

Remuneration and Reimbursement for the Audit Commission Members

According to the effective Regulation on the Remuneration and Reimbursement Paid to the Audit Commission of Kubanenergo¹, as approved by the Annual General Meeting of Shareholders (Minutes No.40 dated May 28, 2018), the members of the Audit Commission receive remunerations depending on the results of the work during the corporate year and employees involvement with the work of this controlling body.

The remuneration amount for the Audit Commission is calculated while taking into consideration the following:

- the size of the base part of the remuneration set according to the Company profits calculated using RAS for the fiscal year;

- the personal involvement modifier for the Audit Commission members reflecting their participation in meetings and inspections, as well as their fulfillment of additional duties as Chair or Secretary of Audit Commission.

The remuneration shall not be paid to the members of the Audit Commission who took part in less than half of the meetings held while they were in the Audit Commission.

Reimbursement of expenses related to the participation in the meetings of the Audit Commission is performed to the extent of the real expenditures according to the standard regulations.

Remuneration accrued and paid to the members of the Audit Commission, RUB mln

2020. (for 2019/2020 corporate year)	2019 (for 2018/2019 corporate year)	2018 (for 2017/2018 corporate year)
648	790	797

The expenses of the Audit Commission members were not reimbursed in the reporting year.

The Company has no remuneration or reimbursement payments overdue to the Audit Commission members.

TRANSACTIONS MADE BY ROSSETI KUBAN IN 2020

In 2020, Rosseti Kuban did not make any transactions recognized in Chapter X of Federal Law On Joint-Stock Companies with Significant Transactions. Significant transactions (groups of related transactions) with liabilities of 10 per cent and more of carrying amount of the Company's assets according to its accounting data for the completed reporting period prior to the transaction were not made by the Company in 2020.

In the reporting year, the Company made six related-party transactions (Chapter XI of Federal Law On Joint-Stock Companies). The report on the related-party transactions made by the Company in 2020 can be found in [Annex 2 of this report](#).

¹ Regulation on the Remuneration and Reimbursement Paid to the Audit Commission of Kubanenergo is published on the Company's website in the section About the Company / Constituent and in-house documents. The Regulation is not applied to the members of the Audit Commission, in respect of which the federal law prescribes a restriction or prohibition on receipt of any payments from commercial organizations.