

MINUTES
of the Meeting of the Board of Directors, Rosseti South PJSC

Rostov-on-Don

05.08.2022

No. 493/2022

Meeting format: in absentia (by poll)

Members of the Board of Directors who participated in the absentee voting: D.V. Krainskiy, M.A. Dokuchaeva, V.Yu. Zarkhin, A.I. Kazakov, O.Yu. Klinkov, M.V. Korotkova, K.Yu. Kravchenko, M.V. Nikitchanova, M.G.Tikhonova, A.A.Polinov, B.B. Ebzeev

The polling forms were not provided and did not take part in the voting: none.

A quorum is present.

Date of the Minutes: 08.08.2022.

AGENDA

1. *On determining the amount of payment for the services of the auditor of Rosseti South PJSC.*
2. *On consideration of the Report on implementation of the Program for development of smart electricity metering in electric grids of Rosseti South PJSC for 2021.*
3. *On the independence of the members of the Board of Directors of Rosseti South PJSC.*

ITEM NO.1: On determining the amount of payment for the services of the auditor of Rosseti South PJSC.

DECIDED TO:

Determine the amount of payment for the services of the auditor of Rosseti South PJSC – Leader of the collective member CATR-Audit Services Ltd. on provision of services on auditing the accounting (financial) and consolidated financial statements for 2022 year, in the amount of 3,568,000.00 (Three million five hundred and sixty eight thousand roubles), including VAT (20 %) 594,666.67 (Five hundred and ninety four thousand six hundred and sixty six roubles and 67 kopecks).

Result of the vote:

D.V. Krainskiy	-	"FOR"	O.Yu. Klinkov	-	"FOR"
M.A. Dokuchaeva	-	"FOR"	K.Yu. Kravchenko	-	"FOR"
V.Yu. Zarkhin	-	"FOR"	E.V. Nikitchanova	-	"FOR"
M.V. Korotkova	-	"FOR"	M.G. Tikhonova	-	"FOR"
A.I. Kazakov	-	"FOR"	B.B. Ebzeev	-	"FOR"
A.A. Polinov	-	"FOR"			

The resolution was adopted.

ITEM NO. 2: On consideration of the Report on implementation of the Program for development of smart electricity metering in electric grids of Rosseti South PJSC for 2021.

DECIDED TO:

1. Take in consideration the Report on implementation of the Program for development of smart electricity metering in electric grids of Rosseti South PJSC for 2020-2030 for 2021 in accordance with Annex No. 1 hereto.

2. Take in consideration the information of Director General on the absence of need of updating the Program for development of smart electricity metering in electric grids of Rosseti South PJSC for 2020-2030 years, approved by the decision of the Board of Directors 21.05.2021 (Minutes No. 432/2021 dated 24.05.2021).

3. Entrust the Company single executive body to provide the annual submission of the report on completion of the Program for development of smart electricity metering in electric grids of Rosseti South PJSC for 2020-2030 years as a part of a report on the Company business plan completion.

4. Declare the resolution of the Board of Directors of Rosseti South PJSC of 06.03.2020 (Minutes No. 362/2020 dated 10.03.2020) on the issue No. 1 "On approval of the Program for development of smart electricity metering in electric grids of Rosseti South PJSC" for 2020-2030 years to be no longer in force.

Result of the vote:

D.V. Krainsky	-	"FOR"	O.Yu. Klinkov	-	"FOR"
M.A. Dokuchaeva	-	"FOR"	K.Yu. Kravchenko	-	"FOR"
V.Yu. Zarkhin	-	"ABSTAINED"	E.V. Nikitchanova	-	"FOR"
M.V. Korotkova	-	"FOR"	M.G. Tikhonova	-	"FOR"
A.I. Kazakov	-	"FOR"	B.B. Ebzeev	-	"FOR"
A.A. Polinov	-	"FOR"			

The resolution was adopted.

