

APPROVED BY:
General Shareholders' Meeting
PJSC Enel Russia June ____, 2022
Minutes No. _____ dated June __, 2022

PREAPPROVED BY:
Board of Directors of PJSC Enel Russia
April 27, 2022
Minutes No. 08/22 dated April 28, 2022

ANNUAL REPORT 2021

General Director
PJSC Enel Russia
_____, 2022

_____ / _____ /

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Addresses

Good afternoon, dear shareholders!

I am glad to share with you the company's results for 2021, our main achievements and the main drivers of further development.

In 2021, Enel Russia made significant progress in implementing its energy transition strategy: the first wind farm - Azovskaya wind farm (90 MW) - was put into commercial operation. This project aimed at decarbonizing production activities and building a new more sustainable business model was not an easy one. Since alongside with its implementation in Russia, the formation of a new industry for the country and an industrial cluster was underway, so we had to learn very quickly and within tight deadlines. The global coronavirus pandemic also contributed to delays in supplies of equipment and arrivals of foreign specialists. These factors caused the increase of the project timeframe and additional costs and also the necessity to take measures to protect all our employees. Our Health and Safety unit managed to build an effective system harmoniously combining innovation and proper planning. Thanks to this synergy, we were able to arrange the work from home for as many employees as possible, while the operations staff was divided into small teams that had no contact with each other. All these measures allowed us to minimize spread of the virus among our employees and contractors.

Gas plants were not neglected either. Within the thermal power plant modernization program approved by the Russian Government Enel Russia successfully completed its first modernization project at Nevinnomyskaya GRES in 2021. Besides, at the same power plant we successfully completed certification of the CCGT Unit upgraded in 2020.

Our business philosophy rests on the sustainable development pillars. In particular, we are improving the basics of resource efficiency, extending the service life of our equipment and assessing the emerging risks, including the environmental ones. Moreover, sustainability also means for us building relationships of trust and mutual benefit with our stakeholders, allowing to join our efforts to achieve the good goals and intentions.

In 2021, the company launched a project on developing a climate strategy. The first stage of the project comprised creation of a climate risks register and their financial assessment. The results of this stage formed the basis for the creation of such an important tool as a risk map.

Our successes in the field of sustainable development in 2021 were recognized by prestigious prizes and ratings. Enel Russia won the Project +1 Award "Change Management. Visionaries" project in two categories at once: "Best Presentation of Sustainability Strategy in a Report" and "Best Disclosure of Stakeholder Engagement Practices", and it also ranked 2nd in the industry rating of transparency of environmental information related to fuel electricity and heat generating companies in Russia, issued by the analytical center of the National Rating Agency using the original methodology developed by the World Wide Fund for Nature in Russia.

In terms of the corporate governance, the company strives to comply with the best national practices, working as transparently and efficiently as possible. In 2021, we kept on following a significant number of recommendations of the Corporate Governance Code, despite election of fewer independent directors to the Board of Directors, as well as changes in the evaluation methodology.

In 2021, the Company has achieved success in its strategic goals: diversification of its technology profile, ensuring the efficiency and reliability of its gas-fired power plants, operating productivity, optimizing its debt structure, maintaining high standards of corporate governance and adhering to its sustainable development goals. In 2022, the Board of Directors together with the management of Enel Russia will continue working on further development of the company and maintaining its financial stability and sustainability in difficult macroeconomic conditions.

*Giorgio Callegari,
Chairman of Board of Directors*

Good afternoon, dear shareholders!

I am pleased to share the 2021 Annual Report of PJSC Enel Russia with you.

The growth of economic activity in 2021 compared to 2020, as well as favorable weather conditions had a positive impact on our results. Power output increased by more than 18%, including the first green kilowatts, which I will tell you about below. The increased sales of thermal and electrical power influenced our financial results: thus, the revenue increased by 9.6% from 44.037 billion rubles to 48.249 billion rubles. In general, we have achieved the targets set in the Strategic Plan for 2021.

A historical event for PJSC Enel Russia was the commissioning of Azovskaya wind farm (90 MW) in Rostov region in May 2021, our first wind power facility in the country. The project was implemented as part of the government program to stimulate the development of generation from renewable energy sources under a capacity provision agreement in the wholesale market. The wind farm is capable of generating about 320 GWh per year, while avoiding the emission of about 260,000 tons of carbon dioxide into the atmosphere. When implementing Azovskaya WPP project, we used state-of-the art solutions, some of which were implemented at wind power facilities in Russia for the first time. For instance, the wind farm is controlled remotely, which creates an additional tool for optimizing the electric power regimes of the UES of the South by regulating voltage levels in the nodes of the power grid and makes it possible to optimize the wind farm's maintenance scheme without the need for constant duty staff at the power plant. By the end of 2021, Azovskaya WPP generated 156 million kWh of green electricity, amounting to 4.3% of the total electricity generation by wind power plants in Russia.

Despite the continuing restrictions related to the coronavirus pandemic, in 2021 year the company has been fully engaged in the construction of its second wind generation project, Kolskaya wind farm (201 MW), the largest wind farm in Russia beyond the Arctic Circle. The deadline for commissioning the power plant was rescheduled for 2022, also due to some force majeure circumstances. The only bridge leading to the construction site was washed out by a flood, resulting in the suspension of the delivery of heavy equipment for several months. Currently, the work on the project is ongoing, with the goal of commissioning the wind farm in 2022.

One of the strategic vectors of our work is continuous improvement of the power plants' equipment to make them not only more efficient, but also environmentally friendly. By the end of 2021 Enel Russia successfully completed its first equipment modernization project under the thermal power plants modernization program approved by the Russian Government. It was implemented at Nevinnomysskaya GRES and it comprised modernization of Boiler 5 of 480 t/h, which is technologically connected to the 50 MW Turbine 4. Moreover, thanks to the successful certification of Nevinnomysskaya GRES CCGT upgraded in 2020, Enel Russia's total installed capacity increased by 21.2 MW in December 2021.

Safety of our employees and contractors is our top priority in our operations. A significant part of our staff continued to work remotely throughout 2021 because of the coronavirus pandemic. At the power plants we continued to keep back-up shifts and minimize staff contact by using separate routes of walking to reduce the risk of Covid-19 spread. And I'm happy to tell you that for 2021 we had no accidents in the thermal generation perimeter for the first time. These successes were achieved through an effective integrated health and safety management system, regular risk assessments, information and training for all employees, as well as contractors, whose safety and health are also our responsibility.

The company kept on focusing on the environmental aspects of its activities. Particular efforts were made to reduce cooling water consumption, reduce specific fuel consumption, and improve compliance with health and safety, environmental and quality requirements, while applying the latest technologies and innovative solutions.

In 2021 we became again a partner of Green Tech Startup Booster, the first Russian accelerator for technical startups in the environmental field. This Skolkovo Foundation project seeks promising startups in the following areas: clean water, clean air, clean earth, clean energy, environmental monitoring, a human being and the environment. In 2021, we selected 10 projects representing interest from the point of view of prospective cooperation.

Sustainable development is a pillar of our business as usual, and in 2021 our commitment to reaching new heights in this direction was noted by a number of international independent rating agencies. Moreover, our Company has been including non-financial indicators in its Annual Report for several years, but for the first time a separate Sustainability Report is issued for 2021. I hope you will find it interesting to read.

I cannot fail to mention two very important decisions made by the company. The first is the abandonment of the implementation its third wind power project – Rodnikovskaya wind farm (71 MW) in the Stavropol Territory. This was necessary due to the need to focus on the ongoing projects that are underway. The second is the management's recommendations to the Board of Directors to refuse to pay dividends for 2021 in order to maintain the financial stability of the company and the sustainability of our business in difficult times.

In conclusion, I would like to express some words of gratitude to the company's staff. The strongest foundation for our achievements is our employees, who, through their daily work, make a huge contribution to the new, more sustainable business model of the company. And I express my gratitude to each of them for their work, commitment, and desire to achieve the goals we set together. I would also like to acknowledge the coordinated and efficient work of our management, whose efforts have contributed greatly to maintaining the company's stability.

The professionalism and dedication of the team and management of PJSC Enel Russia will be in demand in 2022 more than ever. In difficult conditions of macroeconomic turbulence and uncertainty, all the company's efforts are aimed at ensuring uninterrupted and reliable electricity and heat supply and completing investment projects under construction.

About the report

This annual report includes an overview of the results of activities and key events of Public Joint Stock Company Enel Russia and its subsidiaries for 2021. The annual report contains information about their strategic plans, priorities and objectives of development, as well as results of activities for the reporting year.

In the report the concepts «group of PJSC Enel Russia», «group» in various forms mean the group of companies of PJSC Enel Russia (PJSC Enel Russia and its subsidiaries). The concept «company» means PJSC Enel Russia.

The report is prepared in accordance with the following documents and standards:

- Corporate Governance Code of the Russian Federation;
- Regulation of the Bank of Russia No. 454-П "On disclosure of information by issuers of equity securities" dated December 30, 2014;
- Letter of the Bank of Russia No. ИИ-06-28/102 "On disclosure in the annual report of the public joint stock company of a report on compliance with the principles and recommendations of the Corporate Governance Code" dated December 27, 2021;
- Regulation on Information Policy of PJSC Enel Russia.

Limitations of the report

The annual report contains information on results of financial and operational activities and a summary of achievements in sustainability for 2021. The report is issued on an annual basis, the report for the previous period was published on June 11, 2021.

In previous years the company issued a consolidated report. According to the results of 2021, the company issues two reports: annual report and sustainability report.

Operational and financial indicators are reflected on a consolidated basis and include the results of financial and operating activities of PJSC Enel Russia and its subsidiaries. Some sections of the report represent data only for PJSC Enel Russia or there is an additional comment about the approach used.

In connection with the sale of Reftinskaya GRES for 2020, the indicators for this asset are not presented, unless otherwise specified. In connection with the commissioning of Azovskaya wind farm, operating statements for 2021 are presented taking it into accounting.

When preparing the annual report, the following was used:

- consolidated financial statements of PJSC Enel Russia prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2021;
- accounting (financial) statements of PJSC Enel Russia prepared according to Russian Accounting Standards for 2021;
- management reporting data;
- information from open sources.

About the company

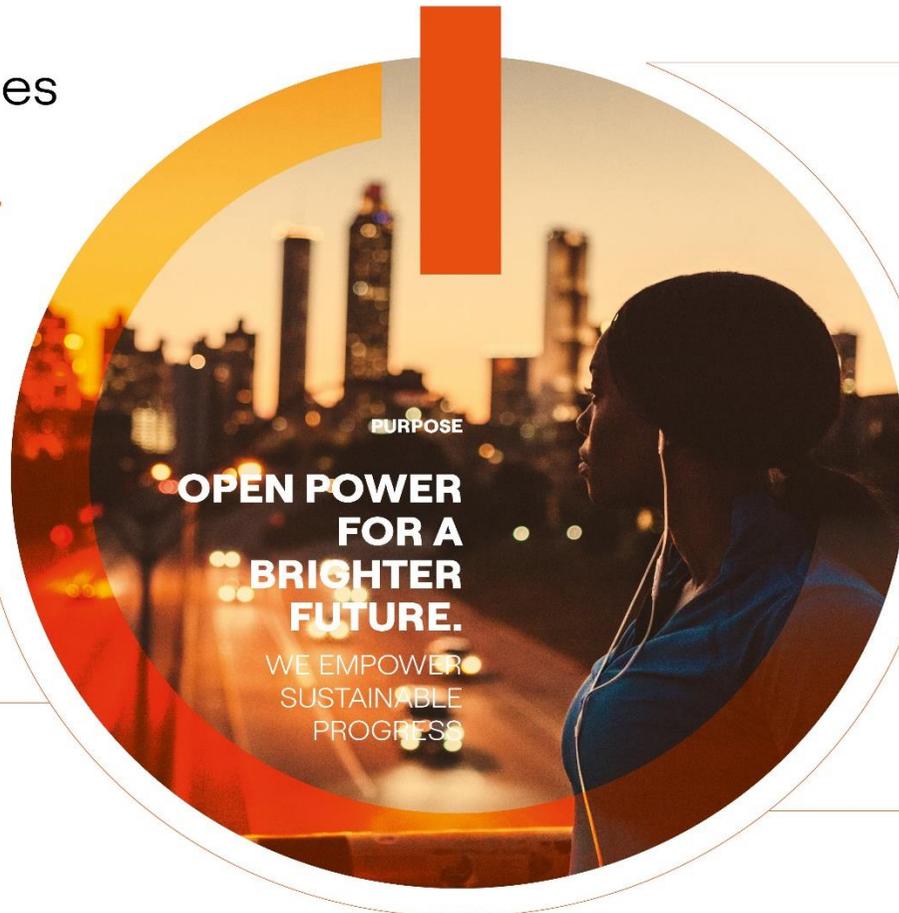
Mission and Values

Mission and values

**Enel is
Open Power**

POSITIONING
Open Power

VISION
Open Power to tackle some of the world's biggest challenges.



MISSION

- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

PRINCIPLES OF CONDUCT

- Make decisions in daily activities and take responsibility for them.
- Share information, being willing to collaborate and open to the contribution of others.
- Follow through with commitments, pursuing activities with determination and passion.
- Change priorities rapidly if the situation evolves.
- Get results by aiming for excellence.
- Adopt and promote safe behavior and move pro-actively to improve conditions for health, safety and well-being.
- Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disabilities, personality etc.).
- Work focusing on satisfying customers and/or co-workers, acting affectively and rapidly.
- Propose new solution and do not give up when faced with obstacles or failure.
- Recognize merit in co-workers and give feedback that can improve their contribution.

VALUES

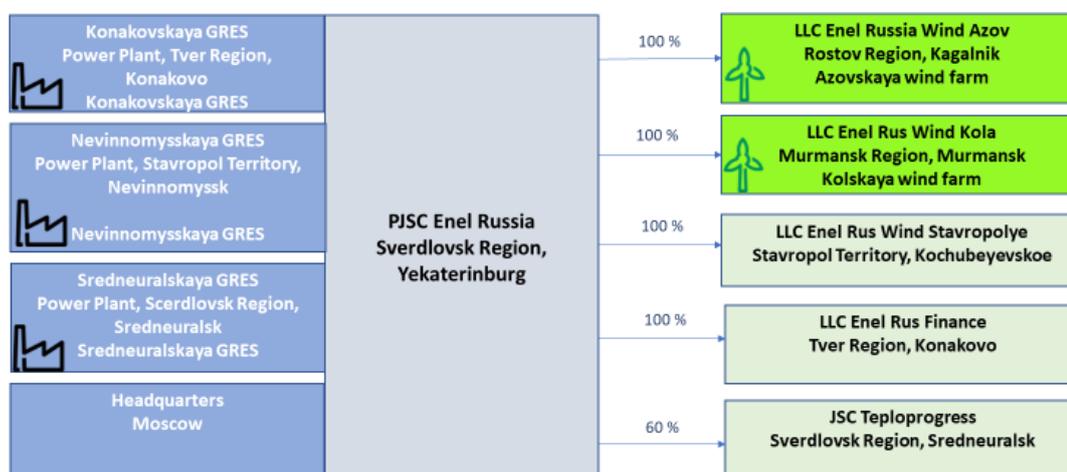
- Trust
- Proactivity
- Responsibility
- Innovation

Our history

<p>December 2021</p>	<p>The total installed capacity of PJSC Enel Russia increased by 21.2 MW as a result of the gas turbine modernization project on CCGT Nevinnomysskaya GRES, implemented in 2020, and successful certification of its new capacity in 2021.</p> <p>Completion of the second stage of the project for the construction of treatment facilities at Sredneuralskaya GRES.</p>
<p>May 2021</p>	<p>Commissioning of Azovskaya wind farm</p>
<p>July 2020</p>	<p>Transfer of property of Reftinskaya GRES to Kuzbassenergo JSC.</p>
<p>January 2020</p>	<p>Three projects of PJSC Enel Russia were selected based on the results of the second selection of projects under the program of modernization of thermal power plants: two projects are related to Sredneuralskaya GRES, and one more project is related to Nevinnomysskaya GRES.</p>
<p>September 2019</p>	<p>The beginning of construction in the Murmansk Region of Kolskaya Wind Farm with a capacity of 201 MW.</p>
<p>June 2019</p>	<p>The project of PJSC Enel Russia to modernize the equipment at Nevinnomysskaya GRES was selected by the Government as part of the modernization program for thermal power plants.</p>
<p>May 2019</p>	<p>The beginning of construction of wind fleet of Azovskaya wind farm with a capacity of 90 MW in the Rostov Region.</p>
<p>June 2017</p>	<p>The company was awarded the tender for the construction of two wind farms with a total installed capacity of 291 MW (Azovskaya wind farm and Kolskaya Wind Farm) under the Russian Government's tender for the construction of wind power generation facilities.</p>

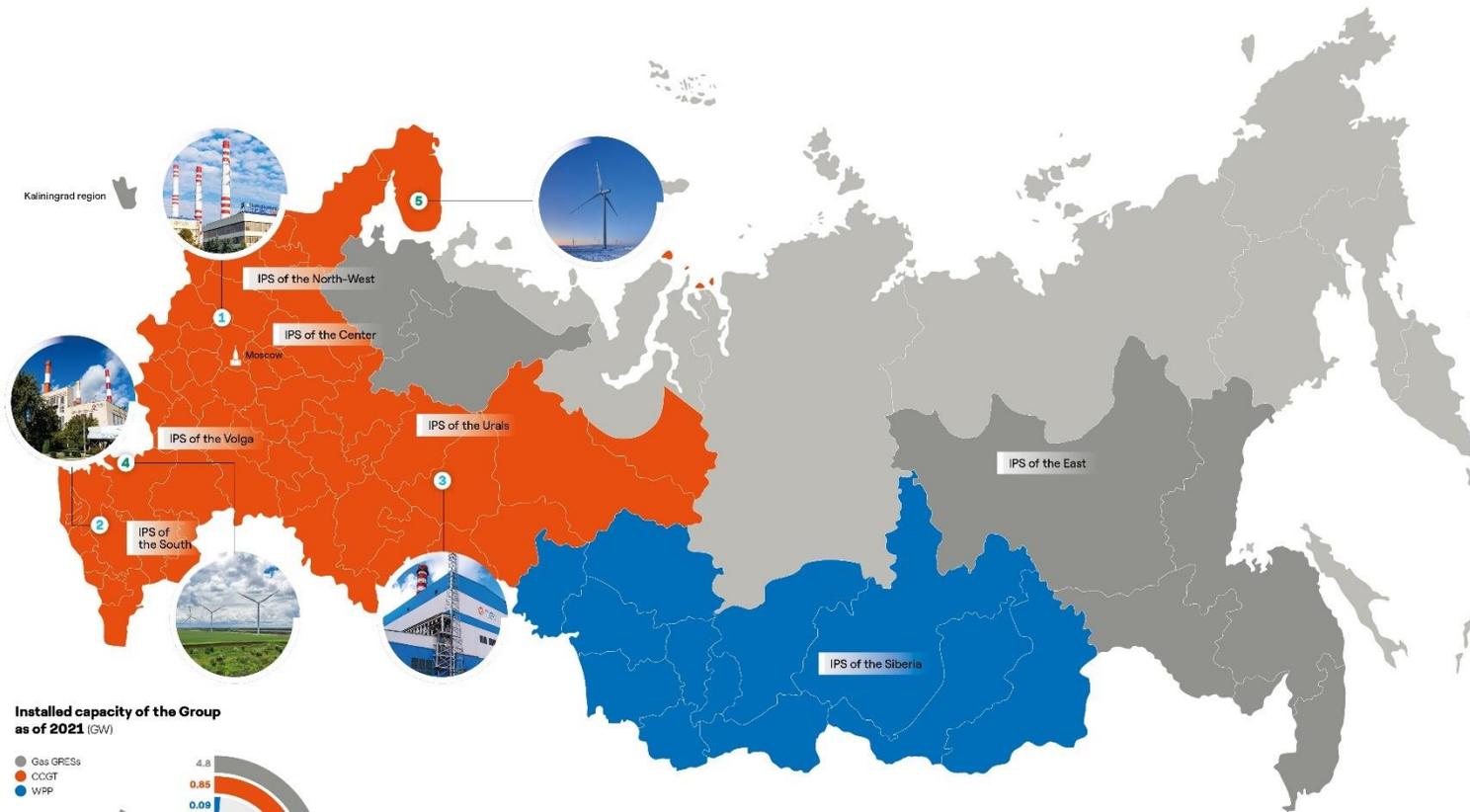
September 2015	The project of dry ash removal system at Reftinskaya GRES was implemented. At the time of its commissioning it was the first such system introduced at a power plant in Russia.
September 2013	Commissioning of a new water disinfection unit at Sredneuralskaya GRES to replace and remove liquid chlorine from the operation cycle.
July 2011	Commissioning of new 410 MW combined cycle units (CCGT-410) at Nevinnomysskaya and Sredneuralskaya GRES.
June 2007	Enel Investment Holding B.V., a subsidiary of Enel Group, became a Company's shareholder with a 25.03% share. In the following years, the share of Enel Investment Holding B.V. increased to 56.43% and was handed over to Enel S.p.A. in 2018.
April 2006	End of reorganization of the Company in the form of joining of Konakovskaya GRES OJSC and Nevinnomysskaya GRES OJSC to the Company.
October 2004	Creation of the Company on the grounds of the decree of the Executive Board of RAO UES of Russia OJSC. The authorized capital at the establishment was paid by the property of Reftinskaya GRES and Sredneuralskaya GRES, shares of Konakovskaya GRES OJSC and Nevinnomysskaya GRES OJSC.

Group structure



Controlled entities that are of significant importance to the company

Geography of Assets



Installed capacity of the Group as of 2021 (GW)



- 1 Konakovskaya GRES
- 2 Nevinnomysskaya GRES
- 3 Sredneuralskaya GRES



- 4 Azovskaya WPP
- 5 Kolskaya WPP

Price zones (% of total consumption)

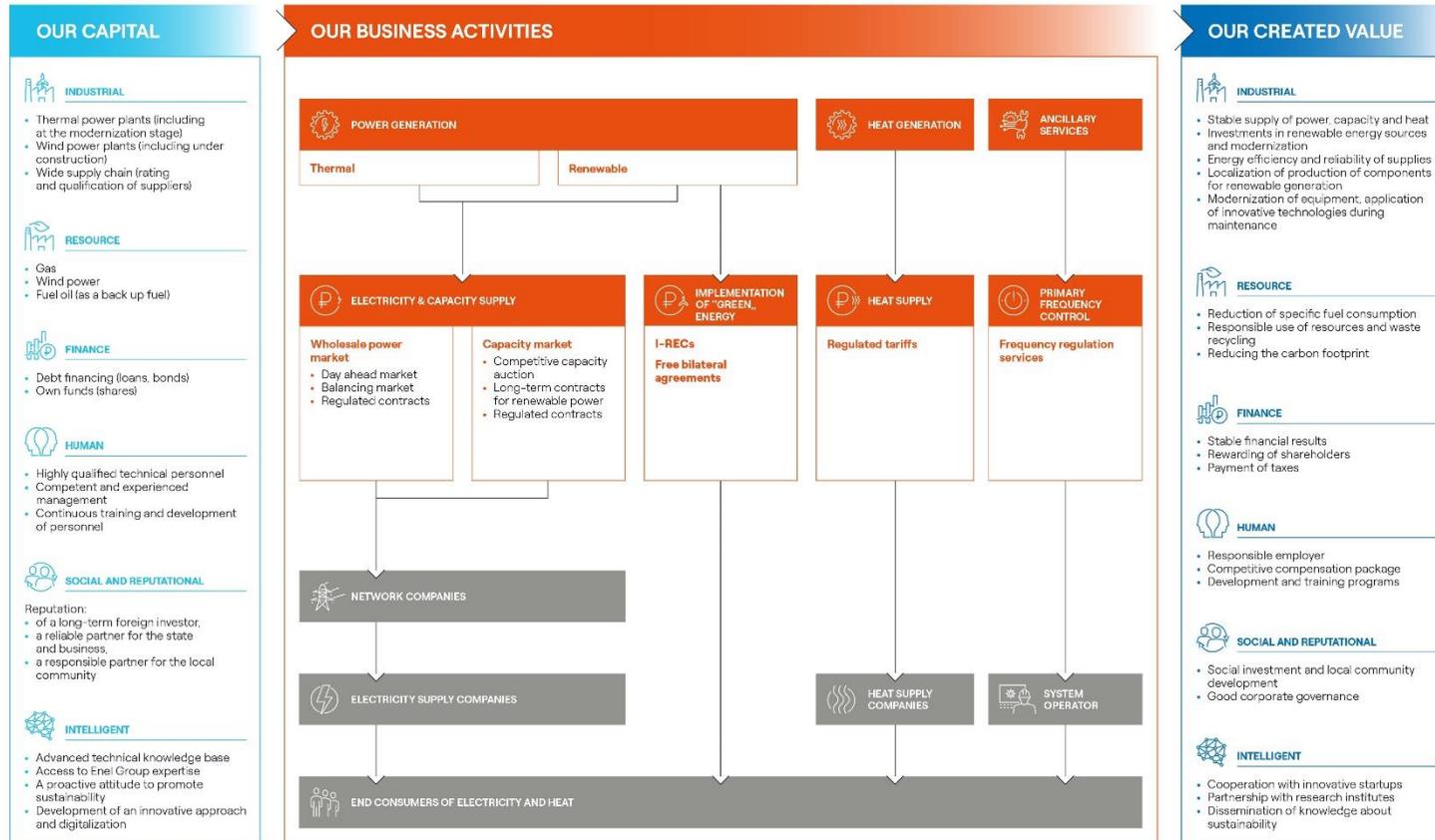


Business Model

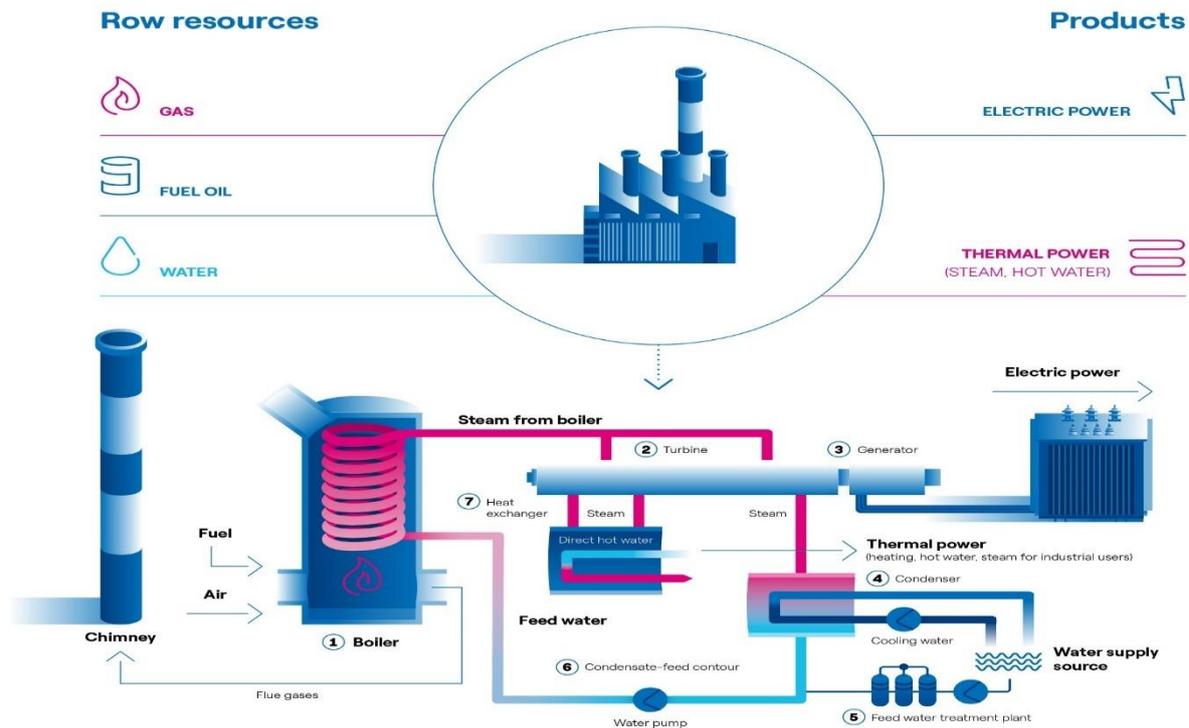
Business model

When developing the business model, we took into account the recommendations of the International Standard -GRI- (International standard for Integrated Reporting).

