company name:  
**PJSC Rosseti South**

Tel./fax: (863) 238-54-64, (863) 238-58-95/ (863) 238-55-65

Certificate of state registration, series 61, No. 005700952, dated 28.06.2007. ORGN 1076164009096

E-mail: [office@rosseti-yug.ru](mailto:office@rosseti-yug.ru)

Website: <http://rosseti-yug.ru>

The Company was registered on 28.06.2007 in the Rostov Region

**Common hotline number**

8 (800) 220-0-220, 220 (from mobile devices)

### Information about the Company's branches

Astrakhanenergo branch of PJSC Rosseti South	19 Sovetskaya Militsiya Ul., Astrakhan, 414000
Volgogradenergo branch of Rosseti South	15 Lenin Ave., Volgograd, 400066
Kalmenergo branch of PJSC Rosseti South	Northern industrial zone-1, Elista, Republic of Kalmykia, 358007
Branch of PJSC Rosseti South — Kubanenergo	2a Stavropolskaya St., Krasnodar, 350033
Rostovenergo branch of PJSC Rosseti South	49/42 Bolshaya Sadovaya St., Rostov-on-Don, 344002

## Registrar

Full company name:  
**Joint-Stock Company Independent Registrar Company R.O.S.T.**

Telephone number of the Common Customer Contact Centre:  
+7 (495) 780-73-63

Abbreviated company name:  
**JSC IRC – R.O.S.T.**

E-mail: [info@rrost.ru](mailto:info@rrost.ru)

Location: 18 Stromynka St., bldg 5B, Moscow

Link to website of JSC IRC – R.O.S.T.: <http://www.rrost.ru>

Address: PO Box 9, 18 Stromynka Street, Moscow, 107996

## Dividend payout hotline

Information on the dividend payout on the PJSC Rosseti South's shares can be obtained from JSC IRC – R.O.S.T. by calling the hotline: +7 (495) 780-73-63, or by contacting JSC IRC – R.O.S.T. via e-mail: [info@rrost.ru](mailto:info@rrost.ru).

## Contact point for questions regarding the report or its content

### Corporate Governance and Shareholder Relations

#### Department:

Hotline for shareholders:

Monday through Friday, from 8 a.m to 5 p.m., MSK

Tel.: +7 863 307-07-48

Email: [kuznecovaln@rosseti-yug.ru](mailto:kuznecovaln@rosseti-yug.ru)

## Terms and abbreviations

**Average Headcount** – an overall number of employees for each calendar day of a period including holidays (banking holidays) and days-off divided by the number of calendar days in the period.

**c.u.** – conventional units for electric equipment.

**Commercial Metering of Electricity (Capacity)** – the process of measuring the amount of electricity and determining the amount of capacity, as well as collecting, storing, processing, transmitting the results of these measurements and generating, including by calculation, data on the amount of electricity (capacity) produced and consumed for mutual settlements for the supplied electricity and capacity, as well as for services related to the said supplies.

**Common-Pot Tariffs for Electricity Transmission** – uniform tariffs for electricity transmission services in the Krasnodar Krai, the Republic of Adygeya and Sirius federal territory for all consumers of electricity transmission services irrespective of which power grid organisation they are connected to, differentiated according to the voltage levels.

**Corporate Year** – a period between the election of members of the Board of Directors and the Auditing Commission at the General Meeting of Shareholders and the next annual General Meeting of Shareholders.

**Delivery to the Grid** – the amount of electric power received in the distribution grid from the delivery points of the Uniform National Power Grid, generation points and other related systems, formed according to the voltage level on the balance responsibility border.

**Disturbances (accident)** – an unauthorised disconnection of normal power grid operations.

**DP** – distribution point.

**EBITDA** – (Earnings before Interest, Taxes, Depreciation and Amortisation) is calculated as follows: Profit before taxes before interest expenses, depreciation and net accrual / (recovery) of impairment losses on fixed assets and rights of use of assets.

### Electricity Losses:

- ▶ Actual (Reported) Losses -- a difference between the amount of electric power supplied to the power grid from other grids or power producers and the amount of electric power consumed by the power receivers connected to the grid and transferred to other grid operators;
- ▶ Standard Losses -- calculated loss values set by authorised federal executive bodies for the aggregated electricity transmission lines and other facilities owned by the grid operator and differentiated according to the voltage levels; the cost of normal losses of electricity is included in the amount of the payment for the transmission of electricity (tariff);
- ▶ Excessive (Commercial) Electric Losses -- a difference between actual and standard electricity losses, paid to the full extent by the operator of the grid where these excessive losses occurred.

**Electricity Metering Device** – a measuring device designed to determine the amount of active and/or reactive electrical energy that passed through it in a certain period of time to the place of consumption of electrical energy.

### Fuel and Energy Complex

**Grid Connection** – a technical connection of consumer terminals (power units) of legal and natural entities to the power grids of the company that provides electricity transmission services.

**Grid Organisation, Distribution Grid Company** – an organisation responsible for transmission and/or distribution of electricity in power grids.

**Guaranteeing Supplier** – a commercial organisation obliged to enter in contracts for electricity sale and purchase with any electricity consumer or a person acting on behalf of such consumer willing to buy electricity in accordance with Federal Law No. 35-FZ on Electrical Power dated 26 March 2003 or voluntarily assumed liabilities.

**Net Delivery** – the amount of electric power transmitted (supplied) via distribution grids to power supply points of consumers and (or) downstream grid operators, which was formed according to the voltage level on the balance responsibility borders. It corresponds with the physical process of electricity transmission via power grids.

### Overhead Transmission Line

**PAMS** – production asset management system.

**PGR** – power grid regions in the Company's branches.

**PTL** – power transmission line.

**R&D** – research and development.

**RAS** – Russian Accounting Standards.

**Related Grid Organisation** – grid operator that is a legal owner of the power grid facilities connected directly to the power grids of other operators (it relates to).

**S&A** – subsidiaries and affiliates of the Company or PJSC Rosseti.

**SS** – substation.

**Technical Electricity Metering** – metering to control electricity consumption within power plants, substations, businesses, buildings, flats, etc. Meters used for technical metering are called technical meters.

**Technical Losses** – losses of electric power in power grid lines and equipment due to the physical processes occurring when transmitting power in accordance with the specifications and operating modes of grids and equipment, taking into consideration the power consumption of substations.

**Territorial Grid Organisation (TGO)** – a commercial organisation that owns power grid facilities by right of property or other grounds set forth in federal laws and provides electricity transmission services using those facilities, performs proper grid connection of power recipients (power units) of legal and natural entities to power grids, apart from signing power transmission contracts using the power grid facilities outside the Uniform National (Russian) Power Grid.

**TS** – transformer substation.

**UNPG** – Unified National Power Grid (of Russia).

**Volume of Services Rendered** – the amount of electric power transmitted via the power grid facilities owned by the grid company on any grounds compliant with the laws of the Russian Federation.

## Units of measurement

**`000** – thousand

**Gcal** – gigacalorie

**h** – hour

**km** – kilometre

**kV** – kilovolt

**kVA** – kilovolt-ampere

**kW** – kilowatt

**kWh** – kilowatt-hour

**m** – metre

**min** – minute

**MVA** – megavolt-ampere

**MW** – megawatt

**p.p** – percentage point

**pcs** – pieces

**RUB** – Russian rouble

**s** – second

**t** – tonne

**TFOE** – tonne of fuel oil equivalent

**VA** – volt-ampere

**W** – watt