

**Annex 1 to the Anti-Corruption Policy of JSC ROSSETI and Subsidiaries and
Dependent Companies of JSC ROSSETI**

**List of Anti-Corruption Measures
of JSC ROSSETI and Subsidiaries and Dependent Companies of JSC ROSSETI**

**Areas of the Anti-Corruption Policy
of JSC ROSSETI and JSC ROSSETI's SDCs/Anti-Corruption Measures**

**1. Appointing divisions and officers responsible for avoiding corruption
offenses and combating corruption (paragraph 3.1)**

1.1. Bring the organizational structure of JSC ROSSETI and JSC ROSSETI's SDCs into line with the legal requirements applicable to avoiding and combating corruption, with reporting directly to sole executive bodies, being adequately authorized to carry out anti-corruption, and being supplied with the necessary technical resources.

1.2. Develop and approve the local regulatory document ("LRD") defining the objectives, functions, duties, and authority of the division or officers responsible for avoiding corruption offenses and combating corruption.

2. Assessing corruption risks (paragraph 3.2)

2.1. Develop and approve the methodology of analyzing (including identifying and assessing) intrinsic corruption risks.

2.2. Prepare and approve the corruption risk map of JSC ROSSETI and JSC ROSSETI's SDCs.

3. Identifying and resolving conflicts of interest (paragraph 3.3)

3.1. Update the LRD on resolving conflicts of interest in JSC ROSSETI and JSC ROSSETI's SDCs (including specifying the procedure for the provision of information by employees JSC ROSSETI and JSC ROSSETI's SDCs about the occurrence of conflicts of interest and the resolution of identified conflicts of interest, the duties and responsibilities of employees, typical pre-conflicts/conflicts of interest, etc.) and conflict of interest declarations.

3.2. Update the LRD on the work of the Central Commission on Corporate Ethics Compliance and Conflict of Interest Resolution in JSC ROSSETI and commissions in JSC ROSSETI's SDCs.

3.3. Inform employees about the approved LRDs on resolving conflicts of interest and about mandatory compliance with their requirements.

3.4. Organize and support work on resolving conflicts of interest.

3.5. Submit conflict of interest declarations on an annual basis.

4. Developing and implementing standards and procedures aimed at ensuring good faith work (paragraph 3.4)

4.1. Update the Code of Corporate Ethics of JSC ROSSETI (including incorporating the provisions that employees should be promoted to higher positions only on the basis of their business skills, relatives should not be employed if they are in a direct line of subordination in relation to each other, etc.).

4.2. Formulate and develop the rules for the exchange of business gifts and business hospitality items.

4.3. Incorporate anti-corruption provisions into employment contracts.

4.4. Update the LRD on collecting and verifying information on income, expense, property, and property obligations with respect to candidates for filling positions and employees filling positions in JSC ROSSETI and JSC ROSSETI's SDCs and their close relatives in order to identify conflicts of interest, affiliation, and other abuses (including incorporating the procedure for declaring expenses, etc.) and organize and support work in this area.

4.5. Participate in selecting candidates for filling positions in ROSSETI and JSC ROSSETI's SDCs in order to avoid corruption.

4.6. Take measures to prevent insider information misuse and market manipulation (develop the LRD, maintain the insider list, analyze market transactions, etc.).

5. Studying and acting on information about possible corruption (paragraph 3.5)

5.1. Develop and approve the LRD on the procedure for considering reports on possible corruption in JSC ROSSETI and JSC ROSSETI's SDCs (procedure for receiving, considering, and acting on reports; deadline for considering reports; procedure for interacting with divisions; procedure for employees' reporting to the employer any enticement into corruption offenses; etc.).

5.2. Create and operate accessible channels of communication, feedback mechanisms, helplines, hotlines, etc.

5.3. Organize and support work on considering reports.

5.4. Introduce procedures for protecting employees who report corruption offenses from formal and informal sanctions.

6. Providing legal education for employees and forming the basis for their law-abiding conduct; providing advice and training for employees (paragraphs 2 and 3.6)

6.1. Familiarize employees with legal regulations and LRDs on avoiding and combating corruption on an annual basis with a signed acknowledgement of such familiarization.

6.2. Develop and issue guidance materials and awareness-raising materials on anti-corruption standards of conduct.

6.3. Publish information about measures to implement the Anti-Corruption Policy of JSC ROSSETI and JSC ROSSETI's SDCs ("Anti-Corruption Policy") on the corporate websites of JSC ROSSETI and JSC ROSSETI's SDCs and in the corporate newspaper, media, and other sources.

6.4. Organize training sessions on avoiding and combating corruption (workshops, seminars, conferences, forums, roundtables, etc.).

6.5. Provide individual advice for employees on the application (compliance with) anti-corruption standards and procedures.

7. Conducting internal control and audit procedures (paragraph 3.7)

7.1. Verify compliance with the organizational procedures and rules of conduct that are significant in the context of work on avoiding and preventing corruption.

7.2. Conduct control procedures with respect to business operations (preventing and identifying the creation of unofficial (double) reporting, unrecorded or inadequately recorded transactions, accounting for nonexistent expenses, the recognition of liabilities with incorrectly identified subjects, the intentional destruction of accounting and other documents earlier than provided for in law, etc.).