Outside the influence of the company

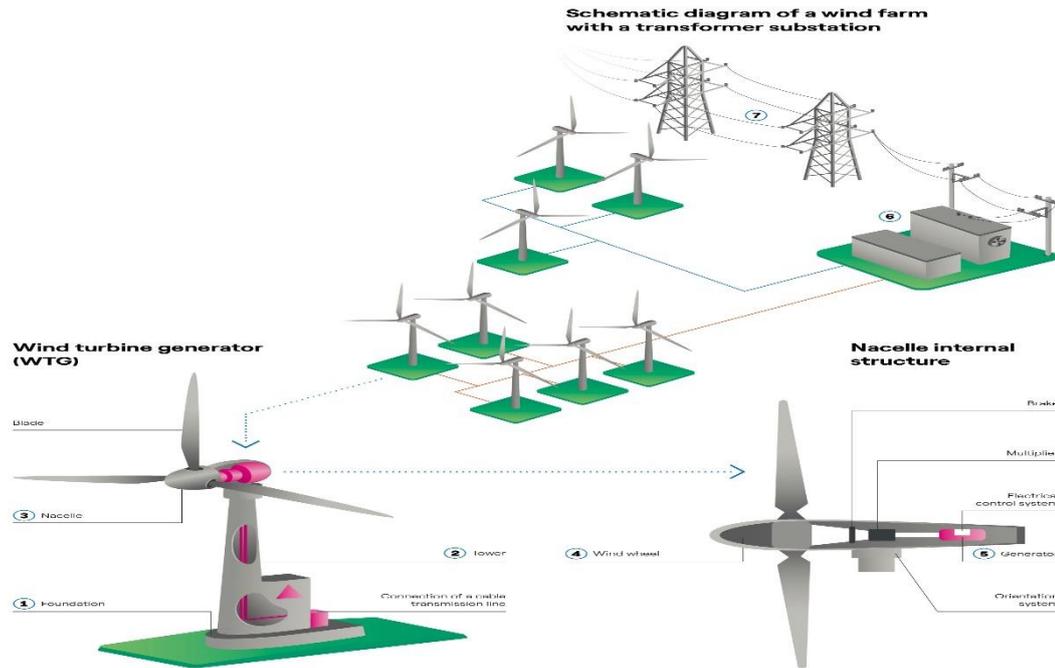


Thermal generation



1. **Boiler:** fossil fuel, using at thermal power plant, is mixed with preliminary heated air and moves to the boiler furnace. Heat energy, produced by fuel burn, heats the feed water inside of boiler tubes and converts it into the steam. Flue gases produced as result of fuel burning are removed from boiler through the chimney and the disperse in the atmosphere.
2. **Turbine:** the steam generated in the boiler passes through steam pipelines into the turbine and starts to rotate turbine blades which are connected to the generator rotor. Thus, the steam energy is converted into mechanical energy.
3. **Generator:** here mechanical energy turns into electricity rotor rotation, which creates an alternating electric current in the stator's winding by its movement. Electricity is supplied to end consumers through a step-up transformer and a step-down transformer substation lines.
4. **Condenser:** reject steam from turbine is directed to condenser, where it loses temperature and turns into the condensate due to the heat exchange with cooling water, taken from water source. Then condensate returns to production cycle.
5. **Feed water treatment plant:** to compensate steam and condensate losses during electricity production cycle additional volume of high-quality water taken from water source is required. This water undergoes mechanical and chemical treatment aimed at removal all harmful impurities that can negatively affect the operation of generating equipment. Purified and preheated water goes to condensate feed counter.
6. **Condensate-feed countur:** purified water and condensate from condenser are mixed and pumped through a chain of low- and high-pressure heaters. This creates feed water. The feed water pre-heated to the required temperature is supplied into the boiler for heating and the newly-cycle steam production.
7. **Heat exchanger:** the water for district heating and hot water purposes is heated by steam from turbine which is connected to heat exchangers by special pipelines. Also steam from turbine with specific temperature and pressure can be used in production cycle of industrial enterprise, located close to the thermal power plant. Water losses that happened during its transfer to consumers are compensated by preparation of additional high quality water volumes in feed water treatment plant.

Wind generation



1. **Foundation:** serves to securely fasten to the ground so that a strong gust of wind cannot overturn the wind turbine. The foundation is shaped like a large hockey "puck", located underground and consisting of metal reinforcement, filled with concrete. The depth of the foundation location depends on the properties of the soil, the maximum wind load and the height of the wind turbine.
2. **Tower:** is a hollow metal cylinder, inside which are located cables for power transmission, cables for control and communication systems, an elevator for lifting and lowering personnel and equipment, as well as stairs, which are a backup way of lifting and lowering personnel.
3. **Nacelle:** or "gondola" in Russian naming got its name because of the streamlined aerodynamic shape, reminiscent of a traditional Venetian boat. Inside the gondola there is a shaft connected at one end to a wind wheel, which, through a multiplier at the other end, ends with a generator. Also inside the nacelle is a system of electric drives necessary for orienting the nacelle in the wind, a multiplier, a step-up transformer, control cabinets, a fire extinguishing system, and meteorological sensors.
4. **Wind wheel:** consists of a central part called a hub and three blades. The flow of wind blowing the blades sets the wind wheel in motion. The wind wheel, rotating, begins to rotate the shaft, the rotation speed of which increases with the help of a multiplier. The resulting mechanical energy of shaft rotation is sufficient for stable operation of the generator.
5. **Generator:** converts the mechanical energy of the rotating shaft into electrical energy, which is fed to a step-up transformer and then passes through the medium voltage cable through the tower and underground trenches to the electrical substation.
6. **At the electrical substation** there is a further increase in voltage, the output of high voltage electricity to the overhead power line. Also, at the electrical substation there is equipment for turning on / off the equipment, protection and automation systems.
7. **Overhead power line:** used to transmit electricity over long distances. A power transmission line consists of supports, insulators and a wire through which passes an electric current.

Enel Russia 2021 in figures

Operating performance			
21.4 TWh Net power output, including 0.1 TWh output with RES	24.2 TWh Electricity sales	61.8 GW Sales of capacity	4.0 mln Gcal Sales of heat power
Financial indicators			
48,2 bln rubles Revenue	7,9 bln rubles EBITDA	3,9 bln rubles Net income from core activities	26,0 bln rubles Net debt
Sustainability			
1411 ¹ Number of employees	0.16 ² Accident frequency rate	449,31 ³ g/kWh CO ₂ emission intensity	88.05 ⁴ ths beneficiaries
Corporate governance			
94% recommendations of the Corporate Governance Code are respected	3 independent members of the Board of Directors	15 meetings of the Board of Directors	46 meetings of the Committees of the Board of Directors

Events calendar

Q1

6 January 2021 One of the most historical power plants of the Middle Urals region, Sredneuralskaya GRES, celebrated its 85th anniversary since the commissioning of the first turbine unit.

3 February 2021 Publication of production indicators for 2020.

3 February 2021 A transformer for the substation weighing more than 122 tons, more than 7 meters long, more than 4 meters high and almost 3 meters wide was delivered to the construction site of the Kolskaya wind farm.

17 February 2021 Capital Markets Day 2021. Presentation of the strategic plan of PJSC Enel Russia for 2021–2023 to the business community and the media.

10 March 2021 In March, commissioning was completed at the containerized nitrogen adsorption station at Konakovskaya GRES. New back-up nitrogen production equipment reduces risks to personnel and equipment during operational activities.

16 March 2021 Publication of financial results for 2020.

Q2

25 April 2021 The first batch of the main equipment, consisting of three sets of nacelles, arrived at the construction site of the Kolskaya wind farm.

29 April 2021 Publication of financial results for Q1 of 2021.

¹ Covers all generating assets

² Covers generating assets and assets under construction

³ Covers all generating assets

⁴ Covers generating assets and assets under construction

1 May 2021 Azovskaya wind farm received the right to supply generated electricity and capacity on the wholesale electricity and capacity market of Russia.

31 May 2021 A unique operation was carried out at Nevinnomysskaya GRES to dismantle the building of a 170 MW combined-cycle plant. The peculiarity of the dismantling operation was that 99% of the materials that make up the building and equipment were sent for recycling and reuse. This is the first project implemented in Russia that fully complies with Enel Group's sustainability principles.

9 June 2021 The annual General Shareholders' Meeting of PJSC Enel Russia was held in absentia.

15 June 2021 The first sets of blades and towers required for the construction of wind turbines arrived at the construction site of the Kolaskaya wind farm. Each blade is 65.5 meters long and weighs 20 tons. The height of the three sections of the tower ready-assembled is 84 meters weighing about 200 tons in total.

25 June 2021 An official opening ceremony of PJSC Enel Russia's first wind farm in Azov with 90 MW installed capacity. The inaugural ceremony of the Azovskaya wind farm was attended by deputy prime minister of the Russian Federation Alexander Novak, governor of the Rostov Region Vasily Golubev, Italian ambassador to Russia Pasquale Terracciano, general director of PJSC Enel Russia Stephane Zweguintzow and representatives of regional authorities. The Azovskaya wind farm has become the first wind power plant of the Unified Energy System of Russia based on the technology of remote control for both active and reactive power of generating equipment.

Q3

5-8 July 2021 PJSC Enel Russia took part in the XI International Exhibition "Innoprom" with Italy as the partner country.

12 July 2021 Kolskaya wind farm was granted the status of a strategic investment project of the Murmansk region.

19 July 2021 The Kolskaya wind farm saw the installation of its first wind turbine.

28 July 2021 PJSC Enel Russia published its financial results for the first half of 2021.

Q4

28 October 2021 Publication of financial results for 9 months of 2021.

09 November 2021 PJSC Enel Russia received a Passport of readiness for the 2021–2022 heating season.

15 November 2021 Successful completion of a major overhaul of 325 MW unit 3 at Konakovskaya GRES.

20 November 2021 Major overhaul of the CCGT-419 steam turbine completed at Sredneurskaya GRES.

30 November 2021 Sredneurskaya GRES completed the first two stages of the wastewater collection and treatment system project.

1 December 2021 The capacity of the CCGT unit at Nevinnomysskaya GRES was increased from 410.2 MW to 431.4 MW as a result of the modernization of the unit and the subsequent successful certification. After this the overall installed capacity of the power plant amounts to 1551.4 MW.

21 December 2021 In Murmansk, an official signing of an academic cooperation memorandum between PJSC Enel Russia and the Federal State Autonomous Educational Institution of Higher Education "Murmansk State Technical University" was held.

24 December 2021 PJSC Enel Russia started selling international green I-REC certificates.

Our awards

	<p><u>Enel Russia - the winner in the nominations:</u></p> <ul style="list-style-type: none"> • "Best Presentation of Sustainability Strategy in Annual Report" • "Best disclosure of stakeholder engagement practices"
	<p>Enel Russia is the winner in the nomination "<u>The best annual report of a company with a capitalization of up to 40 BRUB</u>"</p>
	<p>Enel Russia is the best benefactor in the Sverdlovsk region among foreign companies</p>
	<p><u>National award "Labor Productivity: industry leaders in Russia - 2021":</u></p> <ul style="list-style-type: none"> • Enel Russia is in 17th place according to the 2020 results (21st place in 2019) among the "Top-100 industrial companies in Russia in terms of labor productivity"

	<ul style="list-style-type: none"> Enel Russia ranked 3rd according to the 2020 results (4th place in 2019) among companies in the energy sector
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Our rankings

	1 st place in the ranking
	Top-10 leaders in completeness and quality of disclosed information on the principles of corporate governance
	Enel Russia took the 2nd place in the sectoral rating of environmental transparency of fuel energy generating companies in Russia – 2021
	ESG-rating BBB
	an ESG-risk rating of 25.7

Our people

<p><i>Giorgio Callegari, Chairman of the Board of Directors of PJSC Enel Russia</i></p>	 <p>АССОЦИАЦИЯ ПРОФЕССИОНАЛЬНЫХ ДИРЕКТОРОВ</p> <p>Included in the list of "25 Best Chairmen of the Board of Directors" of the XV National Award "Director of the Year"</p>
<p><i>Andrea Guaccero, Independent Director</i></p>	 <p>АССОЦИАЦИЯ ПРОФЕССИОНАЛЬНЫХ ДИРЕКТОРОВ</p> <p>Included in the list of "50 Best Independent Directors " of the XV National Award "Director of the Year"</p>
<p><i>Oleg Kosmenyuk, Deputy General Director – Head of Generation PJSC Enel Russia</i></p>	<p>A gratitude letter from V. Putin, the President of the Russian Federation for his great contribution to the development of the fuel and energy complex</p>
<p><i>Yulia Matyushova, Deputy General Director – CFO of PJSC Enel Russia</i></p>	<p>Institutional Investor Prize-winner in the category "Best CFO 2021 among small-cap companies" (3rd place)</p> <p>ФИНАНСОВЫЙ ДИРЕКТОР Практический журнал по управлению финансами компании</p> <p>Winner of the "The best financial director of the year – 2021" in the category "The most thought-out risk management system"</p>
<p><i>Zhanna Sedova, Director of Legal and Corporate Affairs, Corporate Secretary of PJSC Enel Russia</i></p>	

	 <p>АССОЦИАЦИЯ ПРОФЕССИОНАЛЬНЫХ ДИРЕКТОРОВ</p> <p>Included in the list of "25 Best Directors for Corporate Governance / Corporate Secretaries" of the XV National Award "Director of the Year"</p>
<p><i>The Radionov dynasty, colleagues of Enel Russia from Sredneurskaya GRES</i></p> <p><i>The total work experience of all members of the dynasty at SGRES is over 450 years</i></p>	 <p>Ассоциация «ЭРА РОССИИ» Основана 3 октября 2003 года Крупнейшее объединение работодателей ТЭК, в компаниях которого на территориях 83 субъектов Российской Федерации трудятся около 350 тысяч человек</p> <p>The prize-winners of the project "Labor dynasties - 100 years in the power industry" for their significant contribution to the development of the electric power industry.</p>

Our business

Position in the industry

According to the System Operator, power demand growth in 2021 in the first price zone of the UES of Russia amounted to +6.3% compared to 2020. The growth in power demand was covered by additional loading of thermal power plants in the European part of Russia that affected the development of the entire thermal portfolio of Enel Russia.

The production results of Enel Russia for 2021 showed positive dynamics in the background of favorable weather conditions and growing power demand. In addition, new kilowatts of renewable energy from Azovskaya WPP have made an additional contribution to the Group's production performance

At the same time, the increase in generation of thermal power plants led to an increase in consumption for the main fuel - gas at St. Petersburg International Mercantile Exchange (SPIMEX). However, the supply of free volumes of gas on the exchange either did not cover the demand of generators, or was completely absent during the peak consumption periods that led to a sharp increase in prices from alternative fuel suppliers.

The past year was also characterized by high rates of commissioning of RES facilities that led to an almost twofold increase in the generation of renewable energy in Russia compared to 2020. This dynamics has certainly had a positive impact on the environment and will bring us closer to the objective of carbon neutrality in Russia by 2050. On the other part, the growth of RES volumes in the UES of Russia due to the specifics of the market leads to a decrease in the rate of price growth in the electricity market that negatively affects the financial results of electricity producers.

The events described above clearly show that changes in the regulatory framework are overdue in the industry, they will affect all market participants, and now we see that there is a constructive dialogue between the market community and the market regulator in which Enel Russia takes an active part.

In order to maximize margin profit and achieve financial performance in 2021, Enel Russia actively operated in all major sectors of the wholesale electricity and capacity market, such as the day-ahead market, the balancing market, the system services market, working among other things to reduce accounts receivable. Additionally, thanks to the commissioning of Azovskaya wind farm, the group successfully supplied capacity under capacity supply contracts (DPM RES) and launched a mechanism for selling green I-REC certificates, becoming one of the leaders of the Russian certification industry for manufacturers of goods and services with a low carbon footprint.

To optimize also the fuel portfolio and increase the competitiveness of thermal power plants in the electricity market, the company successfully used the gas resale mechanism at SPIMEX in 2021.

The implementation of various programs for the renewal and modernization of the power industry over the past 10 years has led to an increase in the efficiency of the power fleet in the country and, consequently, there is a dynamic lagging behind the growth rates of electricity prices in the wholesale market from the growth of the gas tariff. This trend poses new challenges to the owners of traditional thermal generation and the need for an immediate response to the current situation in order to maintain competitiveness.

Due to the growing demand and attention to renewable energy, the company is considering opportunities for further development of the RES share in its asset portfolio.

Concurrently, the analysis of participation in new promising projects, such as the production of green hydrogen, the use of energy storage and projects aimed at reducing the carbon footprint continues.

*Matvej Atzeni Moskvitin
Head of Energy Management*

The group conducts its business operations at the wholesale electricity and capacity market (hereinafter - WEEM) in the first price zone including the European part of the Russian Federation and the Urals.

The main participants in the WEEM are the following entities:

- wholesale generating and territorial generating companies formed as a result of the power industry reform, RusHydro PJSC, Rosenergoatom Concern JSC
- power supply companies - guaranteeing suppliers, large power supply companies and independent suppliers.

Main markets where the group carries out its activities

The group carries out its electricity and capacity sales activities in the following wholesale market segments:

Regulated Contracts

Since 2011, regulated contracts (further - the RC) have been signed to cover the volumes of electricity and capacity only intended for the residents and for the supplies equated to the residents of the consumer groups through guaranteeing suppliers and power supply companies. Prices (tariffs) for power and capacity supplies under the RC are calculated by prices indexation formulas determined by the federal executive body of the Russian Federation in the area of public tariff regulation (Federal Antimonopoly Service). Scopes of power and capacity supply under the RC are determined within the forecast summary balance of power generation and supply developed so that the RC supplies would not exceed 35% of the planned supply to the wholesale market, defined in the balance decision for the relevant regulation period for a power and capacity generator included into the summary balance.

Day Ahead Market

At the day ahead market (further DAM) the volumes of electricity exceeding the RC volume are traded at free prices obtained as a result of a competitive tender of price bids from participants of the wholesale market for purchase/sale of power. Trade at the DAM is organized and held by the Joint-Stock Company Trade System Administrator of the Wholesale Electricity Market (JSC ATS).

Balancing Market

Trade in deviations of the actual electricity production schedule from the scheduled one is exercised at the balancing market (further – the BM) at the prices formed based on a competitive tender upon the marginal principle of bids of participants of the balancing market (suppliers and consumers with the regulated load).

Capacity

Starting from 2011, only capacity in the volumes, necessary for supply to the households and consumer categories regarded as households, is delivered under regulated contracts.

Capacity trading at free prices is carried out through capacity auction mechanisms, conclusion of free contracts directly with the buyer, as well as through contracts for provision of power to various facilities (RES, NPP/HPP, modernized thermal generation facilities, new local gas turbines).

Since 2011, capacity auctions (further KOM) in the form of a margin auction have been held annually. Since September 2015, KOM have been held for four years ahead. In 2018 and 2019, KOM was held for six years ahead. KOM for 2026 that was planned to be held in the autumn of 2020 was postponed and held in February 2021 due to delays in determining the rules for selecting projects for modernization of thermal power plants. Further KOM is planned to be held for four years ahead. Thus, the upcoming KOM for 2027 is expected in Quarter Four of 2023.

Newly built generation facilities capacity is sold by means of Capacity Sales Agreements (DPM) and ensures the return on investments into construction during 10 years for thermal generation facilities, 15 years for RES facilities and 20 years for NPP/HPP facilities. For PJSC Enel Russia, DPMs operated in relation to two CCGTs at Nevinnomysskaya GRES and Sredneuralskaya GRES until 2020 inclusive. In 2021, the group began to supply capacity under DPM RES after the launch of Azovskaya wind farm in the

South of Russia. Moreover, under the DPM RES the group is currently completing a project to build Kolskaya wind farm in the north of Russia with an installed capacity of 201 MW, scheduled for commissioning in 2022. The group's portfolio includes as well a DPM RES for construction of a 71 MW wind generation facility; various options for its future are currently being considered.

Since 2019, a new mechanism for supporting thermal generation has been in effect - competitive selection of modernization projects (further KOMMod), according to the results of which power supply contracts are concluded with the winning participants reimbursing the declared costs for implementation of the project for 16 years. Earlier, selections for 2022-2029 have been already held, and based on their results PJSC Enel Russia won four projects at Sredneuralskaya GRES and Nevinnomysskaya GRES with a total capacity of 370 MW. Since 2022, the company has started to supply capacity under KOMMod contracts for the first selected project of PJSC Enel Russia at Nevinnomysskaya GRES.

The cost of capacity supplied at free prices is calculated taking into account the quality of capacity that is the actual availability of equipment. This market mechanism by influencing the cost of supplied capacity allows for incentivizing suppliers to ensure the technical condition of generating equipment necessary for operation or inclusion in the power system.

Competition in the context of the discussed climate agenda and the development of local gas turbines

The global objectives for sustainability and achieving carbon neutrality inevitably entail changes in the balance of generating capacities around the world: increasing the RES share, abandoning coal as the main fuel, improving the efficiency of gas-fired power plants and reducing CO2 emissions.

For Russia, due to climatic and geographical features, thermal generation will continue to occupy the main place in the balance of capacities in the medium term. In order to make a qualitative leap in increasing efficiency and reducing emissions, the government is introducing a mechanism of state support for construction of local gas turbines and transfer of thermal power plants to the combined cycle.

The company continuously monitors this process and takes an active part in discussing the initiatives of the regulator and the owners, as well as continuously working on possible projects for our plants.

Ancillary Service Market

The system services market is used as a mechanism to ensure the reliability of operation of the power system and to ensure the quality of electric power.

In the Russian Federation, Government Decree No. 117 dated March 3, 2010 approved the rules for selection of electric power industry entities and electricity consumers providing services to ensure system reliability and rules for rendering of such services. This resolution defines four types of services to ensure system reliability:

- services for normalized primary frequency regulation;
- automatic secondary frequency control services;
- regulatory services;
- services for development of emergency management systems in the Unified Energy System of Russia.

Organization of selection of electric power industry entities rendering services to ensure system reliability, payment for such services, as well as coordination of their actions to render services to ensure system reliability, are carried out by the System Operator.

Market of green I-REC certificates

Market of green I-REC certificates is a new market in Russia. The I-REC certificate is a certificate that meets international standards, that confirms the generation of electricity using renewable sources. The system for tracking the origin of electricity, as well as its accreditation, was developed by the international non-profit organization International REC Standard Foundation. Accredited organizations for issuing I-REC certificates are located in 35 countries around the world. The accredited organization has been operating in Russia since 2020. In 2021, PJSC Enel Russia received registration in the I-REC System represented by a subsidiary of LLC Enel Rus Wind Azov as a supplier of green energy. In 2021, PJSC Enel Russia sold 20 th I-REC certificates for generation of Azovskaya wind farm, as part of a pilot project.