ITEM NO. 3: On the independence of the members of the Board of Directors of Rosseti South PJSC.

DECIDED TO:

1.1. In accordance with the assessment of compliance of Maria Vyacheslavna Korotkova, a member of the Board of Directors of the Company, with the independence criteria established in Appendix 4 of the Listing Rules of Moscow Exchange PJSC (hereinafter referred to as the Rules), taking into account the recommendations of the HR and Remuneration Committee of the Board of Directors of Rosseti South PJSC, recognize M.V. Korotkova an independent director despite having formal relatedness criteria:

1.1.1 with the Company (subclause 2 of clause 4 of Appendix 4 to the Rules):

- M.V. Korotkova holds the position of a member of the Board of Directors in organizations controlled by the person controlling the Company (Rosseti PJSC) - Rosseti Center PJSC, Rosseti Volga PJSC;

1.1.2. with a substantial shareholder of the Company (subclause 3 of clause 5 of Appendix 4 to the Rules):

- M.V. Korotkova holds the position of a member of the Board of Directors in more than two legal entities controlled by a substantial shareholder of the Company (Rosseti PJSC), as well as under indirect control of the Russian Federation - a person controlling a substantial shareholder of the Company - Rosseti South PJSC, Rosseti Center PJSC, Rosseti Volga PJSC.

1.1.3. with a substantial counterparty of the Company (subclause 1 of clause 6 of Appendix 4 to the Rules):

- M.V. Korotkova holds the position of a member of the Board of Directors in Rosseti Center PJSC and Rosseti Volga PJSC, which are controlled organizations of the Company's substantial counterparty - Rosseti PJSC, the amount of obligations under contracts with which exceeds 2% of the book value of the Company's consolidated assets as of 30.06.2022 and 2% of the Company's consolidated revenue (income) as of 31.12.2021.

1.2. Note that no other relatedness criteria have been identified.

1.3. Recognize that such relatedness with the Company, with the substantial shareholder of the Company and the substantial counterparty of the Company is formal and does not affect the independence in the formation of M.V. Korotkova's position on the agenda of the meetings of the Board of Directors of the Company, her ability to accept objective, conscientious and independent from the influence of the executive bodies of Rosseti South PJSC, substantial shareholder and substantial counterparty of the Company, based on the following:

1.3.1. M.V. Korotkova has no obligation to vote in accordance with the voting instructions and positions formed by the substantial shareholder of the Company - Rosseti PJSC, as well as to

vote in accordance with directives or other position formed by the Russian Federation - the entity controlling the substantial shareholder of the Company - Rosseti PJSC, since the Russian Federation exercises only indirect control in relation to Rosseti South PJSC.

1.3.2. M.V. Korotkova, as a member of the Board of Directors of Rosseti Volga PJSC from 2017, fully met the independence criteria established by the Rules until June 2020. In accordance with the decision of the Board of Directors of Rosseti Volga PJSC on June 30, 2021 (Minutes No. 1), M.V. Korotkova was recognized as an independent director, despite the presence of a formal relatedness criterion. In accordance with the decision of the Board of Directors of Rosseti Volga PJSC on June 30, 2021 (Minutes No. 23/21), M.V. Korotkova was recognized as an independent director, despite the presence of a formal relatedness criterion. Also, in accordance with the decision of the Board of Directors of Rosseti Center PJSC on 23.12.2021 (Minutes No. 461/2021) she was recognized as an independent director, despite the presence of a formal relatedness criterion.

1.3.3. Taking into account the work experience of Korotkova M.V. in the boards of directors of energy companies, including in the Company itself, she is able to take a balanced approach to decision-making, acting in the interests of the Company. Her position as a member of the Company's Board of Directors during the corporate year 2021-2022 was independent of the opinion of the shareholder, other members of the Board of Directors, the views of the Company's management, based on a comprehensive study of materials on the agenda of the meetings of the Board of Directors.

