

ENVIRONMENTAL PROTECTION

Environmental protection and ecological safety issues are a matter of particular concern for the Company. Rosseti Kuban JSC guarantees compliance with the most stringent requirements aimed at reducing environmental impact. The Company has all necessary mechanisms to prevent environmental risks. Preserving a favourable environment for present and future generations is achieved by complying with the requirements and standards established by the environmental protection legislation of the Russian Federation and international legal acts in the field of environmental protection. The senior management of Rosseti Kuban JSC undertakes to deliver the environmental policy and ensure that it is understood and complied with by all employees of the Company.

In 2024, Rosseti Kuban PJSC completed its campaign to comply with the provisions of the Stockholm Convention on Persistent Organic Pollutants, ceasing the use of polychlorinated biphenyls in its equipment.

Biodiversity conservation and ornithological safety are achieved through the installation of bird diverters and the construction/renovation of power lines using self-supporting insulated wires.

Vladimir Mikhailov

Deputy General Director
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The environmental policy of Rosseti Kuban JSC is based on the Constitution of the Russian Federation, federal laws and other regulatory legal acts of the Russian Federation, as well as international obligations of the Russian Federation in the field of environmental protection and the requirements of the national standard of the Russian Federation GOST R ISO 14001-2016 Environmental management systems. Requirements with guidance for use¹.

The goal of environmental policy is to preserve a favourable environment for present and future generations. To achieve this goal, the Company complies

with the requirements and standards established by the environmental legislation of the Russian Federation and international legal acts in the field of environmental protection, and also introduces innovations, energy-efficient and energy-saving technologies. The Company's environmental protection activities focus on taking measures to prevent negative environmental impact, continuously improving its environmental management system, and involving personnel in environmental safety processes.

Started to put a stop to the usage of polychlorinated diphenyls in equipment, the decommissioning of equipment containing trichlorodiphenyl

was completed in 2024. By switching to more environmentally friendly alternatives, the Company is showing its commitment to the Stockholm Convention on Persistent Organic Pollutants².

Since the start of the campaign to phase out equipment containing toxic persistent organic pollutants, the Company has dismantled 9,814 capacitors containing trichlorodiphenyl. Ecological safety was ensured during the transfer of 444.94 tonnes of waste from the aforementioned capacitors containing trichlorodiphenyl, which is classified as extremely hazardous waste, to specialised organisations for treatment.

Under an agreement concluded with the federal environmental operator, 877 trichlorodiphenyl capacitors were decommissioned and prepared for transfer to disposal in 2024. The mass of the waste was 36.48 tonnes.

A total of 81 Company facilities that have a negative impact on the environmental sustainability of the surrounding area were placed on the state register. All of these facilities have a negligible impact on the environment.

444.94
TONNES
of trichlorodiphenyl
transferred for treatment

Quantity of waste containing trichlorodiphenyl transferred for treatment (t)



Rosseti Kuban's environmental indicators for 2022–2024

Indicator	2022	2023	2024	Δ 2024/2023 (%)
Gross pollutant emissions into the air, total (t)	35.04	34.77	34.64	−0.4
Volume of water consumption (thousand cu.m)	68.86	62.53	78.96	+26.3
Volume of waste generated (t)	2,696.79	3,498.60	3,234.67	−7.5
Volume of waste transferred for disposal and treatment (t)	411.21	858.61	1,007.72	+17.4
Payments for adverse environmental effects (RUB '000)	218.58	220.56	191.34	−13.2
Installation of bird diverters on power grid facilities (pcs)	2,977	2,350	2,722	+15.8

Rosseti Kuban JSC is aware that, while providing consumers with the most efficient and environmentally friendly form of energy — electricity — the Company nevertheless has a negative impact on certain components of the natural environment, including soil, atmospheric air, surface and underground water, subsoil, flora and fauna, as well as other organisms.

Compared to 2024 indicators, gross air emissions remained at 2023 levels (a slight decrease of 0.4%), with actual emissions not exceeding maximum permissible pollutant concentrations. The main sources of atmospheric air pollution are the operation and

maintenance (repair) of vehicles, diesel power plants, machine tools (milling, drilling, turning, and sharpening), septic tanks, as well as welding and painting works, chemical analyses of transformer oils, and storage of transformer and motor vehicle oils.

Rosseti Kuban keeps records of direct greenhouse gas emissions, which amount to less than 150,000 tonnes of carbon dioxide per year. Thus, the Company does not belong to organisations regulated by Russian legislation on limiting greenhouse gas emissions.

¹ Approved by Order of the Federal Agency for Technical Regulation and Metrology (Rosstandart) No. 285-st dated 29 April 2016.

² Ratified by Federal Law No. 164-FZ dated 27 June 2011.

Water consumption is organised using centralised water supply systems and underground water sources (water intake wells). The Company signed agreements with guaranteeing organisations for water supply and wastewater discharge. The volume of water consumption and, accordingly, wastewater discharge altered by 29.7% in view of a higher demand for household needs in administrative buildings.

In 2024, there was a slight year-on-year drop (7.5%) in the amount of Class I and V hazardous waste generated from production activities.