Heat Sales

Sale of heat takes place on the regional market at the location of the power plant at the tariffs approved by the relevant regional energy commissions of the Russian Federation, as well as at free prices to consumers for the steamed heat.

The total installed heat capacity of the company at the end of 2021 was 2,241 MW.

Heat is sold by:

- Konakovskaya GRES (Tver Region, Konakovo);
- Nevinnomysskaya GRES (Stavropol Territory, Nevinnomyssk);
- Sredneuralskaya GRES(Sverdlovsk Region, Yekaterinburg, Verkhnyaya Pyshma, Sredneuralsk).

The main consumers of heat released by the power plants of PJSC Enel Russia are heat supply companies operating in the cities/towns of presence of power plants of PJSC Enel Russia.

Competition

Since the company's power plants, together with other power plants, are part of the Unified Energy System of Russia (UES) with unified electrical connections, processes of generation and consumption of electric power, it can be assumed that competitors are all thermal generating companies, Rosenergoatom Concern JSC, RusHydro PJSC, as well as companies that use renewable energy sources for generation of electric power that are subjects of the wholesale electricity market. In a more detailed analysis of competition, it is necessary to take into account that the group's power plants carry out their production activities in the wholesale electricity and capacity market in the first price zone that includes the European part of Russia and the Urals, and also consider the remoteness of a particular power supplier from the load center and take into account the degree of influence of each of the competitors on the price situation in the region.

Thermal power plants using gas, fuel oil and coal as fuels are in equal conditions from the point of view of competition.

The main competitive advantages of the company are as follows:

- diversification of generating assets, including two combined-cycle gas plants with low specific fuel consumption and a green generation facility - wind farm;
- geographically uniform location of power plants throughout the first price zone;
- stable share of power generation in each energy district where the company's generation assets are present;
- a high degree of personnel's knowledge and skills;
- successful participation in development and implementation of thermal generation modernization projects, as well as implementation of RES projects;
- innovativeness of the company's management processes, inspection and maintenance of production assets, use of the best world practices;
- compliance with sustainability objectives.

Power plant	Location of the competitors	Competitors
KGRES	IPS of the Center, IPS of the North-West	Kostromskaya TPP - 3,600 MW (OJSC Inter RAO - Electrogeneratsiya)
		CHP-16, CHP-20, CHP-21, CHP-26, CHP-27 - 6,433 MW (Mosenergo PJSC)
		Smolenskaya NPP - 3,000 MW (Rosenergoatom Concern JSC)
		Kalininskaya NPP - 4,000 MW (Rosenergoatom Concern JSC)
		Leningradskaya NPP - 4,376 MW (Rosenergoatom Concern JSC)
		Kurskaya NPP - 4,000 MW (Rosenergoatom Concern JSC)
		Zagorskaya PSP - 1,200 MW (RusHydro PJSC)
NGRES, Azovskaya WPP	IPS of the South	Stavropolskaya TPP - 2,423 MW (PJSC OGK-2)
		Novocherkasskaya TPP - 2,258 MW (PJSC OGK-2)
		Rostovskaya NPP - 4,072 MW (Rosenergoatom Concern JSC)
		Cascade of HPPs of the IPS South (RusHydro PJSC)
		RES of the IPS South - 2,943 MW
SGRES	IPS of the Urals	Reftinskaya GRES - 3,800 MW (JSC Kuzbassenergo)
		Beloyarskaya NPP - 1,480 MW (Rosenergoatom Concern JSC)

Yuzhnouralskaya TPP-2 - 845 MW (OJSC Inter RAO - Electrogeneratsiya)

Nyaganskaya TPP - 1,345 MW (Fortum PJSC)

Nizhnevartovskaya TPP - 2,031 MW (Nizhnevartovskaya GRES CJSC)

Permskaya TPP - 3,363 MW (OJSC Inter RAO - Electrogeneratsiya)

Surgutskaya TPP-1 - 3,333 MW (PJSC OGK-2)

Surgutskaya TPP-2 - 5,667 MW (Unipro PJSC)

The main factors negatively affecting the generation and, accordingly, the sale of electric power are traditionally network restrictions and forced modes of operation of the UES, namely:

- maintenance of grid equipment of electric power substations and outgoing overhead power transmission lines;
- maintenance, start-ups, shut downs and features of operating modes of generating equipment of power plants.

In 2021, there was an active recovery of the economic situation in the country after the crisis year associated with the COVID-19 pandemic, and, as a result, there was an increase in power demand and an increase in prices on free electricity markets.

Konakovskaya GRES

Taking into account the last tendencies for power demand in the IPS of the Center, influence of generation capacities of competing companies on the mode of operation of Konakovskaya GRES is more significant during the heating period and is associated with commissioning of capacities of heat generating companies, as well as with putting into operation of new CCGTs and NPP units. In case of unscheduled maintenance at NPP units, at the command of the System Operator, the retired capacity volume is replaced by Konakovskaya GRES.

The main overhead lines (HV lines) and substations (SS), maintenance of equipment of which affects the operating mode of Konakovskaya GRES, are: Kalininskaya NPP HV line - Opytnaya, Kalininskaya NPP HV line - Vladimir, Konakovskaya GRES HV line - Cherepovets, Kalininskaya NPP HV line - Belozerskaya, Kalininskaya NPP HV line - Gribovo, Konakovskaya GRES HV line — Trubino, Konakovskaya GRES HV line - Bely Rast, Opytnaya HV line - Bely Rast and Belozerskaya substation, Opytnaya substation, Vladimir substation, Gribovo substation.

Nevinnomysskaya GRES

Nevinnomysskaya GRES is located in a scarce energy hub of the IPS of the South with weak network connections. To ensure operation reliability of this power hub, the IDO of the South plans to provide increased load of generation capacities of Nevinnomysskaya GRES, except for:

- operation of the power grid in maintenance schemes when limitation of load of the power plant is necessary;
- the flood period when limitation of the power plant's load is caused by increased output of capacity from HPPs of the IPS of the South "locking" Nevinnomysskaya GRES due to grid operation modes;
- periods of favorable conditions for the operation of RES in the region (high wind potential and sunny days), in which there is a decrease in the loading profile of the plant.

The advantages of Nevinnomysskaya GRES is its location in the power grid of the IPS of the South that ensures load and high coefficient of utilization of installed capacity, as well as the presence of CCGT that due to low fuel consumption is always in demand.

Sredneuralskaya GRES

The capacity utilization of Sredneuralskaya GRES, at a low cost of production, is due not only to the need of the IPS of the Urals for electric power, but also to the need for heat of Yekaterinburg, Verkhnyaya Pyshma, Sredneuralsk.

Change in the share of generation of power plants in 2017-2021, %

Power plant	2017	2018	2019	2020	2021	Change 2021 to 2020
Share of KGRES in the IPS of the Center	3.0	2.9	2.5	2.6	2.9	0.3
Share of NGRES and Azovskaya WPP in the IPS of the South	8.1	7.6	6.9	6.4	7.4	1.0
Share of SGRES and RGRES ⁵ in the IPS of the Urals	10.2	10.1	8.0	2.6	2.7	0.1
The group's share in the first price zone ⁶	5.2	5.0	4.1	2.4	2.6	0.2

In 2021, the company's power plants increased their market share by 0.2% compared to 2020. This is due to an increase in power demand in the First Price Zone, an increase in the load on the part of the System Operator and the commissioning of Azovskaya wind farm.

Regulatory bodies in the electric power industry

Regulatory body	Functions
Government of the Russian Federation, Ministry of Economic Development of the Russian Federation, Ministry of Industry and Trade of the Russian Federation, Ministry of Energy of the Russian Federation	Determination of the main directions of development of the electric power industry of the Russian Federation
Federal Antimonopoly Service (FAS of the Russian Federation)	Regulation and control of access to the electric grids and services for power transmission; approval of tariffs and volumes of purchase/sales of electricity and capacity.
Joint Stock Company System Operator of the Unified Energy System (JSC SO UES)	Implementation of a package of measures for centralized management of process modes of operation of electric power facilities and power receivers of consumers
Joint-Stock Company Trade System Administrator of the Wholesale Electricity Market (JSC ATS)	Organization of wholesale trade in electric power, verification of cross-obligations set-off between the trade market participants; organization of warranty and settlement system at the wholesale market, market regulations compliance control
Non-Profit Partnership "Market Council for Organization of Efficient System for Wholesale and Retail Trade in Electric Energy and Capacity" (Association NP Market Council)	Ensuring the operation of the commercial infrastructure of the WECM, ensuring effective interconnection of wholesale and retail markets, competition in the wholesale and retail markets, maintaining a balance of interests of producers and buyers of electric power and capacity

Production indicators ⁷

In 2021, power generation by gas-fired power plants increased by 17,5% vs 2020. It was caused by elevated power demand in the regions of Enel Russia presence both from industrial enterprises restarting their operation after restrictions caused by COVID-19 pandemic, and from community. Moreover, abnormally hot summer and lower winter temperature compared to the previous seasons had additional positive impact on power generation increase.

Timely and high-quality maintenance activities of the generating equipment made it possible to ensure its readiness for operation at any moment upon the System Operator request.

¹ The data on the share of RGRES was provided for nine months of 2019 in connection with the sale of the property of Reftinskaya GRES.

² First price zone of the wholesale electricity market, including the European part of Russia and the Urals

³ Within this section, data on Reftinskaya GRES, unless otherwise specified, is provided for nine months of 2019

We have confirmed an increase in the capacity of gas generating fleet by 21.2 MW due to the Service Pack 8 Upgrade modernization project on gas turbine CCGT of the Nevinnomysskaya GRES, implemented in 2020.

One of the key achievement of 2021 was completion of the first modernization project at Boiler 5 of Nevinnomysskaya GRES, that was awarded to our company following the first wave of projects selection within Modernization Program for Generating Equipment of Power Plants approved by the Government of the Russian Federation in 2019. Following the implementation of the project, equipment reliability and efficiency improved, CO2 emissions and NOx emissions reduced.

The project was acknowledged by Enel Group and received Best Design & Execution Project 2021 Award among 865 thermal power plants and 811 projects nominated for this award.

Oleg Kosmenyuk,
Head of Generation

Installed heat and electrical capacity of the power plants

Power Plant	Type of capacity, unit of measurement	2017	2018	2019	2020	2021
Konakovskaya GRES	Electrical, MW	2,520	2,520	2,520	2,520	2,520
	Heat, Gcal/h (MW)	120 (140)	120 (140)	120 (140)	120 (140)	120 (140)
Nevinnomysskaya GRES	Electrical, MW	1,530.2	1,530.2	1,530.2	1,530.2	1,551.4
	Heat, Gcal/h (MW)	585 (680)	585 (680)	585 (680)	585 (680)	585 (680)
Reftinskaya GRES	Electrical, MW	3,800	3,800	3,800	-	-
	Heat, Gcal/h (MW)	350 (407)	350 (407)	350 (407)	-	-
Sredneuralskaya GRES	Electrical, MW	1,578.5	1,578.5	1,578.5	1,578.5	1,578.5
	Heat, Gcal/h (MW)	1,327 (1,543)	1,327 (1,543)	1,327 (1,543)	1,327 (1,543)	1,222 (1,421)
Azovskaya wind farm ⁸	Electrical, MW	-	-	-	-	90.1
Total for the group	Electrical, MW	9,428.7	9,428.7	9,428.7	5,628.7	5,740.0
	Heat, Gcal/h (MW)	2,382 (2,770)	2,382 (2,770)	2,382 (2,770)	2,032 (2,363)	1,927 (2,241)

In connection with the sale of Reftinskaya GRES property, data on installed capacity for 2019 is provided as of October 1st, 2019.

Structure of the fuel used

The main type of fuel used at all power plants is natural gas (99.3%, average value), and the reserve one is fuel oil (0.7%, average value).

Natural gas is purchased at prices specified in long-term gas supply contracts, as well as with the help of organized gas trading instruments on the stock exchange of JSC SPIMEX.

Fuel oil is used as a reserve fuel during periods of gas supply restrictions and is purchased directly from manufacturers and suppliers or on the stock exchange of JSC SPIMEX.

Net electricity output

In 2021, the group's net power output amounted to 21,399 th MW*h that is 18.3% more than in 2020.

Useful power output by power plants in 2017-2021*

Power plant	Unit of measurement	2017	2018	2019	2020	2021	2021 to 2020, %	Reasons of changes 2021 to 2020
Konakovskaya GRES	GW*h	6,950	6,462	5,698	5,821	7,137	22.6	High utilization in Q1 and Q4

⁸ Azovskaya wind farm was put into operation in 2021

								due to power demand growth
Nevinnomysskaya GRES	GW*h	7,741	7,534	6,750	6,273	7,569	20.7	Higher power generation by steam power equipment due to increased power demand
Reftinskaya GRES	GW*h	18,565	18,572	13,333	0	0	Not applicable	Sale of property to a new owner on October 1, 2019
Sredneuralskaya GRES	GW*h	6,575	6,614	6,652	5,993	6,544	9.2	Growth of power demand and utilization by the System Operator, as well as the growth of economic activity in the country
Azovskaya wind farm	GW*h	-	-	-	-	148	Not applicable	Commissioning from 2021
Total for the company	GW*h	39,831	39,182	32,433	18,087	21,399	18.3	Growth of power demand in the first price zone
Total excluding Reftinskaya GRES	GW*h	21,266	20,610	19,100	18,087	21,399	18.3	

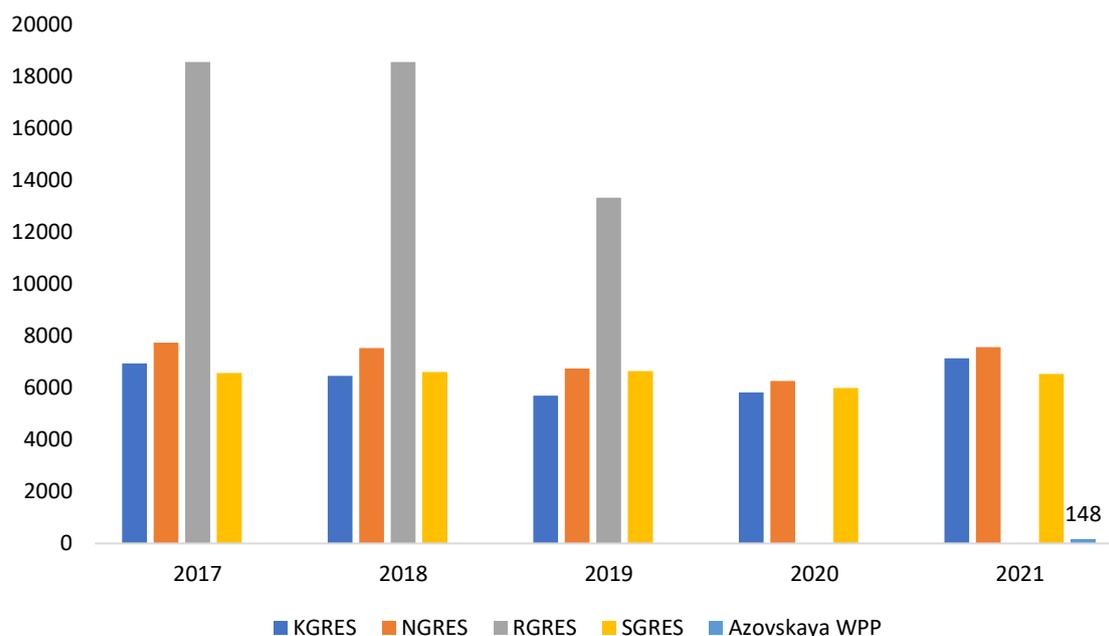
* Taking into account the sale of Reftinskaya GRES property, data on it is provided for nine months of 2019.

Plan-actual analysis for the net electricity output for 2021

TWh	Plan	Actual
Net electricity output	18.6	21.4

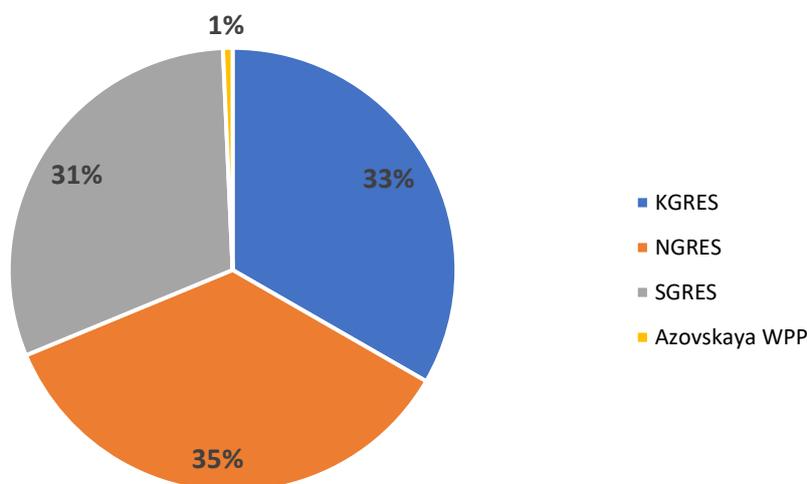
A significant increase in the actual volume of net electricity output in 2021 relative to the planned indicators occurred due to a high increase in power consumption in all regions of the company's presence (+6.3% in the First Price Zone of the UES of Russia for 12 months of 2021 relative to 12 months of 2020) that was mainly covered by the generation of thermal power plants with almost unchanged (year-of-year) total production of nuclear and hydro power plants.

Dynamics of net electricity output for 2017-2021, GWh



Net electricity output demonstrated a strong positive trend in 2021 compared to the last year, mainly due to an increase in power demand in the regions where PJSC Enel Russia operates against the background of a recovery in economic activity compared to 2020 and favorable weather conditions throughout the year. In addition, the launch of Azovskaya WPP contributed to further growth of power generation.

Structure of power output by the group's power plants in 2021



Sales of electricity by the group in 2017-2021

Sales	Unit of measurement	2017	2018	2019	2020	2021	2021 to 2020, %
Regulated	GWh	8,395	9,218	7,725	4,216	4,167	-1.2
Free	GWh	37,180	35,854	29,560	16,742	19,990	19.4
Total	GWh	45,575	45,072	37,285	20,958	24,157	15.3
Total without RGRES	GWh	24,080	23,352	22,124	20,958	24,157	15.3

Sales of capacity by the group in 2017-2021

Sales	Unit of measurement	2017	2018	2019	2020	2021	2021 to 2020, %
Regulated	MW	30,369	30,500	27,956	17,798	21,408	20.3
Free	MW	74,026	72,534	64,351	45,298	40,390	-10.7
Including DPM	MW	9,267	9,196	9,185	9,061	622	-93.1
Total	MW	104,395	103,034	92,307	63,096	61,797	-2.0
Total without RGRES	MW	63,881	63,627	63,396	63,096	61,797	-2.0

The increase in electricity sales by power plants of the group in 2021 is due to the loading by the System Operator in the conditions of increasing electricity consumption.

The sharp decline in sales of capacity under the DPM contracts is caused by the expiration of the terms of capacity supply contracts for the company's combined-cycle gas turbines (CCGTs) at Nevinnomysskaya GRES and Sredneuralskaya GRES. In 2021, the capacity of these CCGTs was sold under KOM contracts, as well as under regulated contracts. In 2021, the capacity of Azovskaya wind farm was sold according to the DPM RES.

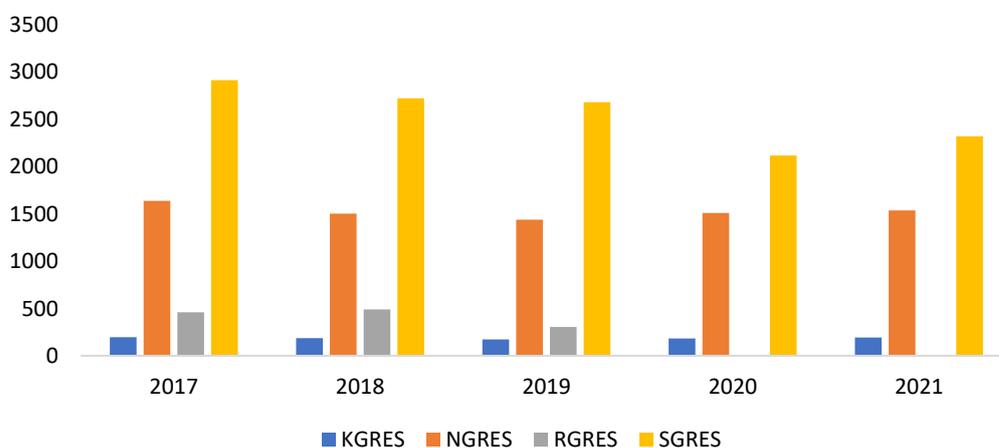
Heat power

The heat output corresponded to the positive dynamics of 2021 and increased by 6.2% in the background of lower temperatures relative to the average values in Q1 and Q4 of 2021 compared to last year, while all three gas-fired power plants showed confident dynamics of heat sales.

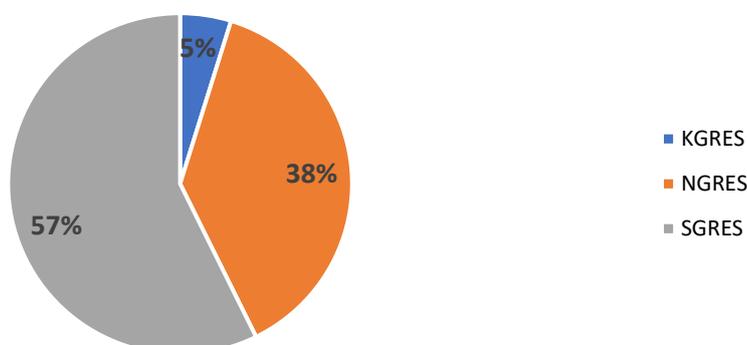
Net heat output by the company's power plants in 2017-2021

Power plant	Unit of measurement	2017	2018	2019	2020	2021	2021 to 2020, %
Konakovskaya GRES	th Gcal	195	187	174	184	194	5.4
	MW	227	218	203	214	226	
Nevinnomysskaya GRES	th Gcal	1,637	1,504	1,440	1,511	1,535	1.6
	MW	1,904	1,749	1,674	1,757	1,785	
Reftinskaya GRES	th Gcal/	459	489	305	0	0	Not applicable
	MW	534	569	355	0	0	
Sredneuralskaya GRES	th Gcal/	2,913	2,722	2,680	2,117	2,319	9.5
	MW	3,388	3,166	3,117	2,462	2,697	
Total for PJSC Enel Russia	th Gcal	5,204	4,902	4,599	3,812	4,048	6.2
	MW	6,053	5,702	5,349	4,433	4,708	

Dynamics of net heat output of the group for 2017-2021, th Gcal



Structure of net heat output by the group's power plants in 2021



Factors that will affect the company's operating activities in the future

- increasing the volume of RES in the company's portfolio;
- optimization of the gas supply portfolio of plants by increasing the energy efficiency of the existing power fleet;
- reduction of the carbon footprint in the context of the new climate agenda;
- development of new technologies (use of hydrogen and accumulation of electric power);
- sale of green certificates (increase of the market share by attracting new customers);
- use of new trading instruments - exchange (resale of gas).

IT solutions within operating activities

In 2021, PJSC Enel Russia continues to maintain a high standard of digitalization of its power plants and subsidiaries. In 2021, the system of operation in the electricity market for the newly introduced generating equipment of LLC Enel Rus Wind Azov was fully implemented. Also, in 2021, a draft interactive management reporting was implemented using the most advanced digital solutions. More information can be found in the section Digital technologies and information security.

Financial indicators

Enel Russia has achieved its targets for 2021 in terms of Revenues, EBITDA and Net ordinary income as per the plan for this year. In 2021 the group showed a solid 10% growth in revenues YoY thanks to increased market electricity prices coupled with strong demand in all areas of Enel Russia's presence. It should be noted that the negative financial impact of expiration of thermal Capacity Supply Agreements (CSA) was partially offset by start of renewable CSA of Azovskaya wind farm together with efforts on fixed cost optimization

Moreover, the group was focused on maintaining financial stability during the transition period. Despite the expected growth of Net Debt, which increased from RUB 13.7 billion at year-end 2020 to RUB 26.0 billion at year-end 2021, due to continued investments in our renewable projects and modernization of gas power plants, we were able to reduce our net financial expenses by 78%, thanks both to decrease in the average interest rate on debt from 8.3% per annum in 2020 to 7.1% per annum in 2021, as well as to favorable foreign exchange rates due to stronger ruble during 2021 year-on-year.