7.3. Conduct regular control procedures with respect to the economic feasibility of expenses in areas of high corruption risks (business gifts, official entertainment expenses, charitable donations, fees payable to external consultants, etc.).

7.4. Conduct regular control procedures with respect to accounting records and the availability and reliability of primary accounting documents.

7.5. Engage external independent experts to audit economic operations (periodic external audits).

8. Carrying out measures to combat and avoid corruption in cooperation with partners and counterparties (paragraph 3.8)

8.1. Introduce special counterparty examination procedures in order to reduce the risk of involving JSC ROSSETI and JSC ROSSETI's SDCs in corrupt activities and other unscrupulous practices (introducing a unified automated analysis and collection system for information on beneficiaries of counterparties to assess the due diligence and financial stability of suppliers and contractors (inclusion on the register of unscrupulous suppliers; bad publicity, etc.)).

8.2. Develop and introduce into JSC ROSSETI and JSC ROSSETI's SDCs a uniform mechanism for anti-corruption control over procurement (Anti-Corruption Standard).

8.3. Update the LRD on organizing work on disclosing information on the owner chain of procurement participants/counterparties of JSC ROSSETI and JSC ROSSETI's SDCs.

8.4. Distribute to counterparties and partners the programs, policies, standards of conduct, procedures and rules aimed at avoiding and combating corruption and applied by JSC ROSSETI and JSC ROSSETI's SDCs (anti-corruption obligations, anti-corruption standard, anti-corruption clause, etc.).

8.5. Inform the public about the degree of introduction and success in implementing anti-corruption measures (publishing such information on the corporate websites of JSC ROSSETI and JSC ROSSETI's SDCs and in the media and other sources).

9. Interacting with governmental supervisory authorities; cooperating with law enforcement agencies in combating corruption (paragraphs 3.9 and 3.10)

9.1. Develop and approve the LRD on the procedure for interaction between JSC ROSSETI and supervisory authorities and law enforcement agencies.

9.2. Interact with federal governmental authorities on the issues related to the practical application of laws in the area of avoiding and combating corruption and related to the improvement of the regulatory and legal framework, including the formulation of proposals to amend current Russian legal regulations on avoiding and combating corruption, participation in working (expert) groups of the General Prosecutor's Office of the Russian Federation, the Federal Service for Financial Monitoring of the Russian Federation, the Chamber of Commerce and Industry of the Russian Federation, etc.

9.3. Provide assistance for law enforcement agencies in detecting and investigating corruption offenses (preventing any undue interference of employees of JSC ROSSETI and JSC ROSSETI's SDCs in law enforcement agencies' activities).

9.4. Provide assistance in conducting inspections, create no obstacles to inspectors' legitimate activities, and report corruption offenses.

10. Taking part in collective initiatives to combat and avoid corruption (paragraph 3.12)

10.1. Implementing the provisions of the Charter:

10.1.1. Organize and support work on interacting with the Russian business community: Chamber of Commerce and Industry of the Russian Federation, Russian Union of Industrialists and Entrepreneurs, Business Russia, OPORA RUSSIA, and other members of the Charter (participation in working groups, joint training, etc.).

10.1.2. Carry out measures of JSC ROSSETI as a member of the Charter to avoid and combat corruption:

- ensure compliance with requirements to JSC ROSSETI as a member of the Register of Reliable Partners;
- participate in the Expert Group of the Joint Committee of the Chamber of Commerce and Industry of the Russian Federation.

10.2. Taking part in other collective initiatives:

10.2.1. Incorporate standard anti-corruption clauses into joint contracts.

10.2.2. Publicly refuse to do business with organizations (persons) involved in corruption crime.

10.2.3. Cause experts of JSC ROSSETI and JSC ROSSETI's SDCs to take part in international and other anti-corruption efforts.

11. Combating bribery of foreign public officials and officials of public international organizations (paragraph 3.11)

11.1. Develop and approve the LRD on measures to combat bribery of foreign public officials in JSC ROSSETI and JSC ROSSETI's SDCs (procedure for employees' reporting bribery of foreign public officials; providing information for the Investigative Committee of the Russian Federation; measures to combat bribery).

11.2. Interact with Russian governmental authorities and law enforcement agencies, diplomatic and trade missions of the Russian Federation abroad, international and other organizations in order to develop and improve measures to combat bribery of foreign public officials and officials of public international organizations in JSC ROSSETI and JSC ROSSETI's SDCs.

11.3. Monitor the effectiveness of measures to combat bribery of foreign public officials and officials of public international organizations.

12. Approval, Implementation Analysis, and Revision of the Anti-Corruption Policy (paragraph 7)

12.1. Monitor international standards, anti-corruption laws of the Russian Federation, LRDs of JSC ROSSETI and JSC ROSSETI's SDCs in the area of avoiding and combating corruption.

12.2. Evaluate progress in and the effectiveness of implementing the Anti-Corruption Policy.

12.3. Revise and amend the approved Anti-Corruption Policy.