1.3.4. Rosseti Volga PJSC and Rosseti Center PJSC, being controlled by the organizations of the Company's substantial counterparty - Rosseti PJSC, do not and cannot influence both the decisions made by the Company and the financial and economic activities of the Company based on the following:

- loan agreements have been concluded between the Company and Rosseti PJSC with the purpose to attract intra-group debt financing at lower rates compared to those available at the time of conclusion of the agreement in credit institutions, and for a longer period than the available terms of bank lending.

1.4. Note that the decision to recognize a member of the Board of Directors M.V. Korotkova as an independent director is reasoned and substantiated.

Result of the vote:

D.V. Krainsky	-	"FOR"	O.Yu. Klinkov	-	"FOR"
M.A. Dokuchaeva	-	"FOR"	K.Yu. Kravchenko	-	"FOR"
V.Yu. Zarkhin	-	"FOR"	E.V. Nikitchanova	-	"FOR"
A.I. Kazakov	-	"FOR"	M.G. Tikhonova	-	"FOR"
A.A. Polinov	-	"FOR"	B.B. Ebzeev	-	"FOR"
M.V. Korotkova	-	did not vote			

The resolution was adopted.

2.1. In accordance with the assessment of compliance of Alexander Ivanovich Kazakov, a member of the Board of Directors of the Company, with the independence criteria established in Appendix 4 of the Listing Rules of Moscow Exchange PJSC (hereinafter referred to as the Rules), taking into account the recommendations of the HR and Remuneration Committee of the Board of Directors of Rosseti South PJSC, recognize A.I. Kazakov an independent director despite having formal relatedness criteria:

2.1.1 with the Company (subclause 2 of clause 4 of Appendix 4 to the Rules):

- A.I. Kazakov holds the position of a member of the Board of Directors in organizations controlled by the person controlling the Company (Rosseti PJSC) - Rosseti Center and Volga Region PJSC, Rosseti Kuban PJSC, Rosseti Volga PJSC;

2.1.2. with a substantial shareholder of the Company (subclause 3 of clause 5 of Appendix 4 to the Rules):

- A.I. Kazakov holds the position of a member of the Board of Directors in more than two legal entities controlled by a substantial shareholder of the Company (Rosseti PJSC), as well as under indirect control of the Russian Federation - a person controlling a substantial shareholder of

the Company - Rosseti South PJSC, Rosseti Center and Volga Region PJSC, Rosseti Kuban PJSC, Rosseti Volga PJSC.

2.1.3. with a substantial counterparty of the Company (subclause 1 of clause 6 of Appendix 4 to the Rules):

- A.I. Kazakov holds the position of a member of the Board of Directors in Rosseti Center and Volga Region PJSC, Rosseti Kuban PJSC, Rosseti Volga PJSC, which are controlled organizations of the Company's substantial counterparty - Rosseti PJSC, the amount of obligations under contracts with which exceeds 2% of the book value of the Company's consolidated assets as of 30.06.2022 and 2% of the Company's consolidated revenue (income) as of 31.12.2021.

2.2. Note that no other relatedness criteria have been identified.

2.3. Recognize that such relatedness with the Company, with the substantial shareholder of the Company and the substantial counterparty of the Company is formal and does not affect the independence in the formation of A.I. Kazakov's position on the agenda of the meetings of the Board of Directors of the Company, his ability to accept objective, conscientious and independent from the influence of the executive bodies of Rosseti South PJSC, substantial shareholder and substantial counterparty of the Company, based on the following:

2.3.1. A.I. Kazakov has no obligation to vote in accordance with the voting instructions and positions formed by the substantial shareholder of the Company - Rosseti PJSC, as well as to vote in accordance with directives or other position formed by the Russian Federation - the person controlling the substantial shareholder of the Company - Rosseti PJSC, since the Russian Federation exercises only indirect control in relation to Rosseti South PJSC.