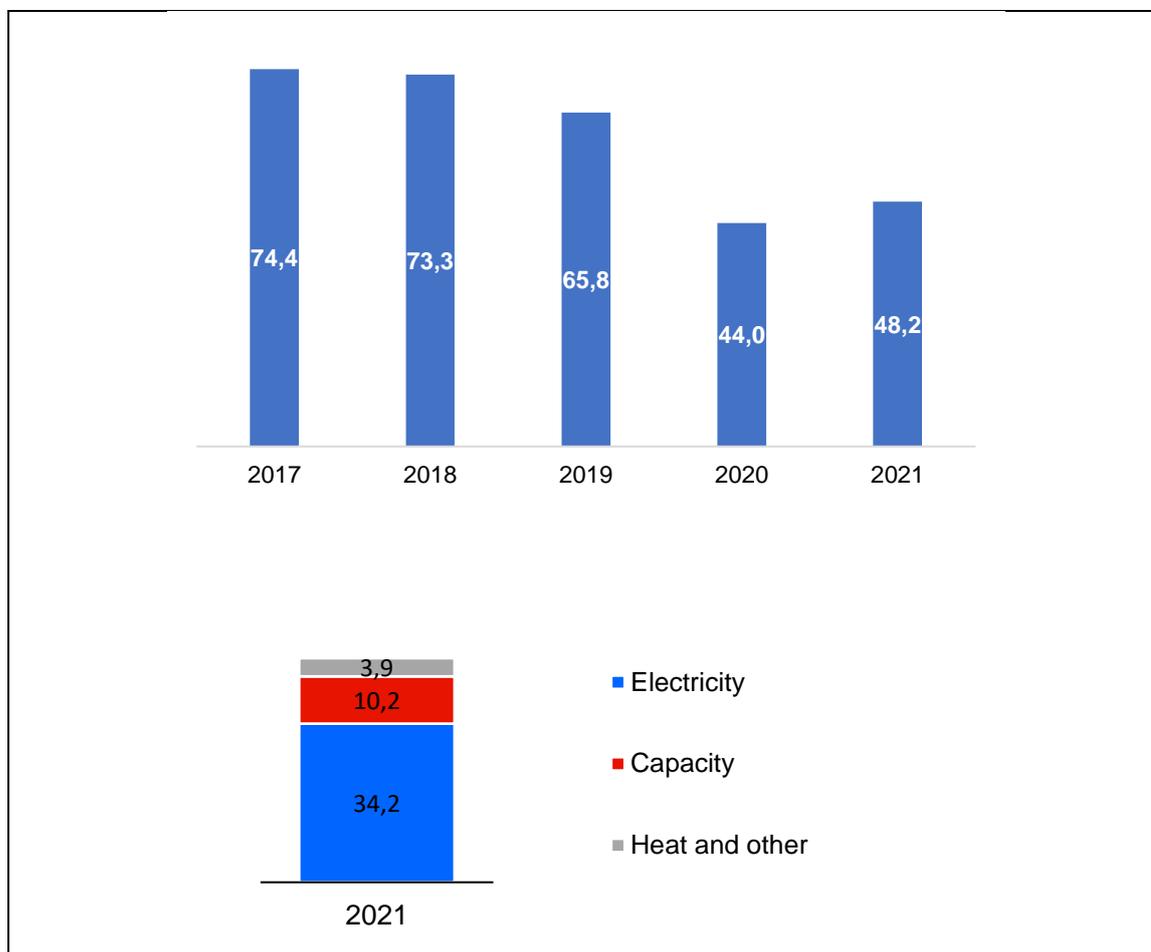
*Yulia Matyushova
Head of Administration, Finance and Control*

Performance results analysis compared to targets and previous periods

In 2021 the company has achieved its targets in terms of Revenues, EBITDA and Net ordinary income as per 2021-2023 Strategic Plan.

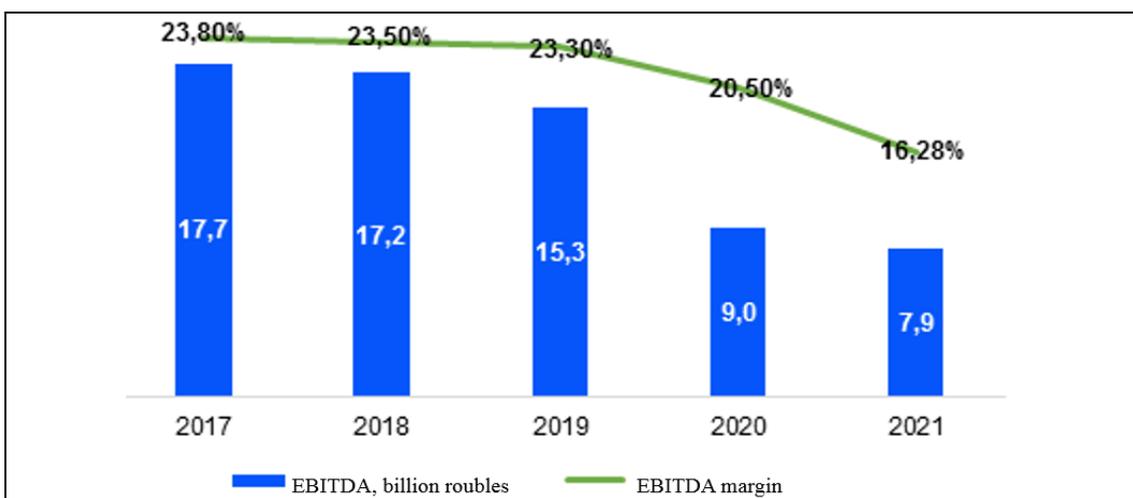
EBITDA is equal to 7.9 BRUB (vs. 7.5 BRUB in the plan), the net ordinary income is 3.9 BRUB (vs. 3.5 BRUB). The performance explained by the positive dynamics of market electricity prices and increased electricity sales volumes influenced by higher power demand, partially compensated by higher fuel consumption costs and changes within the revenue perimeter from capacity sales under the CSAs.

Revenue, BRUB



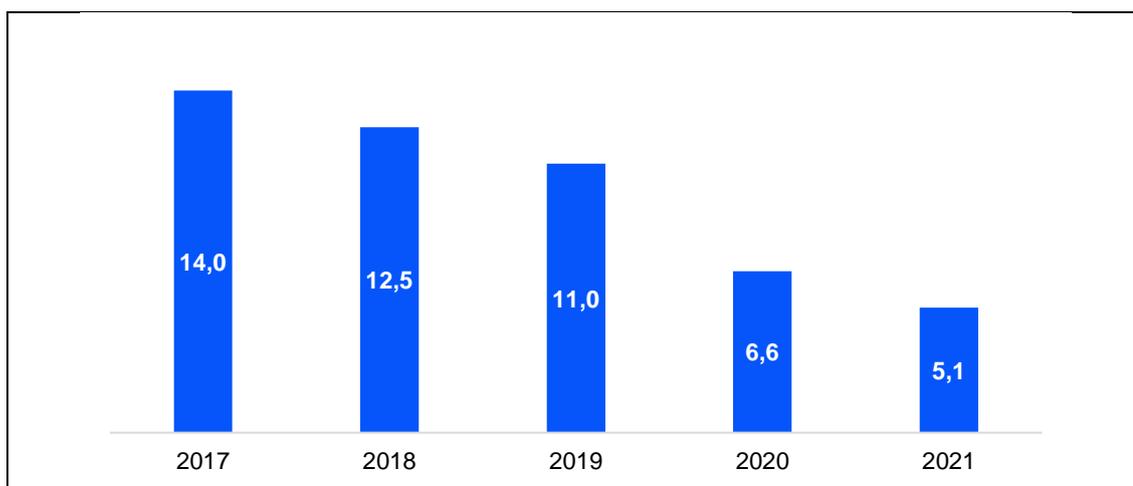
Revenues showed strongly positive dynamics impacted by two important trends. On a positive side, they were boosted by higher volumes of electricity sales and favorable market prices. Increased electricity sales were mostly driven by growing demand in the energy system compared to last year, mainly caused by favorable weather conditions and general economic growth in Russia over 2021. Additionally, positive electricity demand dynamics triggered persistent growth of market electricity (DAM) prices in European Russia and the Urals (the first price zone) throughout the whole period, and which was further positively affected by the annual indexation of regulated tariffs and free capacity (KOM) prices for 2021. On a negative side, they were undermined by lower capacity sales revenues, which were mostly caused by the expiration of thermal CSAs on CCGT units at Nevynnomyskaya GRES and Sredneuralskaya GRES in the end of 2020. However, this was partly offset by the start of renewable CSA sales related to 90 MW wind farm in Azov following its launch in 2021.

EBITDA, BRUB



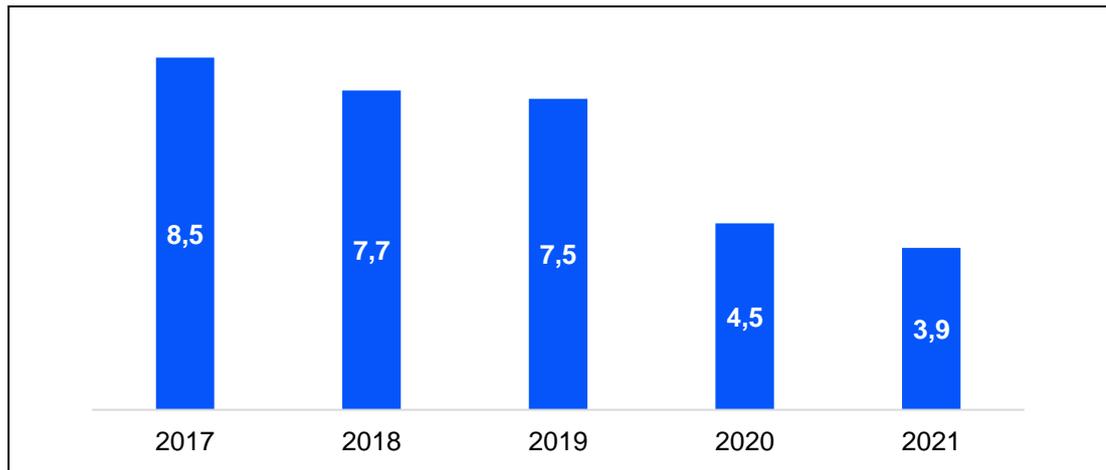
EBITDA decrease explained by mixed dynamics of revenue streams (capacity and electricity sales). More specifically, capacity sales revenues decline due to the change in the CSAs perimeter was partially offset by increase of electricity sales revenues (favorable market prices and higher production). Also, the company's management achieved substantial progress in the sale of Power Train equipment: sale-purchase agreement was signed, both deliveries and payments under this agreement started in 2021. This, alongside with continued actions targeting fixed cost optimization reinforced the EBITDA figure.

Ordinary EBIT, BRUB



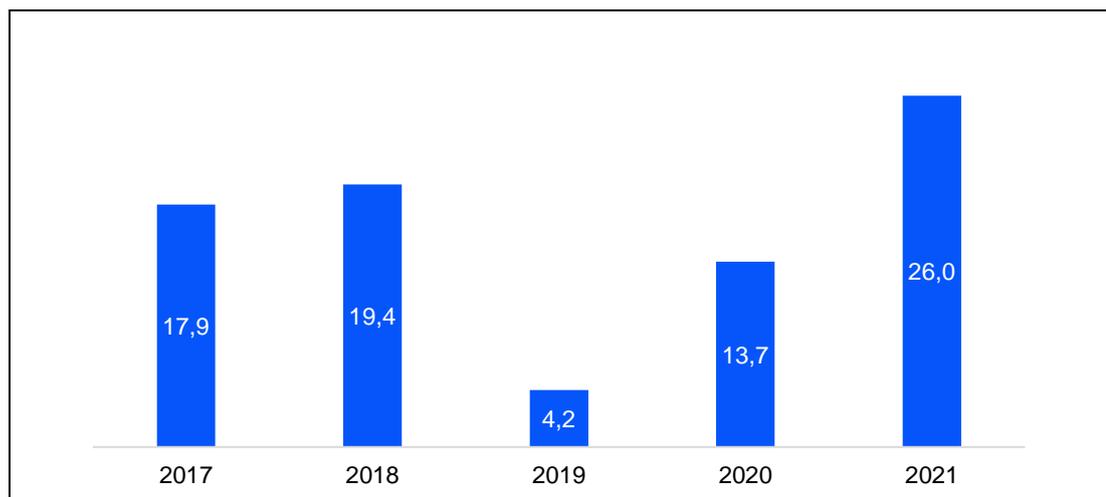
Ordinary EBIT, net of impairments and provisions in respect of construction in progress, generally reflected EBITDA dynamics YoY.

Net ordinary income, BRUB



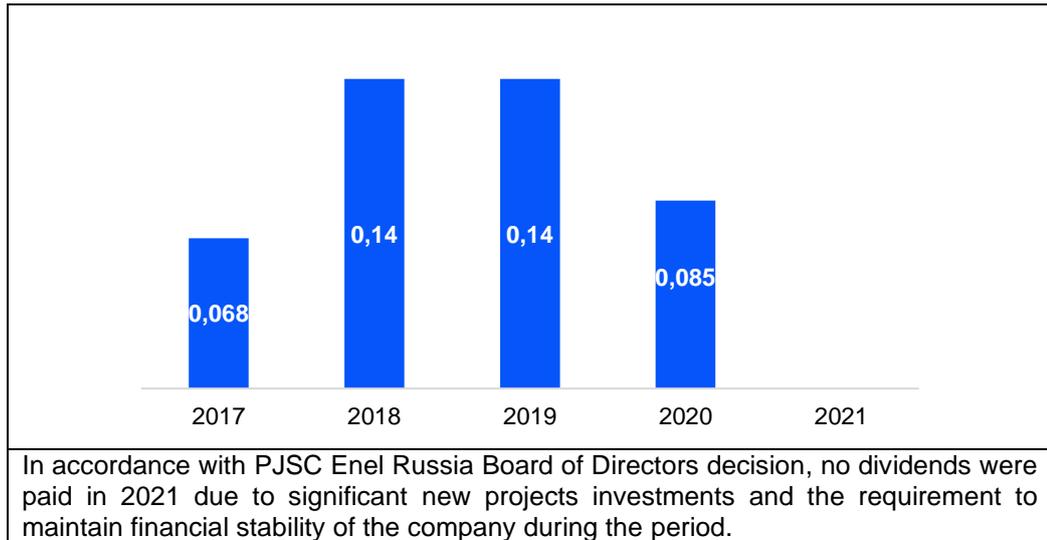
Net ordinary income overperformed the dynamics of the ordinary EBIT. Mostly it was positively driven by decrease in net financial charges, thanks to favorable foreign exchange dynamics and RUB appreciation during 2021, compared to previous year, when a certain negative exchange rate difference was recorded.

Net debt, BRUB

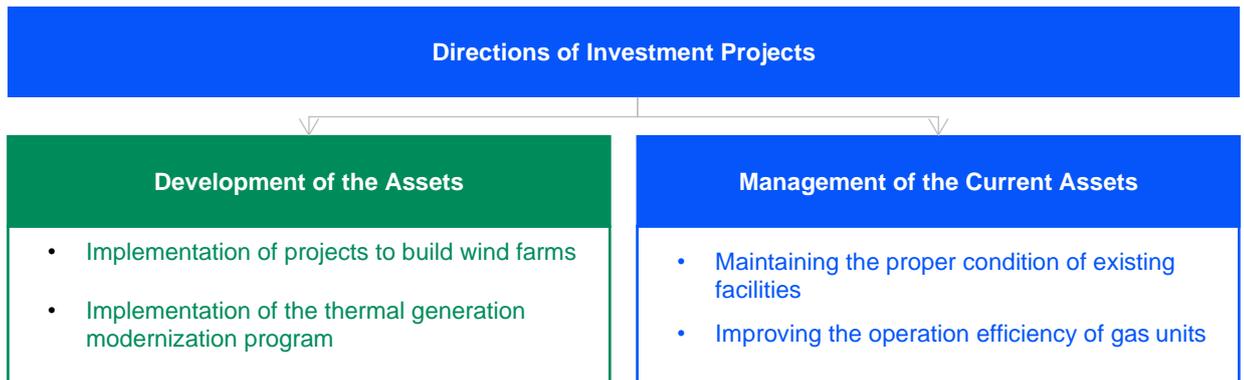


Net debt showed an expected growth driven by continued investments of the Group in its renewable and modernization projects.

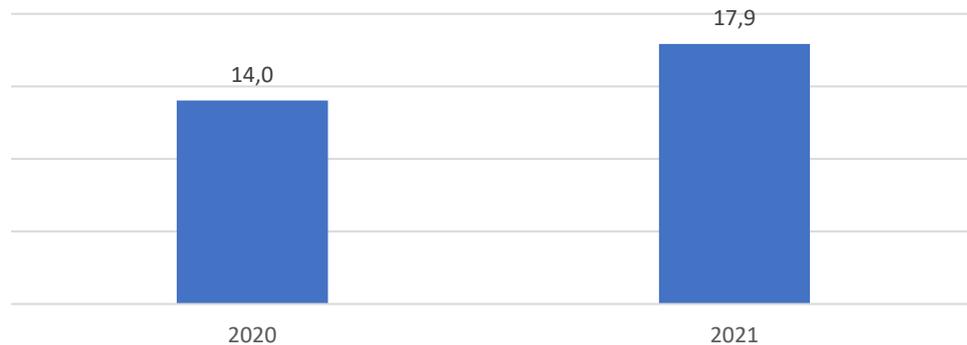
Dividend per share, RUB



Investment Activities



Capital expenditures (billion rubles)



Total capital expenditures for 2021 amounted to 17.9 billion rubles with an increase of 28% year-on-year. Capital expenditures primarily involve investments in the development of the existing and new assets and are made within the framework of the projects with the guaranteed return on investment under the DPM RES programs and under the thermal generation modernization programs.

Major investment projects

Renewable Energy Development Program

In June 2017, as part of the tender held by the Russian Government for the construction of wind power generation facilities, PJSC Enel Russia was granted the right to implement Azovskaya wind farm project with the installed capacity of 90 MW and Kolskaya wind farm with the installed capacity of 201 MW.

The mechanism of return on investment in the projects is DPM RES, under which the payment is made within 15 years upon commissioning and provides for the basic rate of return of 12% having the basic rate of return of the Federal Loan Bonds (OFZ) of 8.5%.

Azovskaya wind farm

The wind farm is equipped with 26 turbines and can generate about 320 GWh per year, while avoiding emissions of about 260,000 tons of carbon dioxide into the atmosphere annually. The facility is located on an area of 133 hectares on the coast of the Sea of Azov. Construction of the wind farm was carried out by Enel Green Power, a division of Enel Group responsible for development and operation of renewable energy facilities around the world.

Since May 1, 2021, Azovskaya wind farm is granted the right to supply the generated electricity and capacity on the Russian Wholesale Electricity and Capacity Market (the WECM). The right to sell electricity and capacity on the WECM was granted after receiving a relevant notification from the Administrator of the trading system of the wholesale electricity market.

Total capital expenditures on construction of Azovskaya wind farm amounted to about 135 million euro

Kolskaya wind farm

The wind farm will be equipped with 57 turbines and located on a total area of 257 hectares. The wind farm will be able to generate about 750 GWh per year, while avoiding emissions of about 600,000 tons of carbon dioxide into the atmosphere.

Kolskaya wind farm is scheduled for commissioning in 2022.

Thermal generation modernization program

During 2019 four investment projects at Sredneurskaya GRES and Nevinnomysskaya GRES were selected for participation in the first (project commissioning in 2022-2024) and second (project commissioning in 2025) stages of the TPP modernization program.

The mechanism of return on investment in the projects is similar to the DPM mechanism, payment under which is effected within 16 years upon commissioning and provides for a basic rate of return of 14% with a basic rate of return on Federal Loan Bonds (OFZ) of 8.5%.

Upon implementation of the modernization projects, reliability of heat and electricity supply is expected to improve, as well as the efficiency of equipment is expected to increase. Moreover, it is expected to reduce emissions into the atmosphere. The modernization projects will also provide additional jobs.

The company's planned investments in the modernization program with commissioning in 2022-2025 amount to 11.3 billion rubles.

Nevinnomysskaya GRES

The first modernization project includes modernization of the 480 t/h Boiler 5, which is technologically connected to the 50 MW turbine 4. Commissioning after modernization was performed at the end of 2021. The project's specific capital costs approved by the commission amounted to 13,023.7 rubles per kW.

The second project includes replacement of Boiler 4 with a capacity of 480 t/h, which is technologically connected to Turbine 3 with a capacity of 80 MW. Commissioning after modernization is scheduled for the first quarter of 2025. Approved specific capital costs for the project amounted to 17,790.4 rubles per kW.

Sredneurskaya GRES

The first modernization project presupposes replacement of the 100 MW Turbine 7 with a new 120 MW turbine. The modernized unit is planned to start operation in the first quarter of 2025. The approved specific capital costs for the project amounted to 9,254.9 rubles per kW.

The second project includes replacement of 100 MW Turbine 6 with a new 120 MW turbine and refurbishment of the 480 t/h Boiler 9. Commissioning after modernization is scheduled for the fourth quarter of 2025. Approved specific capital costs for the project amounted to 11,661.7 rubles per kW.

Other thermal generation projects

Technical refurbishment of the industrial sewage treatment system at Sredneurskaya GRES

Implementation of the project in 2019-2022 will make it possible to significantly reduce discharge of pollutants into the environment in accordance with the established environmental protection requirements, to improve the environmental condition of Isetsky reservoir, and to reduce penalties for negative environmental impact.

Moreover, implementation of the project will make it possible to reduce consumption and disposal of water used for technical needs of Sredneurskaya GRES, ensure utilization of waste generated during water treatment and waste water purification, as well as obtain savings on operating costs through the use of more efficient equipment.

Digitalization Projects

The company will keep on implementing various digitalization initiatives in the areas of health and safety, employee training, and to improve the quality of maintenance planning and execution.

Other projects

The company's other investment projects include the gradual replacement of obsolete equipment, as well as technical refurbishment and extending the service life of the main and auxiliary equipment of gas-fired stations to improve reliability and ensure safe working conditions.

ESG aspects management

Sustainability for the Enel Russia is a long-term strategy for the benefit of business, environment and society. These are approaches that are inextricably linked to our main production activity - generation of electrical and thermal energy - and are fully integrated into our management practices. It's our today's contribution to the success and prosperity of future generations. The main focuses on which our attention was concentrated in 2021 and which will remain relevant in 2022: the climate agenda, the development of the circular economy principles and, of course, the emphasis on people, both those we work with (our employees and contractors) and those who live in the regions where our power plants are located.

*Maria Shipitsyna
Head of Sustainability*

Sustainability in the perimeter of generation and implementation of RES projects

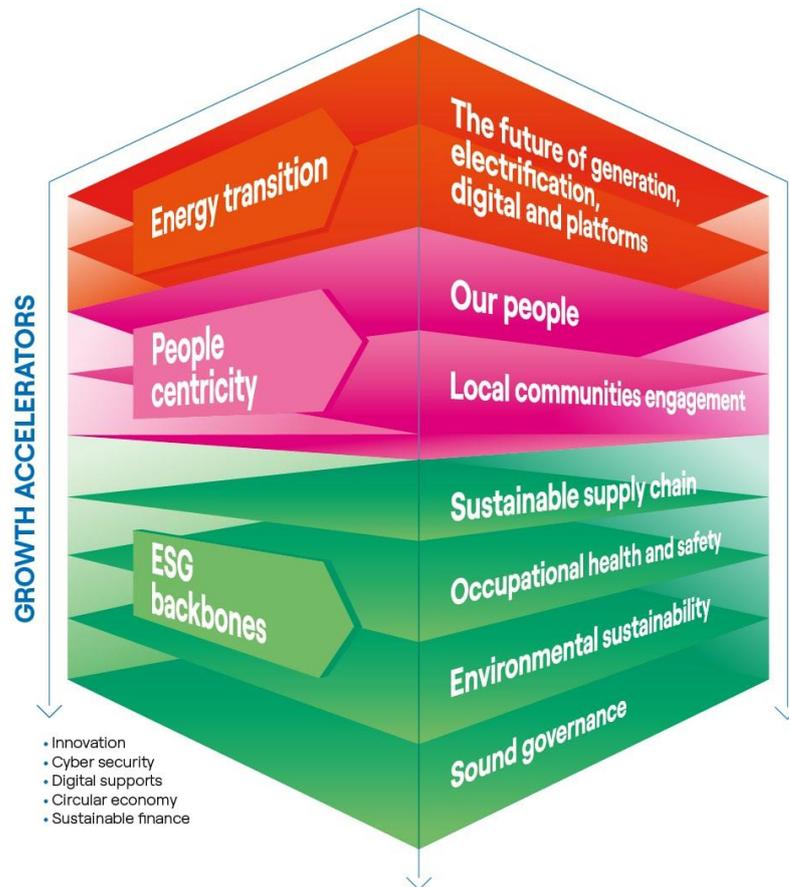
Sustainability model in the company

While company being a major player in the energy market, it believes in its significant role in the achievement of the UN Sustainable Development Goals (UN SDGs, SDGs) by its own contribution. Every year since 2018, company discloses its information on contribution to the UN SDGs achievement as well

as on sustainability activities in general, in the company's Annual Report. Since 2021, the company publishes a separate Sustainability Report.

The company reflects its commitment to the sustainability principles by consolidating the relevant goals in the Sustainability Plan that is part of the company's Strategic Plan. All the goals of the Plan are divided into main directions in accordance with the corporate sustainability model:

Strategic directions for sustainability



The plan includes short, medium- and long-term goals. See the company's website for more information about the sustainability plan.

Contribution to the achievement of the UN Sustainable Development Goals

Sustainability Plan objectives are aligned to the UN SDGs. Thus, the achievement of each indicator of the Sustainability Plan enhances the company's contribution to the relevant global goal.

The company identifies four main UN SDGs, to which it contributes primarily through the implementation of production activities:



The contribution to the remaining Goals is made through the implementation of relevant initiatives:

- Implementation of programs to support local communities (SDG 3 "Good health and well-being", SDG 4 "Quality education")
- Implementation of programs on diversity and inclusion, as well as employee development (SDG 5 "Gender equality", SDG 8 "Decent work and economic growth", SDG 10 "Reduced inequalities")
- Development of projects to improve environmental safety, protect biodiversity and develop lean production (SDG 6 "Clean water and sanitation", SDG 12 "Responsible consumption and production", SDG 14 "Life below water", SDG 15 "Life on land")
- Implementation of practices that contribute to improving the sustainability of the supply chain (SDG 12 "Responsible consumption and production")
- Development of corporate governance practices, anti-corruption measures and conclusion of sustainability partnerships (SDG 16 "Peace, justice and strong institutions", SDG 17 "Partnerships for the goals")

Sustainability governance

In our company, we address sustainability issues at various levels. At the strategic level, sustainability issues are addressed by the Strategy Committee. The Strategy Committee forms a strategic vision on environmental and social aspects and brings it to the Board of Directors for further decision-making in cases where it falls within the competence of the Board of Directors. At the management level, the Sustainability unit led by its Head is responsible for sustainability issues. Sustainability unit reports directly to the General Director.

