

AMENDMENTS AND SUPPLEMENTS PROPOSED FOR INTRODUCTION INTO THE REGULATIONS FOR THE AUDITING COMMISSION OF THE PUBLIC JOINT STOCK COMPANY OF POWER INDUSTRY AND ELECTRIFICATION OF KUBAN

#	Text of the current version of the Company's internal document, with regard whereto the amendments and supplements are being proposed	The proposed amendments and supplements to the Company's internal document	Grounds, entailing the need to make amendments and supplements to the current version of the Company's internal document (comment with a reference to the current legislation of the Russian Federation, the change of the current legislation of the Russian Federation, etc.) -
1	<p>6.1. Within the competence the Company's employees shall be obliged to:</p> <p>1) create conditions for the members of the Auditing Committee and engaged experts (specialists) ensuring efficient audit, submit all required information and documentation as well as provide comments and explanations in a written or oral form upon query (oral or written). The requested documents and materials shall be submitted to members of the Auditing Committee within 2 (Two) working days since the query;</p> <p>2) eliminate promptly all violations revealed by the Audit Commission, including violations in recording and preparation of accounting and other financial statements;</p> <p>3) prevent any actions at carrying out of check, directed on restriction of a circle of questions which are subject to finding out;</p> <p>4) facilitate the observation of rights of the Auditing Committee.</p>	<p>6.1. Within the competence the Company's employees shall be obliged to:</p> <p>1) create conditions for the members of the Auditing Committee and engaged experts (specialists) ensuring efficient audit, submit all required information and documentation as well as provide comments and explanations in a written or oral form upon query (oral or written). The requested documents and materials shall be submitted to members of the Auditing Committee within 2 (Two) working days since the query;</p> <p>2) eliminate promptly all violations revealed by the Audit Commission, including violations in book keeping and preparation of accounting and other financial statements;</p> <p>3) prevent any actions at carrying out of check, directed on restriction of a circle of questions which are subject to finding out at carrying out of the check;</p> <p>4) facilitate the observation of rights of the Auditing Committee;</p> <p>5) timely develop and implement measures of a compensatory and preventive nature aimed at eliminating and preventing the occurrence of violations and shortcomings identified by the Auditing Commission. At the same time, the developed action plans</p>	<p>Suggestion from the group of Varlamov N.N.:</p> <p>These changes are made to improve the effectiveness of the response to violations and shortcomings identified by the auditing commissions.</p> <p>Currently, implementation of the proposed rule is carried out only through separate orders of the Board of Rosseti PJSC or decisions of audit committees/boards of directors of subsidiaries and dependent companies. It is necessary to make SDCs responsible for development of action plans in all cases when the audit commission determines violations and shortcomings.</p>

		<p>should contain the planned effect from the implementation of each activity;</p> <p>6) submit to the Auditing Commission a report on implementation of activities aimed at eliminating and preventing the occurrence of violations and shortcomings identified by the Audit Commission, with an assessment of the effect of the implementation of the measures taken by the Company.</p>	
2	<p>8.12. In case a member of the Auditing Commission cannot participate in an in-person meeting, such member shall be able to express opinion by filling-in a questionnaire on all agenda issues and submit it to the Chairperson of the Auditing Commission. A questionnaire shall be received by the Chairperson of the Auditing Commission no later than 1 (One) working day prior to the session.</p> <p>8.13. Opinions of the missing members of the Auditing Commission expressed via questionnaires shall be announced by the Chairperson at the meeting and be recorded in the minutes.</p>	<p>8.12. In case a member of the Auditing Commission cannot participate in an in-person meeting, such member shall be able to express opinion sending a written vote to the Chairperson of the Auditing Commission of the Company on all issues on the agenda of the meeting. The written vote must be received by the Chairperson of the Auditing Commission of the Company no later than the date and time of the in-person meeting of the Audit Commission.</p> <p>8.13. Opinions of the missing members of the Auditing Commission expressed by sending written votes, shall be announced by the Chairperson at the meeting and be recorded in the minutes.</p>	<p>Suggestion from the group of Varlamov N.N.:</p> <p>In accordance with the established practice and the Regulations on organization of the activities of the Auditing Commissions of subsidiaries and affiliates of Rosseti PJSC approved by the order of Rosseti PJSC on 18.03.2015 No.128r (as amended on 01.08.2016):</p> <ul style="list-style-type: none"> - item 7.5.5.: “It is allowed to send written votes to the internal meeting of the Auditing Commission by individual members of the Auditing Commission.” - item 7.5.1. “When determining the quorum of the internal meeting of the Auditing Commission of the subsidiaries and affiliates, the votes of the members of the Auditing Commission, who sent their written votes but are absent from the meeting, can be taken into account if their written votes: <ul style="list-style-type: none"> - are prepared in accordance with the procedure provided for in Annex 8.2 to these Regulations; - arrived on time, not later than the date and time of the internal meeting of the Auditing Commission.” <p>The form of written votes is approved by Appendix 8.2 to these Regulations.</p>
3	<p>8.21. The Minutes of meeting of the Company’s Auditing Commission shall contain:</p> <p>3) the list of members of the Auditing Commission voting via questionnaires;</p>	<p>8.21. The Minutes of meeting of the Company’s Auditing Commission shall contain:</p> <p>3) the list of members of the Auditing Commission voting by sending written votes;</p>	<p>Suggestion from the group of Varlamov N.N.:</p> <p>In accordance with the established practice and the Regulations on organization of the activities of the Auditing Commissions of subsidiaries and affiliates of Rosseti PJSC approved by the order of Rosseti PJSC on 18.03.2015 No.128r (as amended on 01.08.2016):</p> <ul style="list-style-type: none"> - item 7.5.5.: “It is allowed to send written votes to the internal meeting of the Auditing Commission by individual members of the Auditing Commission.”

			<p>- item 7.5.1. “When determining the quorum of the internal meeting of the Auditing Commission of the subsidiaries and affiliates, the votes of the members of the Auditing Commission, who sent their written votes but are absent from the meeting, can be taken into account if their written votes:</p> <ul style="list-style-type: none">- are prepared in accordance with the procedure provided for in Annex 8.2 to these Regulations;- arrived on time, not later than the date and time of the internal meeting of the Auditing Commission.” <p>The form of written votes is approved by Appendix 8.2 to these Regulations.</p>
--	--	--	---