2.3.2. In accordance with the decision of the Board of Directors of Rosseti Center and Volga Region PJSC on June 30, 2021 (Minutes No. 462), A.I. Kazakov was recognized as an independent director, despite the presence of a formal relatedness criterion. Also, in accordance with the decision of the Board of Directors of Rosseti Center PJSC on 23.12.2021 (Minutes No. 461/2021) he was recognized as an independent director, despite the presence of a formal relatedness criterion.

2.3.3. Extensive knowledge and experience of A.I. Kazakov in the fuel and energy sectors (Far Eastern Energy Management Company JSC (from 2011 to 2019), Rosseti Center PJSC (from 2018 to 2021), Rosseti Volga PJSC (from 2020 to 2021), Rosseti Center and Volga Region PJSC), speaks not only of a good understanding of the specifics of the company's work, but also allow A.I. Kazakov to effectively apply them when considering issues related to the Company's operational activities, positioning the Company in the electric power market.

Possession of professional competencies in the field of strategic management, finance and audit, experience in leadership work in energy companies, including as chairman of the boards of directors, make the experience of A.I. Kazakov indispensable to the Company.

2.3.4. A.I. Kazakov is a Russian statesman and politician, has a doctorate in economics, has a generally recognized reputation, testifying to his ability to independently form an independent position.

2.3.5. Rosseti Center and Volga Region PJSC, Rosseti Kuban PJSC, Rosseti Volga PJSC, being controlled by the organizations of the Company's substantial counterparty - Rosseti PJSC, do not and cannot influence both the decisions made by the Company and the Company's financial and economic activities based on the following:

loan agreements have been concluded between the Company and Rosseti PJSC with the purpose to attract intra-group debt financing at lower rates compared to those available at the time of conclusion of the agreement in credit institutions, and for a longer period than the available terms of bank lending.

2.4. Note that the decision to recognize a member of the Board of Directors A.I. Kazakov as an independent director is reasoned and substantiated.

Result of the vote:

D.V. Krainsky	-	"FOR"	O.Yu. Klinkov	-	"FOR"
M.A. Dokuchaeva	-	"FOR"	K.Yu. Kravchenko	-	"FOR"
V.Yu. Zarkhin	-	"FOR"	E.V. Nikitchanova	-	"FOR"
M.V. Korotkova	-	"FOR"	M.G. Tikhonova	-	"FOR"

A.A. Polinov - "FOR" B.B. Ebzeev - "FOR"
A.I. Kazakov - **did not vote**

The resolution was adopted.

3.1. In accordance with the assessment of compliance of Ekaterina Vladimirovna Nikitchanova, a member of the Board of Directors of the Company, with the independence criteria established in Appendix 4 of the Listing Rules of Moscow Exchange PJSC (hereinafter referred to as the Rules), taking into account the recommendations of the HR and Remuneration Committee of the Board of Directors of Rosseti South PJSC, recognize E.V. Nikitchanova an independent director despite having formal relatedness criteria:

3.1.1. with a substantial shareholder of the Company (subclause 3 of clause 5 of Appendix 4 to the Rules):

- Nikitchanova E.V. holds the position of a member of the Board of Directors in more than two legal entities controlled by the Russian Federation – a person controlling a substantial shareholder of the Company (Rosseti PJSC) – Rosseti South PJSC (indirect control), Publishing House "Higher School" JSC, Creative and Production Association "Film Studio named after M. Gorky" JSC, Creative and Production Association "St. Petersburg Documentary Film Studio" JSC and Soviet Siberia JSC (direct control).

3.2. Note that no other relatedness criteria have been identified.

3.3. Recognize that such relatedness with the substantial shareholder of the Company is formal and does not affect the independence in the formation of E.V. Nikitchanova's position on the agenda of the meetings of the Board of Directors of the Company, her ability to accept objective, conscientious and independent from the influence of the executive bodies of Rosseti South PJSC, substantial shareholder of the Company, based on the following:

3.3.1. E.V. Nikitchanova has no obligation to vote in accordance with the voting instructions and positions formed by the substantial shareholder of the Company - Rosseti PJSC, as well as to vote in accordance with directives or other position formed by the Russian Federation - the person controlling the substantial shareholder of the Company - Rosseti PJSC, since the Russian Federation exercises only indirect control in relation to Rosseti South PJSC.