Stakeholder engagement

Building comfortable and trusting relationships with stakeholders has great importance for the company, as we see them as an important asset and a guarantee of mutual support. We always try to answer questions and take into account the interests of our stakeholders, relying on their opinion when identifying areas of activity in sustainability.

Our commitments towards stakeholders are set out in the Stakeholder Engagement Policy.

<p>Stakeholder Engagement Policy</p>  <p>https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/stakeholder_engagement_policy_en.pdf</p>
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Every year the company updates the stakeholders map, and then assess their expectations and measure their satisfaction with our management practices in relation to key aspects of sustainability. Representatives of business functions responsible for interaction with a particular category of stakeholders are involved in this process to make the assessment more comprehensive. In 2021, an innovation in the evaluation process was to divide stakeholder groups into main categories of their expectations of the company:

Attention	Cooperation	Communication	Proactivity
<ul style="list-style-type: none"> • Employees • Suppliers and contractors 	<ul style="list-style-type: none"> • Financial institutes 	<ul style="list-style-type: none"> • Local communities • Consumers and customers • Media • Business communities 	<ul style="list-style-type: none"> • Regulators

This division enables the company to form its own format of interaction with each category, including communication approaches, an action plan and main communication channels. The corresponding functional areas control this process.

Key sustainability aspects

The result of interaction with stakeholders is also the identification of the relevant material topics on which the company has the greatest impact and which, in turn, can have the greatest impact on the business.

In 2021, the following material topics were identified by the evaluation results:

- Economic and financial value creation
- Sound governance and fair corporate conduct
- Customer engagement
- Products and services for electrification and digitalization
- Decarbonization of the energy mix
- Innovation, circular economy, and digital transformation
- Environmental management
- Employees management, development, and motivation
- Occupational health and safety
- Sustainable supply chain
- Engaging the local communities

At the same time, the most important topics were "Decarbonization of the energy mix", "Occupational health and safety" and "Environmental management".

This section provides brief information about these three topics that are most important to the company in the opinion of stakeholders, as well as about some others that are an integral part of the company's strategy in sustainability and ensure a balance of disclosed information in terms of social aspects, in particular: "Employees management, development, and motivation" and "Engaging the local communities".

Detailed information about these topics, as well as about other sustainability aspects, can be found in the Sustainability Report.

Decarbonization of the energy mix

The company pays great attention to climate strategy and reduction of its own carbon footprint. The main tools for achievement these goals are:

- Development of renewable energy sources and construction of wind farms;
- Modernization of existing thermal generation assets to increase their production efficiency and reduce environmental footprint;
- Reduction of energy consumption for own needs, including transportation, office and travel expenses.

The most important event of 2021 for the company was the commissioning of Azovskaya wind farm with an installed capacity of 90 MW. In addition, in 2021, the company completed a modernization of the CCGT at NGRES. That leads to increase in the plant's installed capacity by 21.2 MW without additional negative impact on the environment.

While setting ambitious goals in energy efficiency and carbon footprint reduction, we understand that their achievement is impossible without a strategic vision, risk assessment and continuous monitoring of current results.

In 2021, we started development of our climate strategy that is planned to be performed in several stages. At the first stage, we formalized the register of climate risks and their top-level potential financial consequences in accordance with the TCFD methodology. This assessment covers both existing and under construction generation assets.

More detailed information can be found in the Sustainability Report as well as in the section Group Strategy of this report.

In the future, the company plans to continue working on the climate strategy, by developing a specific action plan based on the assessment received.

In addition, in 2021, Enel Russia PJSC and Enel Rus Wind Azov LLC for the first time evaluated the consumption of energy resources for their own needs, including the costs of lighting and operation of buildings, transport, etc. The results formed the basis for calculations of greenhouse gas (GHG) emissions

and will also serve as the basis for one of the directions of the climate strategy related to reducing the climate impact "within the company".

The company keeps records of greenhouse gas emissions in the following scopes:

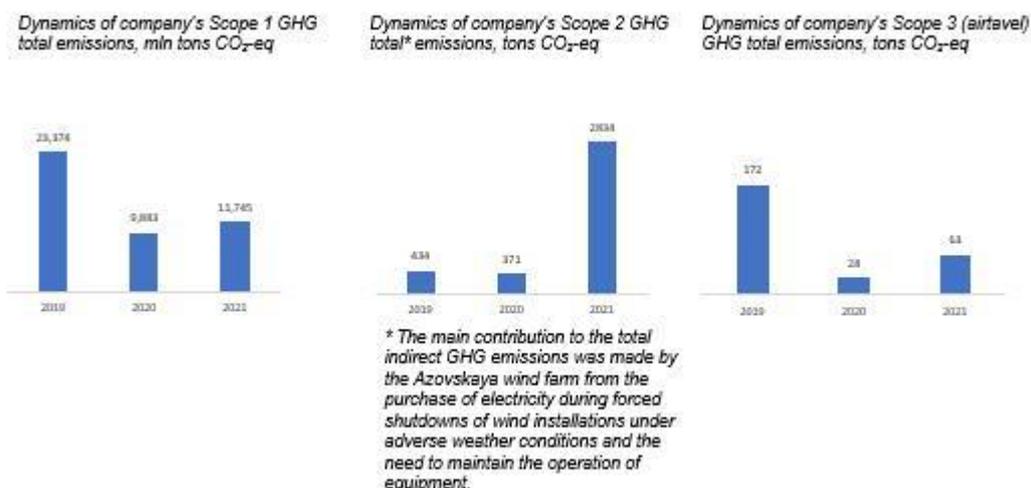
- Scope 1: direct emissions associated with fuel combustion;
- Scope 2: indirect emissions associated with the purchase of electricity, heat and steam;
- Scope 3: all other indirect emissions, for example, related to the production, transportation and disposal of goods and materials. At the moment, this scope is taken into account by the company only in the perimeter of the carbon footprint from employees' business trips.

The company also continued its GHG monitoring within Enel Russia PJSC and Enel Rus Wind Azov LLC. The total Scope 1 in 2021 amounted to 11.7 mln tons of CO₂-eq which is 19% higher compared to 2020 (by 1.862 mln tons CO₂-eq). This is explained by an increase in the total net output of electricity and heat by 16%, as well as unfavorable operating conditions of the equipment of the company's power plants.

The total Scope 2 in 2021 amounted to 2,834 tons of CO₂-eq.

Other indirect emissions (Scope 3) in 2021 amounted to 63 tons of CO₂-eq. Compared to 2020, the volume of other indirect emissions of CO₂-eq in 2021 increased by 2.25 times that is due to mitigation of restrictive measures related to the COVID-19 pandemic in relation to movements and an increase in the number of business trips.

Dynamics of greenhouse gas emissions by the company and Azovskaya wind farm



Environmental management

Environmental responsibility is an integral part of the company's sustainability strategy. Company demonstrates due level of the compliance with environmental standards and legislation as well as availability of internal regulatory documents, such as Environmental Policy, Biodiversity Policy, Zero single-use plastic vision of PJSC Enel Russia. This allows the company to consistently reduce environmental risks and achieve maximum operational efficiency.

	
<p>Environmental Policy PJSC "Enel Russia" https://www.enelrussia.ru/content/dam/enel-russia/documents/en/ecology/Environmental_policy.pdf</p>	<p>Biodiversity Policy of PJSC "Enel Russia" https://www.enelrussia.ru/content/dam/enel-russia/documents/en/ecology/Biodiversity_policy_poster_A3.pdf</p>



Zero single-use plastic vision of PJSC Enel Russia
https://www.enelrussia.ru/content/dam/enel-russia/documents/en/ecology/Zero_single_Use_Plastic_Policy.pdf

Company's Environmental Policy aimed at increase the level of environmental safety of the current and future heat and electricity generation. This may become possible only by taking consistent measures to minimize the negative environment impact, rationalize the use of natural resources, recultivation of damaged environment aimed at preserving a favorable environment for present and future generations.

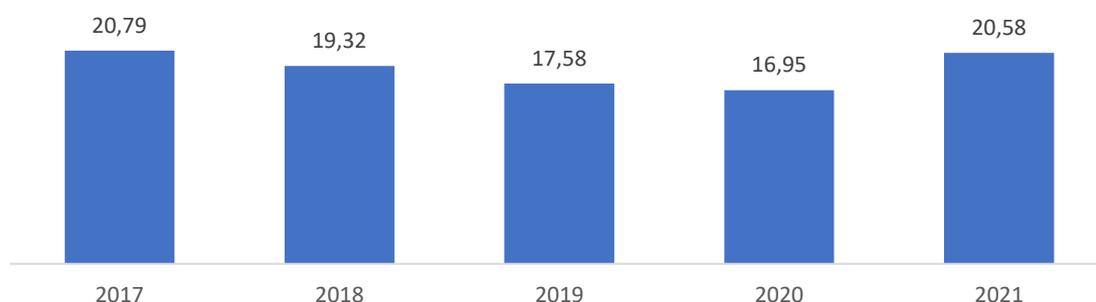
Main aspects in environmental protection that the company pays attention to are:

- protection of atmospheric air;
- water consumption and discharge;
- resource and waste management;
- biodiversity.

Protection of atmospheric air

In 2021, the amount of pollutants emitted in atmospheric air (including NO_x, SO_x, volatile organic compounds (VOCs), hazardous atmospheric pollutants, fuel oil ash, carbon monoxide) increases by 3,625 tons or 21% compared to the previous year. This raise is explained by an increase in natural gas combustion by 17%, fuel oil - by 49% and the total net output of electricity and heat - by 16% in turn caused by increased loading of power plants in the autumn-winter period 2021-2022 by the system operator. In order to ensure the required output, we had to use, among others, not yet modernized units with lower environmental indicators.

Total emissions of pollutants from thermal generation, ths tons⁹



In 2021, emissions of toxic pollutants were within the limits of the maximum permissible level, that was confirmed by the industrial environmental control data. The company controls emission level by the use of calculation and instrumental methods, as well as an online emission monitoring system at Nevinnomysskaya GRES¹⁰.

Water consumption and discharge

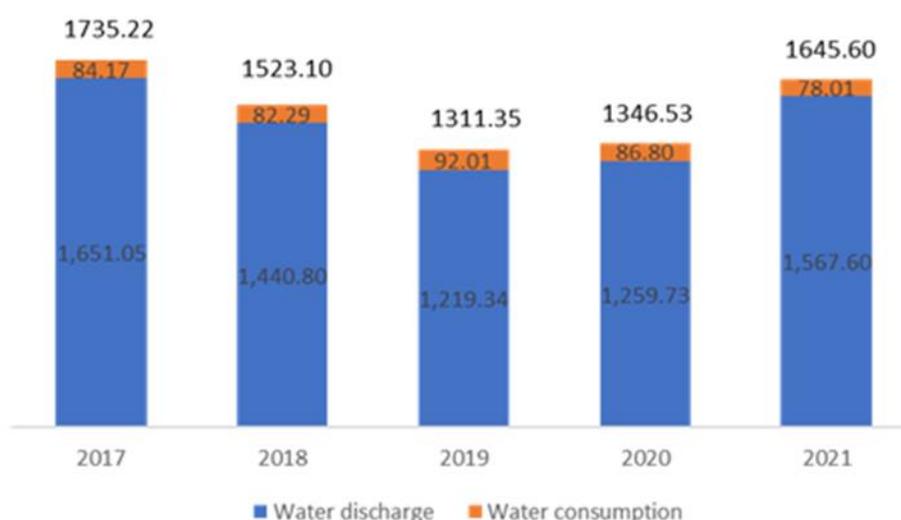
In 2021, the total volume of water used for thermal generation increased by 22% following an increase in the total net output of electricity and heat by 16%. The major contribution to the company's water consumption is made by plants with a direct-flow water supply system, namely: Konakovskaya GRES and Nevinnomysskaya GRES. Increase in water consumption at these plants is caused by an increase in operating hours and raise in energy output, as well as with equipment modernization and reconstruction projects.

Nevertheless, total water consumption in 2021 decreased by 10% that is explained by introduction of measures aimed at its optimization.

⁹ Data on emissions of pollutants for 2017-2019 are presented only from gas plants, excluding Reftinskaya GRES

¹⁰ The online monitoring system is installed on the equipment of units Nos. 6, 7, 8 and 410 MW CCGT

Water use, mln m³¹¹



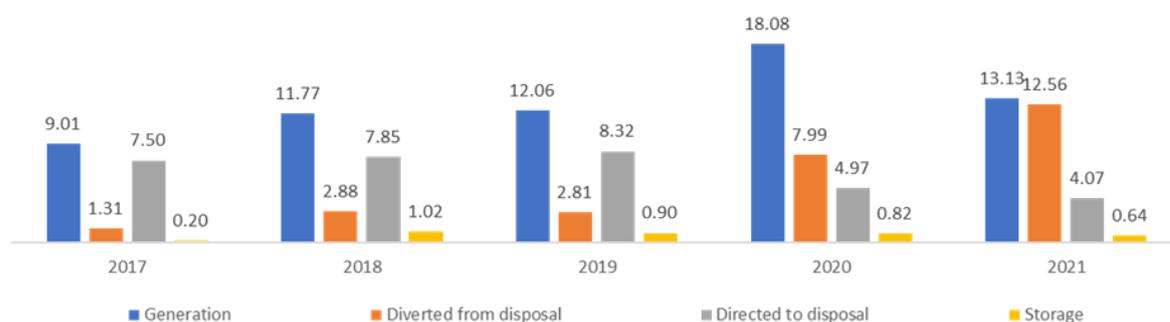
Resource and waste management

In 2021, 13.13 ths tons of production and consumption waste were generated within the group's generating assets that is 27% less than in 2020. The main waste-intensive one-time works in 2021 were the work on liquidation of the sludge pond at Konakovskaya GRES and completion of work on dismantling of 170 MW CCGT at Nevinnomysskaya GRES.

In accordance with the corporate strategy, the company continues to increase the share waste diverted from disposal, that were generated at the group's assets. Share of such waste in 2021 was 71% compared to 44% in 2020.

Share of all waste diverted from disposal in 2021 increased by 27%. Share of all waste transferred for landfilling and neutralization decreased by 58%.

Dynamics of waste generation and management, th tons¹²



Biodiversity

Commitments in biodiversity are set out in the Environmental Policy, as well as in the Biodiversity Policy developed specifically for these purposes. The Biodiversity Policy has determined the company's general intentions in this direction. While developing the Policy, we relied on the best international practices, as well as on the legislation in protection of critical habitats and priority objects of biodiversity that Enel Russia commits to strictly comply with.

¹¹ The total value above the columns corresponds to the water withdrawal in the specified period

¹² Including Azovskaya wind farm, without Reftinskaya GRES

In 2021, the company launched the practical implementation of the Biodiversity Policy. An important step in this direction was development and disclosure of information about [Action Plan for the Conservation and Protection of Biodiversity](#) covering all the main areas of work in biological diversity protection relevant to the company.

Employees management, development and motivation

Employees are the greatest value and an integral component of the success of Enel Russia. The group strives to continuously improve the efficiency of the employee management system. Key achievements in human capital management in 2021 were:

- productivity growth;
- outstanding number of training hours;
- improvement of the gender balance in selection, composition of successors and the level of compensation.

Two serious challenges that the company faced against the background of the ongoing pandemic:

- organization the vaccination of the company's employees (85% of employees were vaccinated at the end of the year) to a level that allowed to form a high collective immunity and thereby minimize the number of absent employees at the workplace;
- retention of the turnover rate at a manageable level (7.1% at the end of the year that is 0.2% higher compared to 2020), despite the revival of the labor market from Q2 of 2021.

In 2021, the company continued to implement its strategy for human capital development in three main areas:

- efficiency and social partnership;
- talent attraction and development;
- culture and engagement.

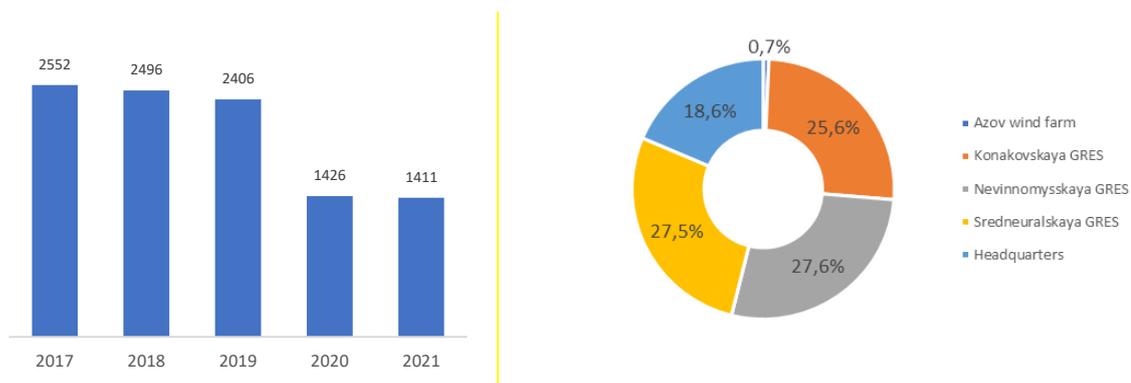
At the same time, 2021 has passed for the People and Organization Department (P&O) in the context of optimizing business processes (the company has centralized the functionality of the areas of "Compensation and benefits" and "Implementation of digital solutions"), on the one part, and in expanding the human-centered approach - on the other part (the company has doubled the number of P&O managers acting as people business partners by expanding their powers in order to become closer to employees and help them during their entire career path in the company, while not increasing the total number of P&O personnel).

Number of employees working at the group's generating assets at the end of 2021 amounted to 1,411 persons. A small decrease in amount compared to 2020 is due to further implementation of the strategy for optimizing processes in thermal generation. In addition, due to commissioning of Azovskaya wind farm, there was a slight increase in the number of employees in this subsidiary. The average number of employees at thermal power plants is about the same. A slightly smaller number of employees work in the Headquarters, where they perform managerial or support functions. Azovskaya wind farm is the smallest entity in Enel Russia, since the operation of the generating facility is automated and does not require the presence of a large number of operational personnel.

Headcount dynamics (pers.)¹³

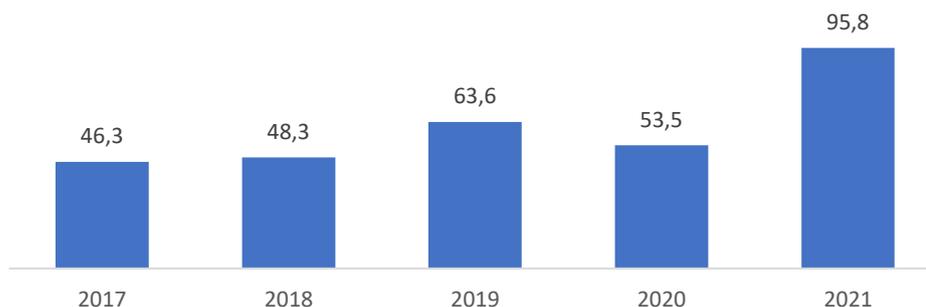
*Employees broken down by power plants
and Azovskaya wind farm (%)*

¹³ The data for 2019-2020 differ slightly from the data in the Annual Reports for the respective periods, since it also takes into account Azovskaya wind farm, which was put into operation in 2021.



The company understands that people development is the most important incentive for the potential growth. Enel Russia PJSC pays great attention to maintaining the pace of professional development of employees and increasing the level of their expertise. The company also responds in a timely manner to the change in qualification requirements and provides employees with the opportunity to acquire new skills in formats appropriate to the current situation. The company strives to expand educational programs and increase the number of hours of employee training.

Average number of hours of training per employee (including Azovskaya wind farm), manhours



Increase in the number of training hours in 2021 is due to implementation of a focus training program on health and safety (~50 manhours).

Along with development, the company focuses on employee motivation. The company offers both material and non-material compensation to its employees. Thus, for many years, the remuneration rate, as well as the proposed compensation package, remains among the most attractive ones in the industry and regions of company presence. The company takes care that no difficulties affect a decent and competitive salary level that would provide employees with a comfortable standard of living.

Employees' salaries are subject to indexation depending on changes in the Consumer Price Index (CPI), as well as annual revision based on reviews of the level of remuneration in the industry and general trends in the labor market. So, even despite budget savings in 2021, the company has allocated additional funds for salary revisions.

In general, the average salary of the company's employees exceeds the average salary in the regions of its presence by 2.0-4.5 times (depending on the region).

In human capital management, the company shows steady growth in key areas (efficiency and social partnership, talent attraction and development, culture and engagement). The basis for further development is the strengthening of leadership potential through implementing targeted programs. These programs aimed at the development of managers and personnel reserve, along with a further increase in the level of employee engagement.

Health and safety

Safety of our employees and contractors is the main priority while performing production activities. We conduct our activities in accordance with the requirements of the Labor Code and voluntarily accepted obligations in accordance with the international standard ISO 45001. The company strives to maintain the

effectiveness of health management and regularly invites accredited companies to conduct annual certification and supervisory audits.

The group's safety is mainly characterized with combined indices. These indices include accidents that have occurred both to employees of the company and contractors during their work in our territory.

In 2021, the company continued to use this approach to account for the severity of accidents and apply three separate rates corresponding to the generally accepted ones:

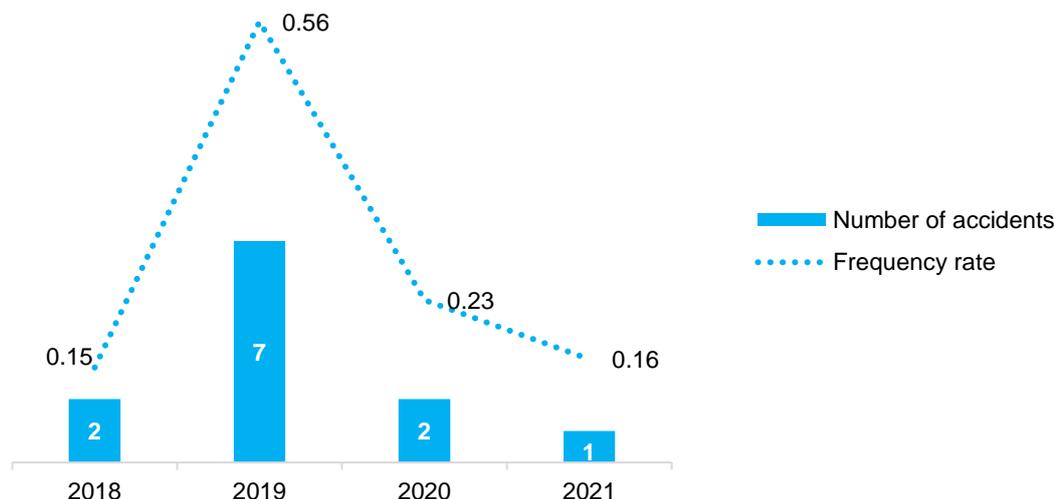
- number of fatal accidents;
- number of life changing accidents;
- other relevant accidents related to the operating activities of the company.

Each of the rates is calculated for 1 million hours worked.

In 2017-2021, the group did not record a single case of fatal industrial injuries among employees of the company, subsidiaries and contractors, and not a single life changing accident.

In addition, we managed to improve the results in injury reduction compared to last year within the generating and under construction assets of Enel Russia. Thus, the frequency rate in 2021 decreased from 0.27 to 0 (in the perimeter of existing thermal power plants) and from 0.23 to 0.16 (in the combined perimeter of generating assets) compared with 2020. That confirms the effectiveness of preventive measures taken and aimed at reducing injuries and improving the safety culture of both employees of the company contractors.

Accident frequency rate and number of accidents (within the group's generating and under construction assets)¹⁴



To monitor the health of employees, the company conducts regular medical examinations. In addition, employees have the opportunity to independently seek medical help at any time, in accordance with the voluntary health insurance program that applies to all employees of the company without exception.

Engaging the local communities

Enel Russia understands the importance of evaluating the direct and indirect impact of our operating activities on local communities in the regions of presence. Therefore, the objective of the group is to create value by building effective and long-term partnerships with local communities. Enel Russia PJSC strives to support and contribute to their social and economic development. The company maintains a constant dialogue with local communities, involving small and medium-sized businesses, NGOs and other local organizations. This allows for creating and promoting initiatives that mutually enrich all parties involved and contribute to the development of the regions of presence.