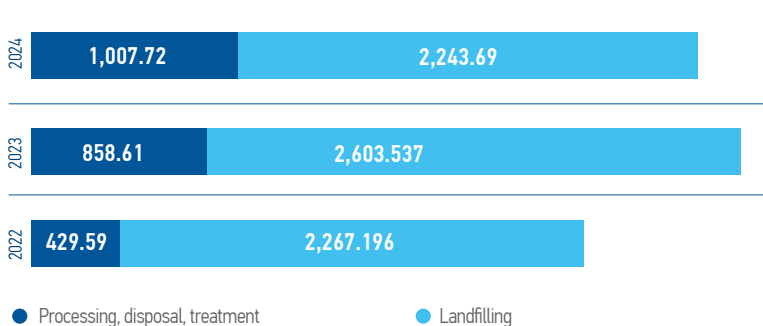
Production waste generated shall be stored on production sites for no longer than 11 months, after which it shall be transferred to specialised organisations.

- Waste management shall proceed as follows:
- The Company published and has in place internal guidelines on the handling of production and consumption waste.
 - Waste storage areas (sites) were set up in line with Russian waste management laws.
 - Selective accumulation of waste by type and hazard class is established.
 - In accordance with Order of the Ministry of Natural Resources and Environment of Russia No. 1028

- dated 8 December 2020, Rosseti Kuban keeps records of waste generation and movement.
- The personnel is informed about the rules of production waste management.
 - Timely removal of hazard classes I–V wastes from industrial sites and their transfer to specialised organisations for further processing, disposal, treatment and/or placement.

Guided by the basic principles and priorities of state policy in the field of waste management, focused on the use/extraction of useful components from waste, in 2024 the Company transferred 17.4% more waste to specialised organisations for treatment, disposal and processing than in 2023.

Waste transferred to specialised organisations (total) in 2022–2024 (t)



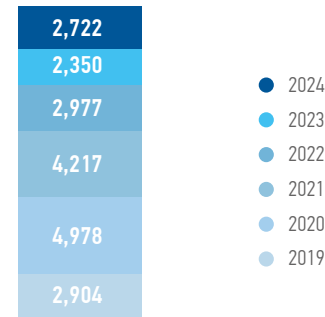
- Payments for negative environmental impact are made in due time and in full for the following types of impact:
- Air emissions from stationary sources
 - Discharges of pollutants into water bodies
 - Storage and landfilling of industrial waste (waste placement)

In 2024, the final payment amount declined slightly (by 13.2% to RUB 191,340) due to the transfer of a smaller amount of waste to specialised organisations for landfilling.

In 2024, federal environmental authorities did not conduct any inspections of the Company. No claims were made against the Company for non-compliance with environmental and sanitary and epidemiological legislation.

Planning and implementation of environmental protection measures were based on decisions adopted in the environmental policy on the introduction of innovations, energy-efficient and energy-saving technologies, as well as the best available

Installation of bird diverters on power grid facilities (pcs)



technologies (BAT) for improving energy efficiency, ensuring compliance with environmental requirements and minimising the environmental impact.

To prevent the risk of bird kills, 35–110 kV power lines are equipped with special bird diverters.

The Company’s managers and specialists in the field of environmental protection and ecological safety responsible for decision-making when carrying out activities that have or may have a negative impact on the environment passed the necessary training, which is confirmed by relevant documents. Retraining and training of newly hired personnel are carried out on a scheduled basis in specialised training institutions.

In 2024, 18 employees of Rosseti Kuban completed training under the programme on environmental protection and ensuring environmental safety at the enterprise.

Planning and implementation of environmental protection measures, as well as ensuring environmentally safe handling of production waste, were aligned with environmental policy decisions on compliance with

the requirements and standards established by the environmental legislation of the Russian Federation and international legal acts in the field of environmental protection.

Environmental costs for the Company as a whole for 2022–2024 (RUB ‘000)

Current environmental costs, total	2022	2023	2024
Total	32,575.91	37,268.72	70,903.58
Including:			
• for atmospheric air protection	13,107.97	9,934.10	9,577.63
• for water supply and wastewater discharge	0.00	0.00	0.00
• for subsoil use	125.70	224.72	233.68
• for waste management	7,740.29	9,549.78	25,062.85
• for industrial environmental control	832.76	1,184.85	1,248.74
• for biodiversity conservation and restoration	10,439.31	16,008.70	12,244.38
• for implementation and functioning of the environmental management system	0.00	0.00	0.00
• for training on environmental safety and environmental management system	264.00	146.00	476.84
• miscellaneous	65.88	220.57	22,059.46

Year-on-year changes in current environmental costs in 2024 were driven by the completion of 2022 and 2023 contractual obligations by the federal environmental operator to provide services for the treatment of waste containing trichlorodiphenyl.

The Company keeps its voluntary environmental responsibility mechanisms up to date. The environmental management system was put in place, assessed, and certified as compliant with the national standard GOST R ISO 14001-2016 Environmental Management System.

In order to assess the compliance of subdivisions’ activities with the environmental policy, legislative requirements and internal regulations, and to identify opportunities for improving the environmental management system, Rosseti Kuban’s auditors conduct a two-stage internal environmental audit. Throughout the year, auditors from the Company’s executive office make visits to all branches, while branch auditors, in turn, visit the business units of the branches.

All of the Company’s auditors are certified as Internal Auditors of Environmental Management Systems according to ISO 14001:2015.

In 2024, based on recertification conducted by the management system certification body — ROSTECHSERT LLC, the Company was certified as complying with the requirements of GOST R ISO 14001-2016 Environmental Management Systems.