3.3.2. In accordance with the decision of the Board of Directors of Rosseti Center PJSC on 23.12.2021 (Minutes No. 461/2021), Ie.V. Nikitchanova was recognized as an independent director, despite the presence of a formal relatedness criterion.

3.3.3. Professional experience and competencies of E.V. Nikitchanova, including in the field of corporate governance (audit of corporate governance of large and medium-sized Russian companies, creation and implementation of remuneration and performance assessment systems of the board of directors), participation in RID research projects, including those conducted together with the Higher School of Economics and the Russian Economic School, participation as a RID top manager in the development and implementation of its development strategy, participation in the development of statutory and regulatory enactments of the Federal Commission for the Securities Market of the Russian Federation / Federal Financial Markets Service of the Russian Federation and a number of bill drafts, experience of interaction with state bodies (State Duma of the Russian Federation, Ministry of Economic Development, Federal Property Management Agency, Bank of Russia, various expert and public organizations) show a deep understanding of the specifics of the work and management decision-making in a corporation.

3.3.3. E.V. Nikitchanova is a member of the National Register of Professional Corporate Directors, a member of the Association of Managers of Russia, and is included in the Personnel Reserve of Management Personnel under the President of the Russian Federation.

3.4. Note that the decision to recognize a member of the Board of Directors E.V. Nikitchanova as an independent director is reasoned and substantiated.

Result of the vote:

D.V. Krainsky - "FOR" O.Yu. Klinkov - "FOR"
M.A. Dokuchaeva - "FOR" K.Yu. Kravchenko - "FOR"
V.Yu. Zarkhin - "FOR" A.A. Polinov - "FOR"
M.V. Korotkova - "FOR" M.G. Tikhonova - "FOR"

A.I. Kazakov - "FOR" B.B. Ebzeev - "FOR"
E.V. Nikitchanova - **did not vote**

The resolution was adopted.

4.1. In accordance with the assessment of compliance of Vitaliy Yuryevich Zarkhin, a member of the Board of Directors of the Company, with the independence criteria established in Appendix 4 of the Listing Rules of Moscow Exchange PJSC (hereinafter referred to as the Rules), taking into account the recommendations of the HR and Remuneration Committee of the Board of Directors of Rosseti South PJSC, recognize V.Yu. Zarkhin an independent director despite having formal relatedness criteria:

4.1.1 with the Company (subclause 2 of clause 4 of Appendix 4 to the Rules):

- V.Yu. Zarkhin holds the position of a member of the Board of Directors in organizations controlled by the person controlling the Company (Rosseti PJSC) - Rosseti Center PJSC, Rosseti Center and Volga Region PJSC, Rosseti Siberia PJSC;

4.1.2. with a substantial shareholder of the Company (subclause 3 of clause 5 of Appendix 4 to the Rules):

- V.Yu. Zarkhin holds the position of a member of the Board of Directors in more than two legal entities controlled by a substantial shareholder of the Company (Rosseti PJSC), as well as under indirect control of the Russian Federation - a person controlling a substantial shareholder of the Company - Rosseti South PJSC, Rosseti Center PJSC, Rosseti Center and Volga Region PJSC, Rosseti Siberia PJSC.

4.1.3. with a substantial counterparty of the Company (subclause 1 of clause 6 of Appendix 4 to the Rules):

- V.Yu. Zarkhin holds the position of a member of the Board of Directors in Rosseti Center PJSC, Rosseti Center and Volga Region PJSC, Rosseti Siberia PJSC, which are controlled organizations of the Company's substantial counterparty - Rosseti PJSC, the amount of obligations under contracts with which exceeds 2% of the book value of the Company's consolidated assets as of June 30, 2022 and 2% of the Company's consolidated revenue (income) as of December 31, 2021.