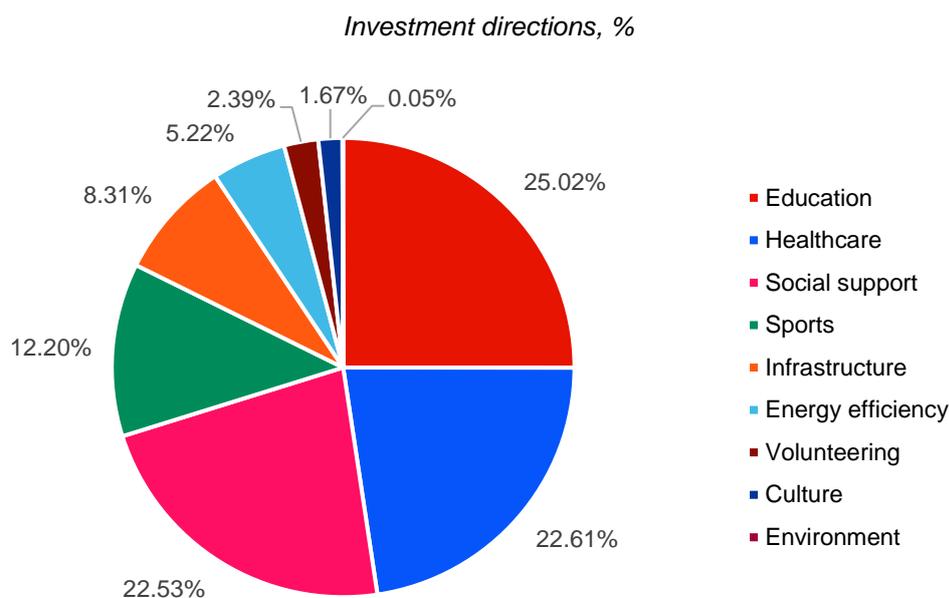
In 2021, within the "[Community Support and Development Program](#)" and initiatives carried out jointly with the internal communications group, the group implemented 62 projects aimed at over 88.05 thousand beneficiaries. Meantime we implement other projects apart from the program, including volunteer initiatives, sports events aimed at promoting a healthy lifestyle, sustainability knowledge dissemination among young

¹⁴ Frequency rate calculation formula: number of all accidents involving employees of the company and contractors * 1,000,000 / number of hours worked by employees of the company and contractors.

people, and others. The total budget for all types of projects in 2021 amounted to more than 32.84 million rubles (39.00 million rubles - the amount in 2020¹⁵). Such decrease explains by mandatory investments in business development. When implementing initiatives, the company tries to focus on long-term value projects and prefers complex projects involving several donors or consisting of several stages of implementation.

As in previous years, in 2021 our social activities were mainly focused on the following directions:

- education, including institutions of higher, secondary, preschool and additional education;
 - healthcare;
 - sports and promotion of a healthy lifestyle among children and youth;
 - development of infrastructure projects
- ...and some others.



Digital technologies and information security

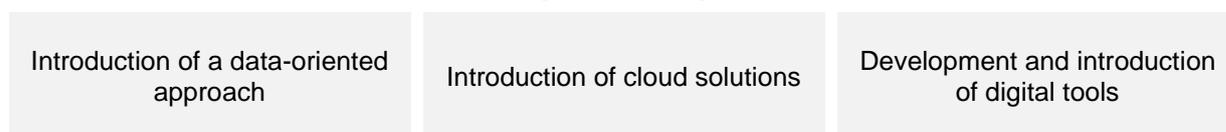
The lasting COVID-19 pandemic stimulates further development and use of the digital ecosystem in day-to-day activities of our company. Over the last two years, the remote digital office has become a comfort environment for a majority of our staff. The use of information technologies allows us operating smoothly and efficiently.

Digital technologies have become the main platform for routine operations and implementation of new business ideas. They ensure not only support of main functions, but also provide new tools for cooperation both inside and outside the company.

A good example of the new form of work is the start of commercial operation of Azovskaya wind farm in May 2021, which from the very beginning has been functioning as a remote control panel.

We use advanced approaches and modern IT platforms to boost operating efficiency. Cloud solutions, data-oriented approach, artificial intelligence, predictive analytics, Internet of things with mandatory cyber security measures have been actively used at any level of management, technology and production.

Main trends in digital technologies development



¹⁵ The amount has been adjusted taking into account the detected technical error. The initially disclosed amount is 42.80 million rubles.

Implementation of digital strategy programs and introduction of digital technologies are the responsibility of the Digital Solutions.

The Digital Solutions sets its goals in accordance with the company's strategy that is based on improved efficiency of the business and the principles of sustainable development. In order to ensure efficiency of digital solutions development, we set short-term and medium-term goals and divide them into key units. The short-term goals relate to projects that are being planned and implemented with proven effect. The medium-term goals refer to projects that comply with the medium-term strategy of the company and will be efficient in several years. The list of our goals is a long one; it proves our determination and efforts in further development of the digital approach in our company. We pay special attention to introduction of the most advanced computing systems, resource optimization, introduction of solutions to improve the efficiency and safety of operational and technological processes, and reporting system development.

Short-term and medium-term goals

	Short-term goals Up to 3 years	Medium-term goals 3-5 years
Digital trading hub	<ul style="list-style-type: none"> • Introduction of systems focused on data management algorithms and grid computing 	<ul style="list-style-type: none"> • Introduction of platform solutions • Development of a user interface based on virtual and augmented reality technologies
Digital finance hub	<ul style="list-style-type: none"> • 20% reduction in the time needed for primary documents processing due to electronic financial document management e-Flow • 50% reduction in paper documents when transiting to legally valid financial document management • 20% reduction in the time for replies to FTS using robotics (RPA) • Optimization of relations with FTS in the Tax Monitoring mode using the datamart 	<ul style="list-style-type: none"> • Development and updates of SAP and financial document management • Development of analytic reporting based on big data (Data lake) • Business process robotics and optimization • Integration of the tax monitoring datamart with FTS IT system
Projects for Digital Solutions	<ul style="list-style-type: none"> • Development of the use of mobile apps for support of industrial personnel • Introduction of solutions with tracking of parameters characterizing the condition of personnel and environment at remote production facilities. • Proactive identification of potentially dangerous situations at power plants using video analytics. • Expansion of functional possibilities of the reporting system in order to improve the operating monitoring of efficiency indicators 	<ul style="list-style-type: none"> • Introduction of green generation platforms • Use of artificial intelligence (AI). • Introduction of digital solutions in order to support the risk-driven approach in operating activities
HR Digital Hub	<ul style="list-style-type: none"> • Full transition to secure cloud technologies • Twofold increase in electronic document flow and waiving paper documents due to the use of electronic signatures • Development of the data-driven approach • System evaluation and adaptation in terms of equal opportunities (e.g., for people with disabilities) 	<ul style="list-style-type: none"> • Full transition to paper-free document management with the use of digital authentication • Digital accessibility for all categories of employees

	<ul style="list-style-type: none"> • Consolidated statements for federal services and funds. • Use of public digital services (public services, work in Russia, reports for the Pension Fund, Tax Services, etc.) 	
A group of infrastructure technologies	<ul style="list-style-type: none"> • Arrangements for telecommunication services for new generation facilities. • Enhanced staff mobility due to the use of laptops as a standard equipment. • Perfection of the robotized call center with an automated classification of up to 75% of requests • Extension of Wi-Fi coverage in production premises of power plants 	<ul style="list-style-type: none"> • Development of the use of cloud technologies and microservice architecture. • Modernization of loud-speaking and alarm systems at power plants. • Modernization of the radio communication system at Sredneuralskaya GRES

Selected projects 2021

Last year was full of significant events, including digitalization.

Project: Digitalization at Azovskaya wind farm

Unit: Digital trading hub

The central event of 2021 was launch of Azovskaya wind farm, which is a hallmark of not only the start of green generation, but also of generation digitalization. To implement this project, the digital trading solutions were adapted to the new type of generation. Modernized solutions ensure commercial generation. We have organized and supported the infrastructure for collection and transmission of the data from the wind farm, data center resources and applied system development. These efforts resulted in an integrated digitalization system.

Azovskaya wind farm is now managed from a remote control panel located in Moscow, and the main digital solution infrastructure is in an external data center. This architecture allows boosting reliability and ability of the system for scaling to other green generation facilities.

In order to support the operation at the electricity market, Azovskaya wind farm has been completely integrated into the digital ecosystem of trading. Full support of market operations: Selection of composition of generating equipment in operation (SCGEO), DAM - day ahead market (DAM) and Balancing market(BM), and regular and analytic reports have been fully implemented on equal terms with thermal power plants in systems “Generation Management and Market”(GMM) and “Corporate data storage”(CDS). In addition, the business analytics of trading has been moved to PowerBI, and the first dashboard on the platform was Azovskaya wind farm

Project: Interaction with the Tax Service

Unit: Digital finance hub

Last year, we launched a project to introduce the System for Information Exchange with Tax Services in order to ensure the use of the tax monitoring mode. The system will function in accordance with the current laws of the Russian Federation and will be integrated into existing systems — SAP ERP, financial document management and Tax Service’s IT system. The system is expected to go live in April 2022

Project: Update of the financial document management platform

Unit: Digital finance hub

In 2021, we implemented the second phase of GECM Global Enterprise Content Management project in order to update FileNet P8 platform to the last version and to optimize the payable posting process.

Project: Use of drones

Unit: Digital solutions for generation

Use of drones: We keep on introducing drones in our day-to-day activities as a part of the global project to use RoBoost. We used Elios drones for internal inspections of equipment and structures, and DJI drones for external inspections of buildings and territory of the power plant. Flights inside buildings allow us conducting a quick check without the need in scaffolding; we can assess the condition of equipment and

buildings. External flights make it possible to visually simulate the route and assembly of oversized equipment.

Projects: Digital solutions in security

Units: Digital solutions for generation and digital solutions for personnel hub

We have introduced additional functions of MyObject system to support industrial safety processes. In addition, we have introduced PowerBI dashboards for online tracking of parameters in the Health, Safety, Environment and Quality. In addition, introduction of the Advanced Management and Analytics system at Nevinnomyskaya GRES will be completed soon. The use of the system will reduce the risk of staff errors due to prioritization and filtering messages from the CCGT control system.

In addition, in order to enhance health and safety system, we have improved the Employee Self Service for prompt management of vaccination status information and workplace booking. Moreover, we have modified settings that allow controlling the staff groups separation in company offices in order to avoid staff interactions, unless they are required.

We have also introduced functions for order management and PPE distribution using the new 1C system for IT assets management.

Projects: Digital solutions for remote office

Unit: A group of infrastructure technologies

We have implemented a large number of projects in order to ensure comfort and protection of our staff:

- We have migrated some corporate services to a cloud data center, including 1C systems, systems for green generation.
- We have introduced a multifactor authentication system in order to ensure information protection with the use of new corporate applications.
- We have updated SW to Windows 10 and Office 365 in order to ensure stable and safe operation.
- Laptop hard discs have been encrypted in order to protect corporate data in case of theft or loss of equipment.
- All user data have been moved from the local network storage to OneDrive, thus ensuring enhanced security and accessibility of data and reduced use of local file servers.
- We have moved to the up-to-date VPN system that ensures secure remote connection to corporate resources and filtration of access to websites.

In addition, the system for IT services monitoring has been extended to include the infrastructure of the new Azovskaya wind farm.

Information security

Information security is an integral part of digitalization. Information security allows using advantages of digital technologies without the fear to lose data.

In 2021, the company introduced an innovative antivirus platform that protects end points (user devices – PC, laptops, tablets, smartphones). It includes both physical end points (local servers, workstations, mobile devices) and virtual end points that initiate remote work processes in the cloud. A platform with 11 modules combines end point security (antivirus, Intrusion Prevention System, network firewall) and AI-based analyses of threats.

In order to ensure remote operation, we have introduced Global Protect technology that neutralizes a majority of threats coming from the Internet.

In 2021, we completed introduction of a multifactor user authentication, which allows eliminating risks associated with user password theft.

In 2021, the company did not have incidents related to personal or corporate data leaks.

We realize that security, even if it is security in the digital environment, is closely associated with a human factor. In order to ensure the highest protection of personal and corporate information, the company has developed and implemented Cyber Security training platform “TheRedPill”. The platform was used to train all personnel and for specialized training for some groups of employees. In order to practice the theory, we had three phishing attacks.

In addition, in 2021 we were actively working to ensure compliance with the legal requirements in protection of critical information infrastructure and interaction with public supervisory authorities. Our activities were governed both by Federal Law No. 187-FZ dated 26/07/2017, and corporate IT security policy. We introduced and improved critical information infrastructure security systems.

Technical and organizational measures will be further implemented in 2022 taking into account scheduled maintenance and servicing activities of main equipment at power plants.

Information security risks are a part of the common risk management system of the company; they are included into the risk matrix and are evaluated on the annual basis.

Measures to be implemented in 2022 to reduce information security risks:

- gradual introduction of multifactor authentication for various business applications; process scaling;
- introduction of a management system for administrator accounts on workstations and servers;
- improvements of the common data storage system in the company, gradual transition from physical storage to cloud solutions.

Enhancing knowledge and qualification in information technologies

To develop the digital technology potential, we pay special attention to development of digital skills in all employees of the company. Last year, we had Digital Days, where employees from various units and the management of the company could not only acquire new knowledge, but also share their experience and best practices with their colleagues by holding own lectures. Topics of speeches: Cloud data storages, remote work, life hacks of Windows 10, SAP E4E, etc.

In addition to Digital Days, topic-based and one-to-one online consultations were organized.

Digital Days have proven to be a good way of developing the staff and management of the company at any level, and we will be actively using it in the future.

We realize that digital progress depends not only on technologies, but also on staff readiness to digitalization. A combination of efficient staff training and the advantages of the modern technologies makes it possible for us to achieve notable results while working remotely. We realize that digital progress depends not only on technologies, but also on the level of staff readiness to digitalization. A combination of adequate staff training and the advantages of the modern technologies makes it possible for us to have efficient business in various modes of operation – on the shop floor, remotely, or mixed.

Group Strategy

Key Business Areas, Prospects for Development

Our main objective is to create long-term value for shareholders, employees, partners and other stakeholders. The approach is based on ensuring the balance between growth, financial stability and shareholders remuneration.

Main documents governing economic and financial value creation:

Corporate Governance Code recommended by the Central Bank of the Russian Federation for use by joint-stock companies whose securities are admitted to on-exchange trading



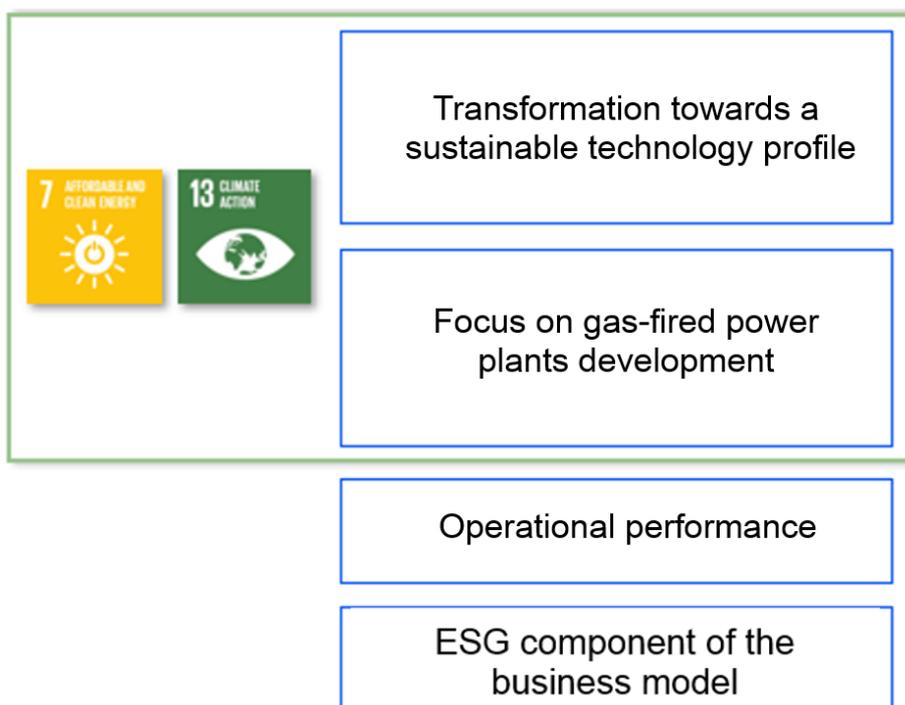
Dividend Policy Regulation

https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Dividend_policy.pdf

The financial strategy is approved by the Board of Directors of PJSC Enel Russia, while responsibility for implementation of financial strategy is within the General Director, as well as line directors in the relevant unit (see details in Organizational Structure section).

The Group annually publishes the information on its main operational and financial objectives for the near future, approved by the Board of Directors, as well as on the business results broken down by the key areas of development. On a quarterly basis, the Group discloses its financial results for the previous period, providing comments by the management and answering questions asked by the financial community. See details in section "Interaction with the Shareholders and Investors".

The Group future plans cover the following key areas of development:



The key elements of our strategy - "Transformation towards a sustainable technology profile" and "Focus on gas-fired power plants development" - are aimed at achieving the UN Sustainable Development Goals (SDGs): SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). PJSC Enel Russia confirms its commitment to other SDGs by promoting the sustainable business model and applying the sustainability practices. The more detailed information on our commitment to the SDGs is provided in the Sustainability Report.

2021 Key Areas Report

Direction	Additional information	Key events in 2021
Transformation towards a sustainable technology profile	Over the last years, the Group has been steadily changing its technology profile towards renewable energy sources, as well as towards reduced dependence of financial results on the market volatility.	<ul style="list-style-type: none"> • Completion, launch and start of commercial operation of the Group's first renewable facility, Azovskaya wind farm. The wind farm operating results are in line with expectations. • Active civil works at Kolskaya wind farm are at their final stage, the facility is expected to start operation in 2022.
Focus on gas-fired power plants development	Along with the construction of new renewable facilities, the Group continuously improves the existing thermal facilities in order to extend their service life and efficiency. One of the promising areas for development is participation in the modernization program.	<ul style="list-style-type: none"> • The first project of the Group under the TPP modernization program (TG No. 4 of NGRES) entered into operation while the works under other 3 projects are ongoing • Regular actions aimed at improvement of the parameters of the existing gas assets.

Direction	Additional information	Key events in 2021
Operational performance and assets portfolio optimization	The Group has historically set a goal of continuous expenses optimization, thus ensuring additional support during transformation of the company business portfolio.	<ul style="list-style-type: none"> A series of managerial actions aimed at containing the growth of the fixed costs took place throughout the year. Significant progress was achieved in sale of the "power train" equipment: the contract was signed, with subsequent start of both the equipment shipment and receipt of payments for it.
ESG component of the business model	The Group sees improvement of the sustainability performance and ESG practices as an integral part of the business development.	<ul style="list-style-type: none"> Enel Russia joined the UN Global Compact in 2021.

Other results of 2021

In 2021, Fitch rating agency confirmed the rating of PJSC Enel Russia at BB+ / Stable.

Following the expiration of the rating period under the contract between PJSC Enel Russia and Moody's rating agency, we decided not to extend it. The rating was confirmed before the termination on the level of Ba3/stable.

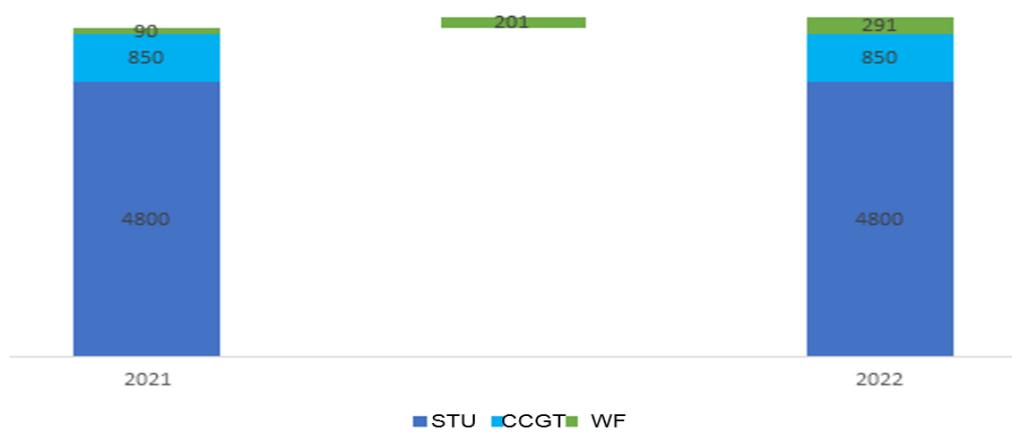
Expert RA rating agency lowered the rating of PJSC Enel Russia down to ruAA- / Stable primarily due to increased debt levels following the increase of capital expenditures in construction of new projects. In addition, the rating downgrade was influenced by the changed methodology of the rating agency with respect to mid-term assessment of financial metrics compared to the previous assessment results.

A revised dividend policy was adopted in 2021, alongside with a new long-term incentives program for the three-year period that includes payment of 50% of remuneration with shares of PJSC Enel Russia¹⁶. These documents confirm our adherence to increasing the shareholders' wealth and creating economic and financial value.

Operational results forecast

The current plan for 2022 stipulates gradual increase of the installed capacity by putting into operation Kolskaya wind farm (201 MW) located in Murmansk Region.

Installed capacity structure by technology (GW)



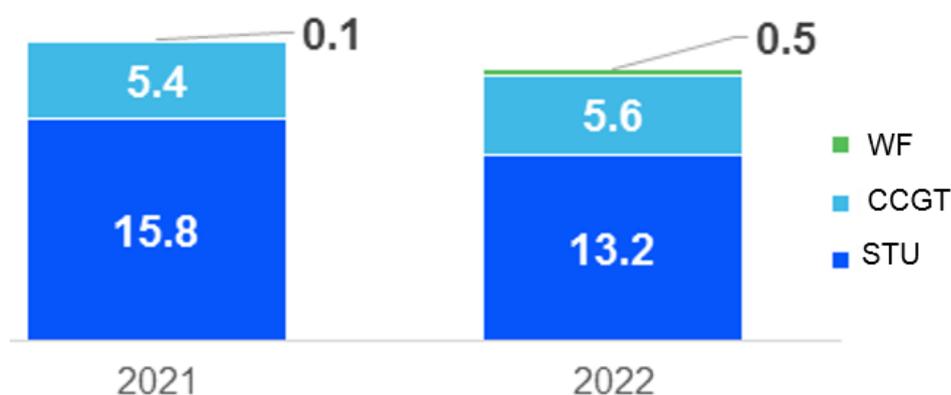
¹⁶ The KPIs of the key managers preconditioning the use of the mentioned incentive methods are given in the Annex hereto.

The Group currently manages generating assets with a total capacity of 5.7 GW, of which 0.09 GW are represented by wind turbines, 0.85 GW by combined cycle gas turbine units and 4.8 GW by steam power units.

The plans for the near future cover two main directions of assets development:

- Construction of new renewable assets. After the launch of Azovskaya wind farm (90 MW) in 2021, the Group continues to implement the project for construction of Kolskaya wind farm (201 MW) expected to be put into operation in 2022.
- Modernization and maintenance of the existing gas assets. After the successful implementation of the first project for replacement of a turbine and boiler at Nevinnomysskaya GRES power plant, works are underway for the other 3 modernization projects at Sredneuralskaya GRES and Nevinnomysskaya GRES, with the start of commercial operation beyond the plan period.

Net power output (TWh) structure by technology

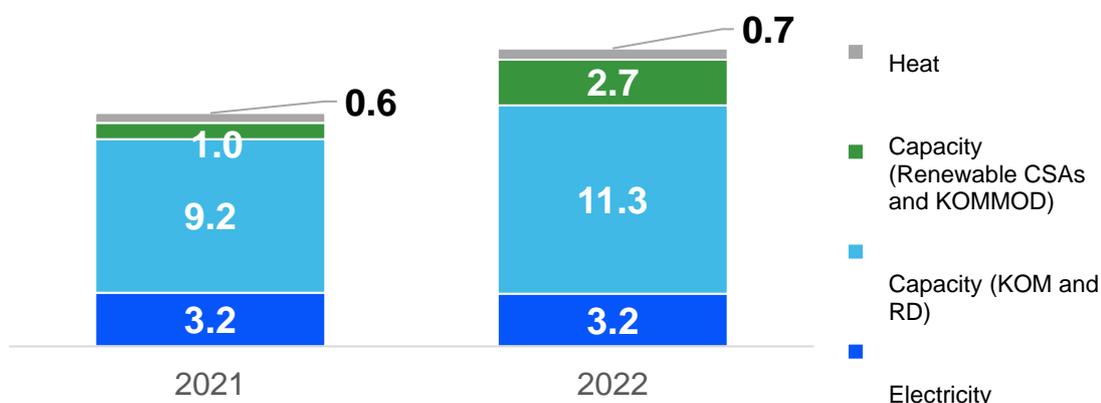


We apply conservative assumptions for the 2022 with respect to net power output of the gas-fired power plants with gradual increase of output from the wind turbines after start of their commercial operation. At the same time, moderate correction is expected after the significant increase of performance in 2021 that is in general envisaged in the Group net power output forecast.

Financial results forecast

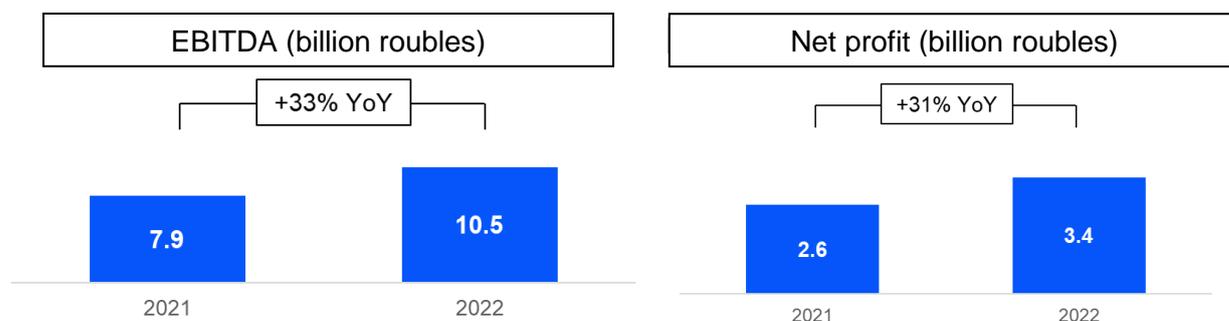
With regard to the financial forecasts for 2022, the Group expects gradual increase of its main financial indicators following the launch of the renewable and modernization projects that will secure increased revenue thanks to guaranteed and yield under the Renewable CSAs and KOMMOD programs respectively.