4.2. Note that no other relatedness criteria have been identified.

4.3. Recognize that such relatedness with the Company, with the substantial shareholder of the Company and the substantial counterparty of the Company is formal and does not affect the independence in the formation of V.Yu. Zarkhin's position on the agenda of the meetings of the Board of Directors of the Company, his ability to accept objective, conscientious and independent from the influence of the executive bodies of Rosseti South PJSC, substantial shareholder and substantial counterparty of the Company, based on the following:

4.3.1. V.Yu. Zarkhin was proposed as a candidate to the Board of Directors of Rosseti South PJSC by a shareholder who is not controlling shareholder of the Company (The Russian Prosperity Fund), share of the Company voting stock — 2.39%). This shareholder is neither a substantial shareholder nor an entity affiliated and subordinate to Rosseti PJSC. V.Yu. Zarkhin is an active representative of minority shareholders.

4.3.2. V.Yu. Zarkhin has no obligation to vote in accordance with the voting instructions and positions formed by the substantial shareholder of the Company - Rosseti PJSC, as well as to vote in accordance with directives or other position formed by the Russian Federation - the entity controlling the substantial shareholder of the Company - Rosseti PJSC, since the Russian Federation exercises only indirect control in relation to Rosseti South PJSC.

4.3.3. In accordance with the decision of the Board of Directors of Rosseti Center PJSC on 07.12.2020 (Minutes No. 59/20), V.Yu. Zarkhin was recognized as an independent director, despite the presence of a formal relatedness criterion. Also, in accordance with the decision of the Board of Directors of Rosseti Center and Volga Region PJSC dated 07.12.2020 (Minutes No. 434), V.Yu. Zarkhin was recognized as an independent director, despite the presence of a formal relatedness criterion.

4.3.4. Since 2019, V.Yu. Zarkhin has been a member of the boards of directors of energy companies as an independent director; inter alia, he takes part in the work of the Board of Directors

of a private energy company Enel Russia PJSC. The specialized knowledge of the industry allow him providing scrupulous judgments on issues, considered by the Board of Directors. His position as a member of the Company's Board of Directors during the corporate years 2019-2022 was independent of the opinion of the shareholder, other members of the Board of Directors, the views of the Company's management, based on a comprehensive study of materials on the agenda of the meetings of the Board of Directors.

4.3.5. Rosseti Center PJSC and Rosseti Center and Volga Region PJSC, Rosseti Siberia PJSC, being controlled by the organizations of the Company's substantial counterparty - Rosseti PJSC, do not and cannot influence both the decisions made by the Company and the Company's financial and economic activities based on the following:

loan agreements have been concluded between the Company and Rosseti PJSC with the purpose to attract intra-group debt financing at lower rates compared to those available at the time of conclusion of the agreement in credit institutions, and for a longer period than the available terms of bank lending.

4.4. Note that the decision to recognize a member of the Board of Directors MV.Yu. Zarkhin as an independent director is reasoned and substantiated.

Result of the vote:

D.V. Krainsky	-	"FOR"	O.Yu. Klinkov	-	"FOR"
M.A. Dokuchaeva	-	"FOR"	K.Yu. Kravchenko	-	"FOR"
M.V. Korotkova	-	"FOR"	E.V. Nikitchanova	-	"FOR"
A.I. Kazakov	-	"FOR"	M.G. Tikhonova	-	"FOR"
A.A. Polinov	-	"FOR"	B.B. Ebzeev	-	"FOR"
V.Yu. Zarkhin	-	did not vote			

The resolution was adopted.

Chairperson of the Board of Directors

D.V. Krainsky

Corporate Secretary

E.N. Pavlova