Estimated gross margin change, billion roubles



It is expected that the total Group's gross margin will increase from ~14 billion roubles in 2021 to ~18 billion roubles in 2022. More specifically, the gross margin from electricity sales will remain at the approximately same level as in 2021, with growth driven by higher gross margin from capacity sales. In particular, growth by more than 2 billion roubles is expected from an increased KOM capacity sales price and indexation of the regulated capacity sale agreements. Additionally, higher gross margin from capacity sales under the Renewable CSAs and KOMMOD programs is expected due to implementation of the new renewable and modernization projects. Therefore, the investments made by the Group a part of transformation of its business model contribute to the growth of its income from operating activities.

Group's financial results estimates for 2022



EBITDA is expected to reach 10.5 billion roubles in 2022, with an increase of about 33% from 7.9 billion roubles in 2021. The change of the structure of the gross profit and EBITDA will be ensured by increasing capacity supply payments following the start of commercial operation of Kolskaya wind farm (CSAs RES), simultaneously making the generation structure more sustainable.

The net profit is expected at 3.4 billion roubles in 2022 with a growth by approximately 31% compared to 2.6 billion roubles for 2021, despite the increase of financial costs associated with wind farms construction.

Value creation for shareholders

The 2022 financial plan is based on the balance between financial stability, focus on completion the ongoing projects and shareholders' remuneration. Considering the force majeure event during the construction of Kolskaya wind farm construction project, confirmed by the Market Council Supervisory Body, as well as the extended construction period, maintaining the Group's financial stability is the main focus for 2022. In this relation, it was decided that dividends are not planned for distribution in 2022, taking into account the current situation.

Development of Renewable Energy Sources

PJSC Enel Russia follows international trends in the field of energy transition and develops the strategy of development of environmentally friendly energy sources. The company recognizes the importance of climate crisis and necessity to take urgent actions to combat climate change including reduction of its own carbon footprint. PJSC Enel Russia increases the share of use of renewable energy sources and supports environmental and social goals while using sustainable development as an important vector during selection of investments and production strategies.

In 2013 the Government of the Russian Federation launched a program for incentivize the development of energy assets based on RES and adopted the required regulatory legal acts. This initiative became a catalyzer for taking by PJSC Enel Russia decision to invest into the projects for construction of renewable energy generation facilities.

In June 2017 PJSC Enel Russia won a federal tender for construction of two wind power plants of installed capacity 201 MW in Murmansk region and 90 MW in Rostov region and in June 2019 for construction of wind farm of 71 MW installed capacity.

Being an active member of major business and trade associations in the country PJSC Enel Russia elaborates proposals for improving regulatory acts regulating functioning of green generation as well as further encouragement of long-term development of RES generation.

We are developing own portfolio of RES projects and constructing wind farms in different regions of Russia and also are consider opportunities for further development of RES projects in the country.

Renewable energy projects of Enel Russia

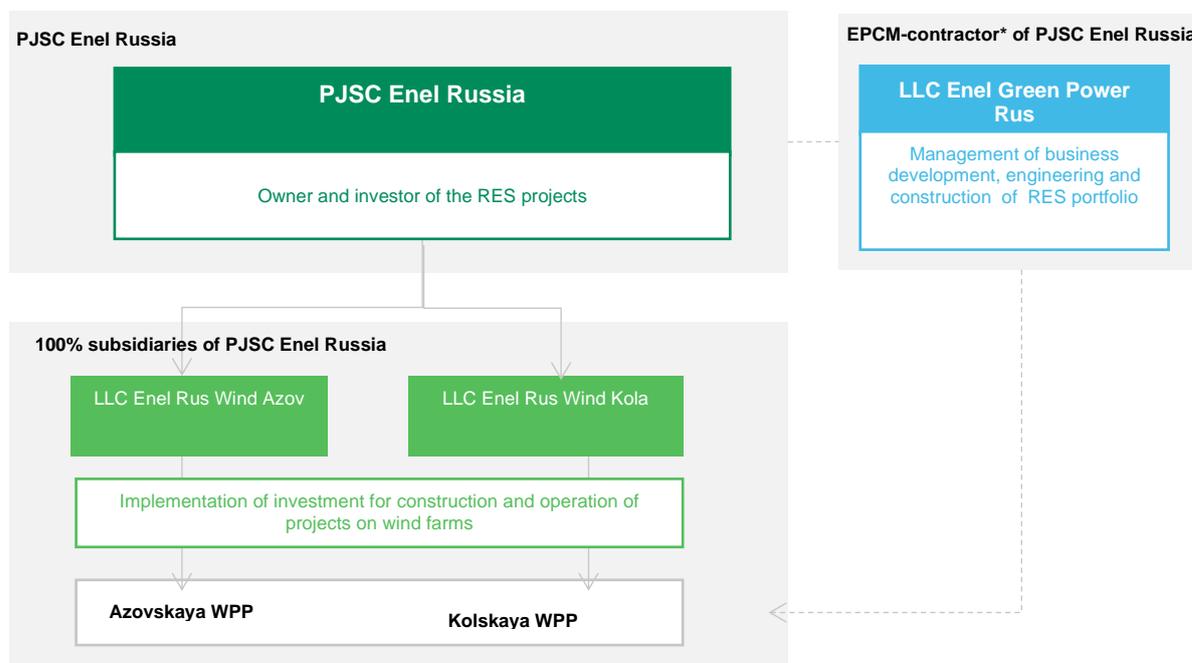
Title	Capacity	Generation/year	Location	Commencement of construction	Date entered into service	Project status	291 MW - total installed capacity 1070 GWh - electric power generation per year 850 kilotons - reduction of the volume of CO2 emissions per year
Azovskaya WPP	90 MW	320 GWh	Rostov Region	May 2019	May 2021	Put into commercial operation	
Kolskaya WPP	201 MW	750 GWh	Murmansk Region	September 2019	Q3 2022	Finalization of construction	

We implement the projects in the sector of renewable energy sources in full compliance with internal procedures and policies adopted at PJSC Enel Russia namely:

 <p>Integrated Policy for Quality, Health, Safety, Environment and Energy Efficiency https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Quality_Health_Safety_Environment_and_Energy_Efficiency_Integrated_Policy_of_PJSC_Enel_Russia.pdf</p>	 <p>Code of Ethics https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/archive/CODE_OF_ET_HICS-2017.pdf</p>	 <p>Zero Tolerance of Corruption Plan https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Zero_Tolerance_to_Corruption_Plan.pdf</p>
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The team working on the projects in the field of renewable energy sources consists of engineering & construction, operation and maintenance, business development, energy management, procurement, finance, legal service, health and safety, digital solutions. Not only Russian specialists participate in it but also colleagues from Enel Group throughout the world, which allows establishing continuous sharing of expertise and best practices.

Structure of wind generation development management



* EPCM (Engineering, Procurement, Construction, Management) – engineering services, procurement, construction, project management

Infrastructure Development during RES projects realization

Construction of wind farms, in addition to the introduction of new generating capacities, also has a beneficial effect on the surrounding infrastructure, including local businesses and communities.

Azovskaya WPP consists of 26 wind turbine generators (WTG), and Kolskaya WPP consists of 57 WTGs.

The supplier of WTGs for both projects is LLC Siemens Gamesa Renewable Energy. The percentage of localization of equipment and works must be at least 65% for each project. It means that more than a half of the wind turbine equipment and works related to wind plants construction were produced in the territory of the Russian Federation by local factories and specialized companies.

For delivery of every WTG to its position on the construction site, the internal roads must be constructed. For Azov project the length of the internal roads is 16 km, for Kola project - 60 km. In addition with regards to Azov project we reconstructed the external access road with the length of about 5 km from the wind farm territory to the boundary with Krasnodar Territory that is used by the local community as well.

For grid connection of both projects to the Unified Energy System of Russian Federation, Enel Russia constructed high-voltage power transmission lines: for Azov project, construction of 110 kV power transmission line was constructed with the length of ~ 50 km; for Kola project, 150 kV power transmission line was constructed with the length of ~ 70 km. Construction of high-voltage power transmission lines along with wind farms will increase the flow of electricity within and outside the regions, ensuring high reliability of power supply for the consumers.

On May 01, 2021 Azovskaya WPP was officially put into commercial operation and started capacity supply to the wholesale market of power and capacity. Localization of equipment and works was achieved and officially confirmed by the Russian Ministry of Industry and Trade. On June 25th, 2021 Azovskaya WPP was inaugurated with presence of Russian Deputy Prime Minister A.V. Novak, Extraordinary and Plenipotentiary Ambassador of Italian Republic to the Russian Federation P. Terracciano, Governor of Rostov region V.Y. Golubev and company's top management representatives.

During 2021 Azovskaya WPP generated 156 million kWh of green power which makes 4,3 % share of the total Russian wind power generation market in the country thus contributing to gradual decarbonization of the Russian economy as a whole.

As of December 31, 2021, Kolskaya wind farm was under active construction. Main equipment was manufactured and brought to the port of Murmansk and to the construction site of the Kolskaya wind farm, 39 out of 57 wind turbines were installed, the remaining wind turbines were under installation and commissioning. The commissioning of the Kolskaya WPP into commercial operation is planned for the 3rd quarter of 2022.

Operation & Maintenance

PJSC Enel Russia via its 100% subsidiary LLC Enel Rus Wind Azov is performing operation of Azovskaya WPP, using some personnel on the site of Azovskaya WPP and some personnel in remote control room in Moscow headquarters. It is planned that after construction completion, Kolskaya WPP will be also managed from remote control room in Moscow, so there will be a single center of wind farms operation in the company.

As for the maintenance, the company is relying on operation & maintenance agreement with supplier of wind turbine generators – Siemens Gamesa, which will allow to ensure proper coverage with spare parts, materials and services for wind turbine generators equipment.

Force-majeure impact

In 2021 the Market Council Supervisory board recognized the force majeure for Azovskaya WPP due to COVID-19 pandemic and travel restrictions for foreign specialists. As a result, the company successfully negotiated 4-month penalty charges waiver with key market participants ensuring around 30 % of redemption rate.

In January 2022 Market Council Supervisory board approved postponement of 3 month-penalty charges for Kolskaya wind farm COD delay due to force majeure due to unforeseen reduction in the bearing capacity of the bridge on the single road from Murmansk to construction site. Now the company is negotiating the recognition of force-majeure with participants of electricity and capacity wholesale market as per market regulation rules

Modernization Program implementation

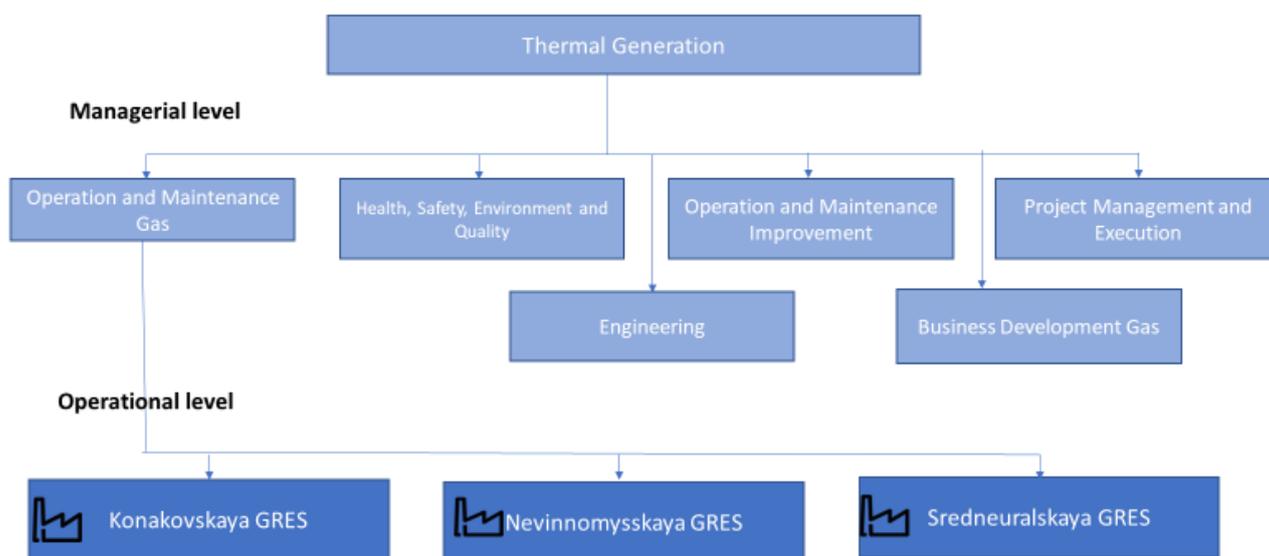
Thermal Generation division is in charge of power generation fleet management.

In relation to management activities, it is in charge of coordination over operation and maintenance processes, equipment servicing, its efficiency improvement, development and further implementation of

modernization projects, project execution, decommissioning of equipment that has reached the end of its operation life.

At the operational level, the division is responsible for the production of electricity and heat in accordance with the required volumes, the provision of power by maintaining the generating equipment in a technically sound condition and readiness for operation, in accordance with the requirements of health, safety, environment and quality.

Power generation fleet and modernization projects management



The company acknowledges the importance of climate change and is committed to taking urgent measures against climate crisis. PJSC Enel Russia focuses its attention on development and implementation of activities aimed at reducing climate impact.

In 2019, the Government of the Russian Federation approved a program for the modernization of thermal power plants under capacity supply agreements (CDA), which will last from 2022 to 2031 and will allow the modernization of about 41 GW of existing capacities. The Program foresees, first of all, the use of locally produced equipment compliant with the localization requirements. The main criteria to define which type of equipment is included into the Modernization Program is low cost of 1 kWh. Following the outcomes of projects selection, generating companies undertake responsibility to supply capacity within 16 years.

As an active member of major business and industry associations in the Russian Federation, PJSC Enel Russia develops proposals for improvement of the regulatory framework regulating processes related to modernization of thermal generation equipment, including introduction of combined cycle gas turbines produced locally (localized).

The company develops its modernization projects portfolio at all the power plants in the regions of presence.

Modernization projects of the company

Name	Location	Capacity	Equipment	Project efficiency	Expected COD date	Project Status
Nevinnomysskaya GRES	Stavropol Region	-	Boiler no.5, 480 t/h	Reliability increase, efficiency improvement, environmental impact reduction	January 2022	Completed
Nevinnomysskaya GRES	Stavropol Region	-	Boiler no.4, 480 t/h	Reliability increase, efficiency improvement, environmental impact reduction	January 2025	Design documents and technical documents development, procurement
Sredneuralskaya GRES	Sverdlovsk region	100 MW	Turbine 7	Capacity increase by 20 MW, reliability increase, efficiency improvement, environmental impact reduction	July 2024	Design documents and technical documents development, equipment manufacturing, procurement
Sredneuralskaya GRES	Sverdlovsk region	100 MW	Turbine 6 Boiler no.9, 480 t/h	Capacity increase by 20 MW, reliability increase, efficiency improvement, environmental impact reduction	December 2025	Selection of design company and main contractors

Projects modernization team includes specialists for business development, engineering and construction, procurement, finance, legal affairs, health and safety, digital solutions. The team includes not only Russian experts, but also colleagues from Enel Group all over the world ensuring exchange of best practices.

Modernization projects implementation

Nevinnomysskaya GRES, Boiler 5

In 2021, the company successfully completed works of the first modernization project at Nevinnomysskaya GRES during which boiler No. 5 with a capacity of 480 t/h, technologically connected to turbine No. 4 with a capacity of 50 MW, was modernized. Within modernization project boiler drum, superheaters, furnace wall, bypass pipelines, with fittings along the steam-water path were replaced without changing the steam output.

The replacement of the boiler drum was a unique operation, which included its transportation by rail and installation in the conditions of operating equipment, preparation for which lasted for a year. For this purpose, work was carried out on the territory of Nevinnomysskaya GRES to strengthen the structures of existing equipment, and foundations were installed on 48 bored piles.

With the help of a 500-ton truck crane, the drum was lifted to a height of 30 meters and installed through a technological hole inside the operating workshop of the power plant.

Alongside with boiler modernization, a full replacement of Turbine 4 was performed as part of the company's own investment program.

To perform the activities, 723 thnd hours were required. During this period, more than 3 thnd tones of equipment were dismantled, 54% of which submitted to be recycled. Following the modernization project, equipment reliability increased, and its efficiency improved, CO2 emissions and NOx emissions reduced.

Nevinnomysskaya GRES, Boiler 4

Currently, technical and design documentation development is completed, procurement process is launched.

Sredneuralskaya GRES

Currently, technical and design documentation development is available, procurement process is on active phase, equipment manufacturing is initiated, quality control is launched by PJSC Enel Russia on monthly base.

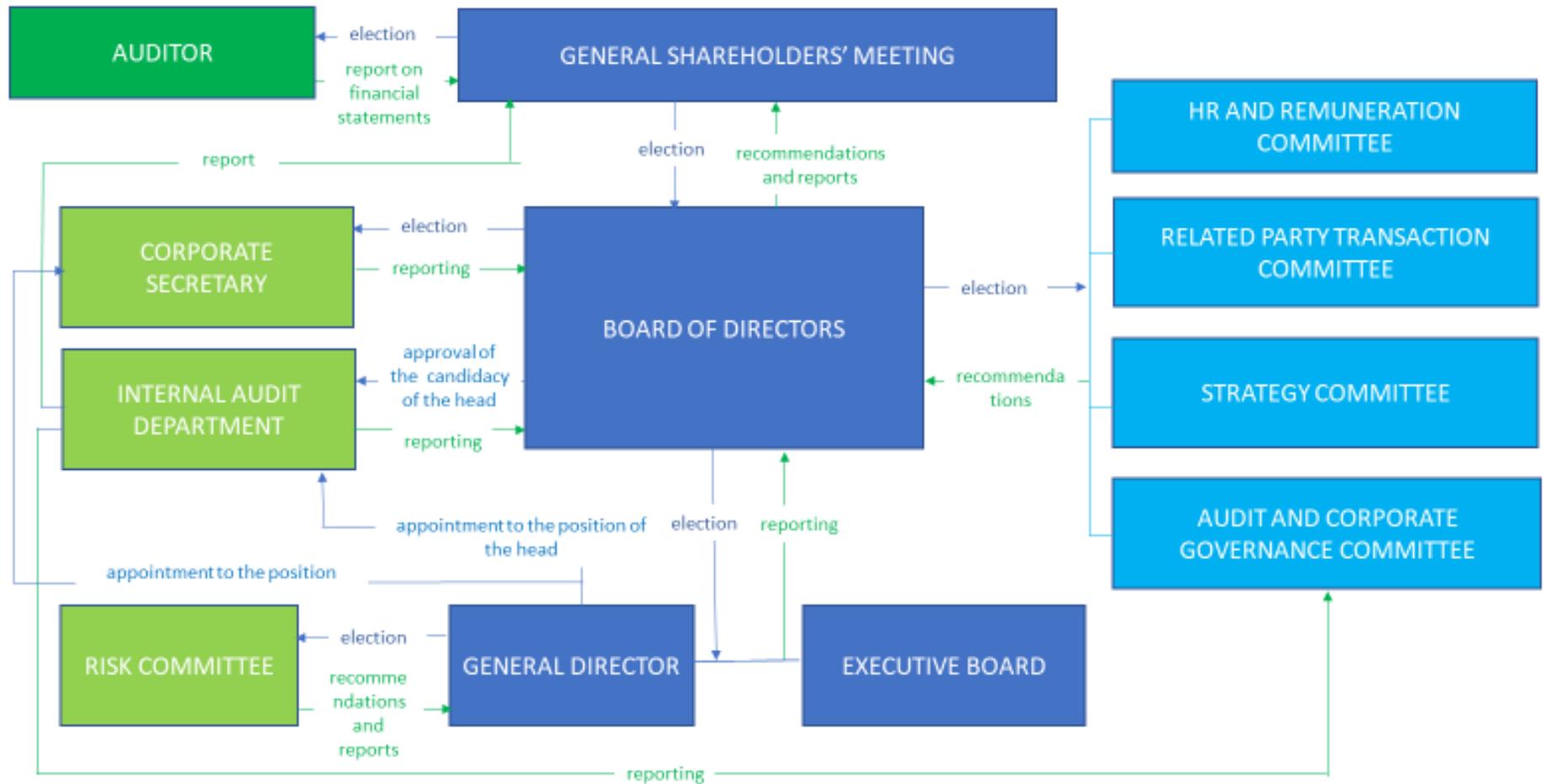
Second project at Sredneuralskaya GRES foresees replacement of Turbine 6. and modernization of Boiler 9, which is technologically connected to the turbine. Bidding is currently taking place to select a design institute and main contractors for the project.

Following the implementation of the two modernization projects, total capacity of Sredneuralskaya GRES will increase by 40 MW, efficiency of operating equipment will be improved, while environmental impact will be reduced.

PJSC Enel Russia works actively to participate in a tender with locally produced (localized) gas turbines for projects to be implemented within 2021-2028. In addition, within a corporate strategy, options to replace existing equipment of steam cycle with more efficient combined cycle are under evaluation.

Risks and Corporate Governance

Corporate governance and risk management system



Risk Governance

Dear shareholders!

One of the most discussed topics by the economic community in 2021 can be called the development of the risk management and internal control system in utilities. PJSC Enel Russia pays close attention to this issue, since the fate of investments, the reputation in the market and the very existence of the company, and most importantly, the future of consumers depends on the assessment of the riskiness of a project.

PJSC Enel Russia implements a classic approach to risk management in its business practice. The company's management is actively involved in risk management processes and encourages everyone's contribution to the development of the risk management and internal control system.

Why is there a risk management and internal control system in PJSC Enel Russia? How can we use it? To whom can it be useful? First of all, it is useful to the company's managers who make decisions at all levels, significantly improving the quality of decisions made. Risk management provides a set of tools that allow for consciously and reasonably making decisions related to a high degree of uncertainty, in other words: risky decisions. A risk management and internal control system is also necessary, among other things, in order to meet the requirements of regulators, auditors, shareholders, investors and other stakeholders.

We also actively develop a risk culture, raise awareness of risks in order to prevent the realization of risk, regularly submit issues on risks on the agenda of committee meetings, and the risk control unit constantly monitors compliance with the established limits of key risk indicators.

Due to the changes taking place in the environment, risk managers are constantly working on the analysis of new risks, evaluating scenarios for their implementation and self-assessment of internal controls at the level of the company's business processes. In its current activities, the company pays close attention to issues of social responsibility, environment, corporate governance, human rights, that are integral sustainability principles.

One of the confirmations of the effectiveness of the risk management and internal control system is that Yu.K. Matyushova, Head of Administration, Finance and Control of PJSC Enel Russia, became the winner of the Best Head of Administration, Finance and Control 2021 Award for a sophisticated risk management system¹⁷,

We are confident that a reasonable risk management and internal control system is part of the company's strategic development, taking into account the ESG agenda.

Elena Yuzefovich
Risk Control Senior Manager

Description of the risk management and internal control system

Risk management and internal control are among the fundamental elements of strategic and operational management, as well as significant components of corporate governance.

Compliance with the standards and principles of corporate governance allows us to exercise effective control over the operation of the company's management bodies reducing risks in their activities.

Risk governance and internal control system (hereinafter within this chapter - the "System") is compliant with a model based, on the one hand, on constant study of risk factors and profiles, application of the best practices applicable to risk management in the power sector, and on the other hand, on the provision of resources necessary for risk taking in business activities.

The system is aimed at identifying, assessing, managing, monitoring and controlling the main corporate risks of the company in order to ensure a comprehensive vision of company's managers who make decisions taking into account all risks properly assessed in the medium and long term.

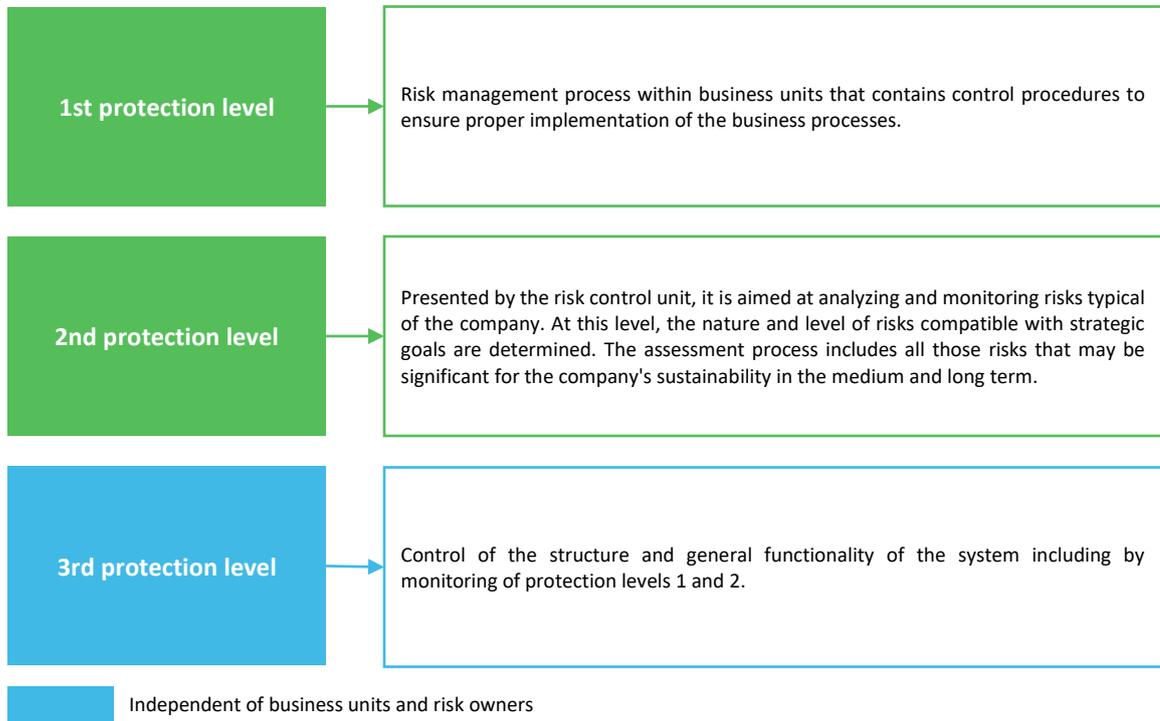
The principles and approaches to risk assessment applied in the company are based on the best models implemented in accordance with local and international standards.

The system is an integral part of the overall organizational and corporate governance structure adopted by the company and is based on the best international practices, including ISO 31000 standard "Risk Management – Guidelines", and the principles of the Corporate Governance Code recommended by the Bank of Russia.

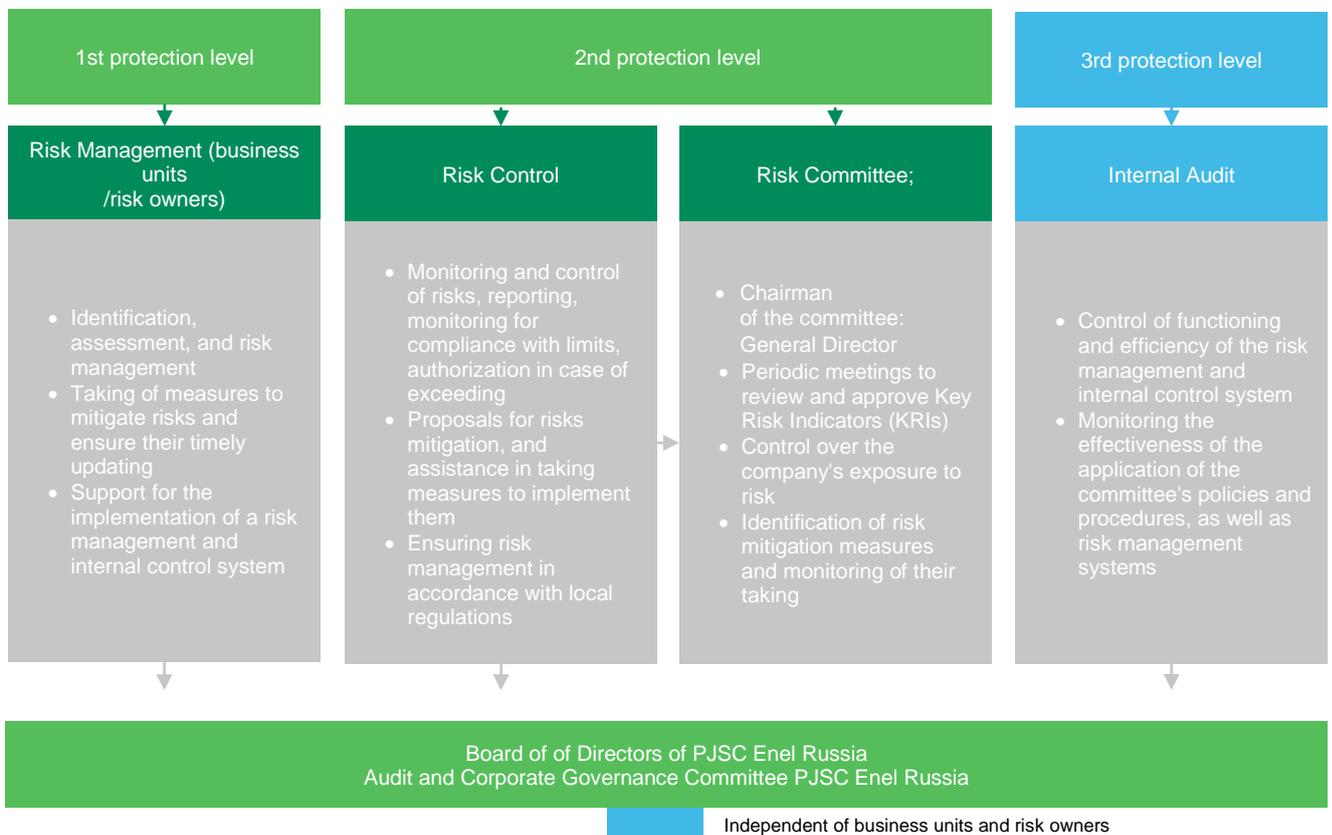
¹⁷ For more information about the premium, see <https://premia.fd.ru/>

A centralized approach to risk management makes it possible to standardize processes and tools in relation to risks identification, assessment, mitigation, monitoring and reporting. For relevant risks, the company has identified the appropriate managers responsible for risk management within key business processes. Thus, the System is integrated into the company's key business processes.

The system is divided into three protection levels:



Risk governance and internal control system



In accordance with the Risk Management and Internal Control Policy (hereinafter referred to within this chapter - the "Policy") responsibility for the processes of identification, evaluation, management, monitoring and control in this area is distributed as follows:

Distribution of responsibility in the risk management and internal control system

Unit in charge	Responsibility area
Business units (risk owners)	<ul style="list-style-type: none"> – Identification and assessment of risks – Identification, development and implementation of a risk coverage strategy and risk mitigation measures
Risk Control	<ul style="list-style-type: none"> – Monitoring and control of key risk indicators – Proposals on measures to reduce the impact of risks in business units and corporate management bodies, monitoring their implementation – Organization of the Risk Committee whose activities are aimed at supporting and improving the risk management and internal control system
Internal Audit	<ul style="list-style-type: none"> – Providing a valid risk management concept – Implementation of Policies, activities and processes, including regular review of organizational documents defining roles, responsibilities, parameters, evaluation methods within the risk management and internal control system

We are systematically building an integrated risk management model in order to consolidate the activities of functional units, as well as embedding a risk management system into the corporate culture. The target model of the corporate risk governance represents a set of functional elements and organizational mechanisms of their interaction to develop, implement, monitor, analyze and continuously improve the risk governance practice at the company.

The integration of risk management functions into business processes makes it possible to identify risks in a timely manner and assess their relevance, as well as to ensure an effective response by mitigating potential adverse consequences and/or reducing the likelihood of their occurrence. To reduce risks, such instruments as insurance, hedging, setting limits, etc. are used, among others.

Internal Control System

The introduction and use of an internal control system, along with periodic evaluation of its effectiveness, is a part of the company's management approach. An effective system of internal controls allows for managing risks, identifying, assessing the main risks associated with the company's achievement of the goals set by the Board of Directors, and monitoring them. All the above mentioned relates to ensuring the company assets integrity, reliability of financial statements, compliance with internal regulations and procedures as well as laws of the Russian Federation.

The company implemented an internal control system in accordance with the model "Internal Controls: Integrated Approach" (COSO), developed by the Committee of Sponsoring Organizations of the Treadway Commission.

The company uses the following main elements of internal control system:

The main principles of internal control system:

Strict regulation of processes	<ul style="list-style-type: none"> ➤ To increase transparency and coordination of actions at each level, job responsibilities are strictly regulated ➤ Business processes and internal controls are documented and evaluated twice a year by operational personnel and management ➤ Regulations, policies and procedures are regularly updated, all employees are promptly informed of changes
Segregation of duties	<ul style="list-style-type: none"> ➤ To reduce the risk of errors and prevent abuse, the principle of segregation of duties is applied ➤ To prevent or reduce the likelihood of a conflict of interest risk, operational and control functions are strictly separated
Regular external and internal evaluation	<ul style="list-style-type: none"> ➤ To ensure the reliability of data, processes and procedures recommended by the COBIT standard are used, with periodic audit of general information controls ➤ the Internal Audit Group checks periodically the internal control system efficiency ➤ Independent testing is conducted on a selective basis. The results are reported to the management, the Internal Audit, as well as, upon request, to the external Auditor
Transparent and timely communication	<ul style="list-style-type: none"> ➤ The information portal with policies, regulations, procedures and instructions is well structured, user-friendly and accessible to employees ➤ Employees are familiar with the Code of Ethics, the Zero Tolerance to Corruption Plan ➤ Mechanisms have been implemented to inform about possible violations and abuses and to take appropriate measures by the management to eliminate and prevent repeated violations

Organization Units and Corporate Bodies Related to Risk Governance System

In accordance with the Risk Governance and Internal Control Policy, the structure of risk governance and internal control system at the company includes involvement of the following bodies and organization units:

- Board of Directors;
- Audit and Corporate Governance Committee;
- Risk Committee;
- Managers of business units and organization units for risk management;
- Risk Control.

The Board of Directors is responsible for supervision of the risk management and internal control system, including making decisions and providing recommendations based on the results of familiarization with the list of relevant risks. It is responsible for approving the level of risk appetite that is determined jointly with the General Director, Deputy General Director - Head of Administration, Finance and Control with the assistance of the Risk Control. The Board of Directors participates in consideration of the company's map of key risks.

The duties of the Audit and Corporate Governance Committee of the Board of Directors includes expressing of its opinion on specific aspects regarding identification of the main risks, checking of the periodic reporting documentation on assessment of risk governance and internal control system. The Audit and Corporate Governance Committee develops recommendations for risk governance and internal control system as well as evaluates its results. The Audit and Corporate Governance Committee reviews periodically the issue of the results of efficiency of risk governance and internal control system in terms of individual risks.

The Risk Committee is a collegial body established to coordinate activities at the operational level, consists of senior managers of the company, is appointed by the General Director, controls the company's exposure to risks, determines risk mitigation measures and monitors their implementation. The Risk Committee is responsible for approving risk limits.

The managers of business units and organization units for risk management ensure compliance with the Risk Governance and Internal Control Policy by the employees of its organization units, timely development and implementation of risk governance measures, resource allocation, and if necessary, take prompt corrective measures.

The Risk Control is an independent organizational risk control unit directly subordinate to the Deputy General Director - Head of Administration, Finance and Control. This unit coordinates the work of organization units in identifying and assessing risks as well as developing measures for their management, ensures update of the Risk Governance and Internal Control Policy, develops and fosters risk management

culture. Moreover, the reporting and internal communication tools, educational events and change management measures are used.

The Internal Audit is an independent organizational unit that evaluates the effectiveness of internal control (for more details, see the section "Internal Audit").

Periodically, issues related to risks are considered by the Related Party Transactions Committee, the HR and Remuneration Committee and the Strategy Committee.

In full compliance with regulatory requirements and best practices, the company considers three main pillars of the risk governance and internal control system:

- the effective Risk Governance and Internal Control Policy approved by the Board of Directors (Minutes No. 14/18 dated 21.12.2018) for identification, measurement, monitoring and control of risks that the company may be exposed to;
- a supplement to the Risk Governance and Internal Control Policy is a risk map, the so-called "Risk Matrix", indicating the potential risks that the company may be exposed to, taking mainly into account the frequency and severity of each risk event that affects the company's annual financial results. During 2021, the risk matrix was periodically updated based on interviews with business unit managers (in accordance with the principles contained in the Risk Management and Internal Control Policy);
- periodic reports of risk owners to the Audit and Corporate Governance Committee on currency, technical, industrial, environmental and social risks (with the support of the organizational risk control unit).

In December 2021, the Board of Directors, in accordance with the recommendation of the Audit and Corporate Governance Committee, recognized the company's risk management system as effective during 2021.

Risks occurred in 2021

Risk	Comments on implementation
Climate risk	The prevailing climatic conditions in June 2020 led to flooding of the bridge supports on the road from the port to the construction site of the Kolskaya wind farm that led to restrictions on the transportation of heavy components of wind turbines until April 2021. The situation was considered by the Market Council as having signs of force majeure circumstances and affecting the terms of commissioning of the generating facility.

Opportunities realized in 2021

Opportunity	Comments on implementation
Foreign exchange risk	The company's foreign currency liabilities decreased due to the strengthening of the national currency against the euro in 2021, with the exception of liabilities that were fixed as a result of hedging operations.
Commodity risk	DAM price increase for electricity due to an increase in energy consumption, taking into account the recovery of the growth rate of economic activity relative to its level before the COVID-19 pandemic, as well as under the influence of the temperature factor, led to an increase in revenue from the sale of electricity.

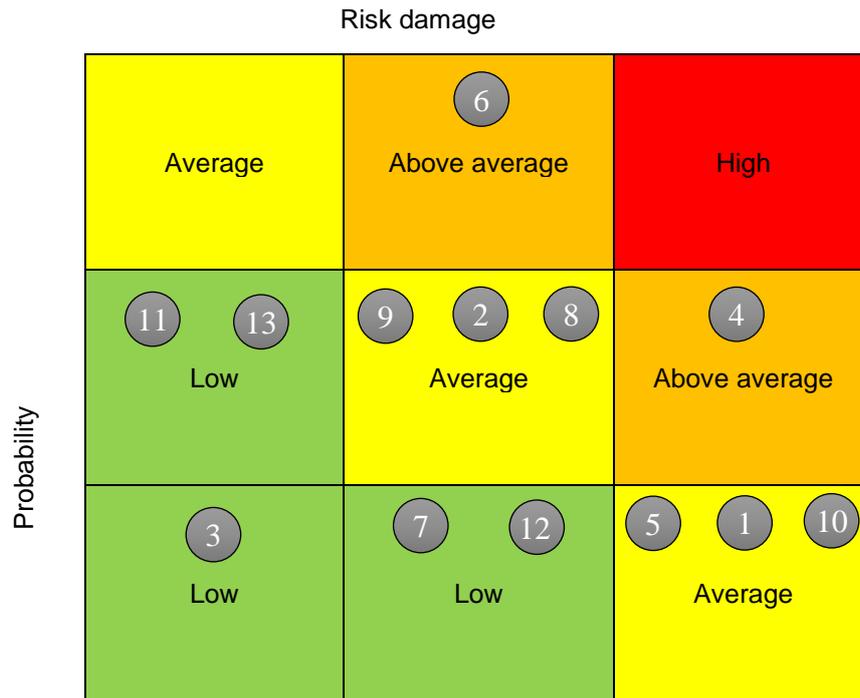
Description of main risk factors

Risk categories	Risk groups*	Risk factors	Risk level	Risk management measures taken
Strategic	<ul style="list-style-type: none"> Country (1) 	<ul style="list-style-type: none"> Changes in the general economic and political situation in the country may lead to a deterioration of the national economy and thereby lead to a deterioration in the financial situation of the company 	Average	The political, legal and regulatory environment in which the company operates, the unstable economic environment, as well as the crisis phenomena associated with the pandemic (COVID 19) are sources of risks, the risk is poorly managed, but is taken into account when making strategic decisions.
	<ul style="list-style-type: none"> Regional (1) 	<ul style="list-style-type: none"> Changes in the conditions of activity in a particular region. The company's target – first price zone (European part of Russia and the Urals) 		Most of the regional risks are beyond the company's control, but the political situation in the regions is relatively stable, so they are minimally exposed to political risks. Taking into account the credit ratings of the regions of presence, regional risks have a moderate impact on the company.
	<ul style="list-style-type: none"> Climate (12) 	<ul style="list-style-type: none"> The impact of extreme natural phenomena related to climate change Ignoring the rules on compliance with environmental requirements leading to an outflow of investors The impact of non-compliance with legal requirements related to climate change 	Low	Monitoring and necessary preventive measures related to the operation and maintenance of thermal power plants and wind farms. Development of a climate strategy. Regular monitoring of changes and updates of climate change regulations both at the international and local level. Participation in climate initiatives.
	<ul style="list-style-type: none"> Regulatory (8) 	<ul style="list-style-type: none"> Changes in regulations and laws of the sector and related sectors Changes in capacity payment Revocation of the operating license Non-compliance with equipment localization requirements 	Average	Interaction with government agencies (Ministry of Energy, Ministry of Economic Development, FAS), membership in the Association NP Market Council with representation and protection of the company's stance.
Financial (5)	<ul style="list-style-type: none"> Goods Interest rate Exchange rates Counterparties Liquidity 	<ul style="list-style-type: none"> Credit and counterparty Commodity Shortage of funds due to the termination of external financing Currency fluctuations Interest rate fluctuations Liquidity 	Average	Revenue forecast taking into account price fluctuations and changes in power sales at the DAM (day ahead market) Forecast and control (including daily) of liquidity, significant amount of open credit lines, hedging of currency risks, sale of troubled receivables.
Operation	<ul style="list-style-type: none"> Industry (2) 	<ul style="list-style-type: none"> Changes in the economic state of the industry, possible fluctuations in power prices (gas, fuel oil) and their supply compared to planned values, reduction in selling prices for products and services 	Average	Conclusion of long-term contracts with independent suppliers, Operational Performance Improvement, determination of the optimal time for fuel purchase, diversification of supply sources, maintenance of the equipment fleet through timely and high-quality maintenance campaigns, technical refurbishment, minimization of penalties for unavailability, taking into account thermal generation and RES.
	<ul style="list-style-type: none"> People management (3) 	<ul style="list-style-type: none"> Talent retention Personnel development programs Recruiting 	Low	Maintaining and developing corporate culture, monitoring of the labor market, competitive wages, implementation of programs for evaluation, recognition of talents and personnel development.

	<ul style="list-style-type: none"> Health and Safety (13) 	<ul style="list-style-type: none"> Impact of accidents on the sustainability of the company Impact of coronavirus infection (COVID-19) on the sustainability of the company 	Low	<p>Preparation of weekly reports, issue of personal protection equipment, workplace assessment schedule, accident monitoring.</p> <p>A crisis group has been established, a comprehensive guideline on COVID-19 behavior has been developed that has been brought to the attention of all employees of the company; personal protection equipment was purchased; the frequency of sanitary treatments of public areas has been increased; additional measures have been taken to separate personnel at power plants: different entry/exit times and different meal intervals for employees and representatives of contractors, a limit on the number of people in the same room (including control panels of power plants); the temperature of all employees, including those working remotely, is monitored daily; self-isolation is applied upon return from abroad; international business trips have been suspended until further notice, internal business trips are carried out strictly as necessary to ensure business continuity; participation in external events is suspended; remote work from home has been organized for all employees of the HQ and power plants, including operational and maintenance personnel, if there is no need to be at the workplace according to the profile of the position or business needs; rules for access of suppliers and external visitors to the company's territory have been developed and implemented.</p>
	<ul style="list-style-type: none"> Technical, industrial and environmental (6) 	<ul style="list-style-type: none"> The impact of emergency shutdowns on the main activity of the company - power generation Non-compliance with environmental regulations and accidental pollution Resource use and waste management 	Above average	<p>Conducting expert examinations and audit of equipment, performance monitoring, detailed analysis of the reasons for unavailability, determination of actions to mitigate the consequences of emergency shutdowns, timely and high-quality maintenance campaigns, as well as building of constructive relationships with authorities to timely resolve the issues that may arise.</p>
	<ul style="list-style-type: none"> Project/investment (4) 	<ul style="list-style-type: none"> Impact on the budget Duration/terms of the investment project Quality of equipment and service Land ownership and land use 	Above average	<p>Monitoring of actual costs and project implementation schedule, hedging of the currency component of costs. Interaction with administrative structures and landowners for the acquisition, lease of land for investment projects.</p>
Management and corporate culture	<ul style="list-style-type: none"> Reputational (10) 	<ul style="list-style-type: none"> Loss of business reputation and the occurrence of losses due to unfavorable perception of the company's image through traditional media and social networks Interaction with local communities, including the formation of a negative attitude towards the company due to insufficient information transparency, ignoring the impact of the company's operational activities on the local context 	Average	<p>Publication of articles reflecting the company's activities, media monitoring, constant dialogue with representatives of local administrations and the population, prompt response to incoming requests/complaints/suggestions.</p>

Digital technologies	<ul style="list-style-type: none"> Information security (7) 	<ul style="list-style-type: none"> The impact of failures in the information system on the daily activities of the company Loss of personal and confidential data Lack of access to the technical and banking system, as well as to the general data system 	Low	Restriction of access (administratively and physically), regular inspections. Antivirus software, detailed investigation of unauthorized access attempts.
Compliance	<ul style="list-style-type: none"> Legal (9) 	<ul style="list-style-type: none"> Litigation, including due to non-fulfillment of obligations by suppliers The impact of sanctions on the company's core business 	Average	Legal protection, including collection of overdue receivables, monitoring of court proceedings.
	<ul style="list-style-type: none"> Social (11) 	<ul style="list-style-type: none"> Human rights violations, rejection of company values Stakeholders management (with communities) Operational impact on communities 	Low	Conducting regular social events aimed at supporting employees, active interaction with regional authorities. Risk analysis at the stage of selecting suppliers, bidding and concluding contracts. In agreements with suppliers, a clause has been introduced concerning compliance with human rights, environmental protection, health and safety requirements.

* The key risk indicators are identified for risks included in the groups described. Control of these indicators allows timely identification of negative trends and taking level of the company.



The company adheres to a conservative risk management policy. In its activities, the company uses a policy aimed at minimizing any risks arising from the implementation of its core business through insurance, compliance with applicable laws, diversity and diverse development of activities, etc.

Corporate Governance

Dear shareholders,

In 2021, the company demonstrated a high level of corporate governance: the share of recommendations of the Corporate Governance Code fully or partially complied with in the reporting year was 94%. A slight decrease in the number of recommendations of the Corporate Governance Code complied with is primarily due to the election of a smaller number of independent directors to the Board of Directors than in the previous year, as well as a change in the methodology for assessing compliance with the recommendations of the Corporate Governance Code. The Board of Directors (11 members) formed in June 2021 included 3 independent directors. The Board of Directors and all the Committees of the Board of Directors were headed by independent directors, while the Audit and Corporate Governance Committee, the HR and Remuneration Committee, and the Related Party Transactions Committee consisted entirely of independent directors.

The company does not stop there and continues to develop corporate governance. This is confirmed by the fact that, based on the results of an external assessment of the effectiveness of the Board of Directors for 2020, a plan to improve its effectiveness was approved. In the reporting year, the company adopted a number of basic documents: Regulation on Preparation and Holding of General Shareholders' Meeting, Dividend Policy Regulation, Induction on-boarding program for Newly Elected Members of the Board of Directors and Regulation on the Insider Information. Due to changes in laws, the List of the company's Insider Information was updated twice during the year. In order to prevent violations of the new provisions of the laws regarding disclosure of information, relevant memos and presentations were sent to the company's units involved in this process, and oral consultations were carried out.

The company is improving beyond the assessment of compliance with the recommendations of the Corporate Governance Code. So, in 2021, development was initiated, and in 2022, the Profile of the Board of Directors was approved and published on the company's website. The Profile describes which composition of the Board of Directors corresponds to the company's activities and strategy and contains recommendations to the company's shareholders on the combination of knowledge, experience, skills and personal qualities of candidates for members of the Board of Directors. Publication of the Profile of the Board of Directors is intended to facilitate the nomination by shareholders of a larger number of independent

directors, as well as the formation of the composition of the Board of Directors that best corresponds to the company's activities and strategy.

We are pleased to note that our efforts to improve corporate governance produce results. For example, in 2020, shareholders were given the opportunity to use electronic voting for the first time. Already 2021 has shown that this option is in demand, as the number of participants in the General Meeting who voted electronically has sharply increased. In the reporting year, the company entered the top 10 leaders for the third time in terms of completeness and quality of disclosed information on the principles of corporate governance observed.¹⁸ Another evidence of the high level of information disclosure quality was winning the competition held by the Moscow Stock Exchange - our annual report was recognized as the best report of a company with a capitalization of up to 40 bln rubles.

Our main tasks for 2022 are still to follow the best standards of corporate governance and ensure a high level of information transparency.

Zhanna Sedova
Corporate Secretary
Head of Legal and Corporate Affairs

Corporate Governance System

PJSC Enel Russia strives to comply with the best national corporate governance practices. Our purpose is to create the most transparent and efficient corporate governance system to increase investment attractiveness of the company.

Corporate governance in PJSC Enel Russia:

- is built in accordance with the requirements of the laws of the Russian Federation and the Listing Rules of PJSC Moscow Stock Exchange;
- focuses on the best national practices;
- follows the recommendations of the Corporate Governance Code recommended by the Bank of Russia¹⁹.

The main internal documents regulating corporate governance are:

 <p>Charter https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf</p>	 <p>Regulations on Preparation and Holding of General Shareholders' Meeting https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/GSM_Regulation.pdf</p>	 <p>Rules of Procedure for Convention and Holding of Meetings of Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/2020_Rules_of_Procedure_for_Convention_and_Holding_of_Meetings_of_Board_of_Directors.pdf</p>	 <p>Organizational Regulation on Committees of the Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Committees_regulation.pdf</p>	 <p>Regulation on the Executive Board https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/2020_Regulation_on_the_Executive_Board.pdf</p>
 <p>Regulation on Corporate Secretary https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Regulation_on_Corporate_Secretary.pdf</p>	 <p>Regulation of internal audit department https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Regulation_of_internal_audit_department.pdf</p>	 <p>Corporate Governance Guidelines (memorandum of the controlling person)</p>	 <p>Profile of the Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Profile.pdf</p>	

¹⁸ According to the results of the study "National Corporate Governance Index" published at http://cgindex.ru/wp-content/uploads/2021/12/National-CG-Index-2021.pdf?fbclid=IwAR1z mhFs4E15sry0ieatc7IDXj522iQjeBYh_UjzlpWb5AustDWRb1gvmMQ

¹⁹ The Corporate Governance Code recommended by Letter of the Bank of Russia No.06-52/2463 dated April 10, 2014 for application by joint-stock companies whose securities are admitted to organized trading.

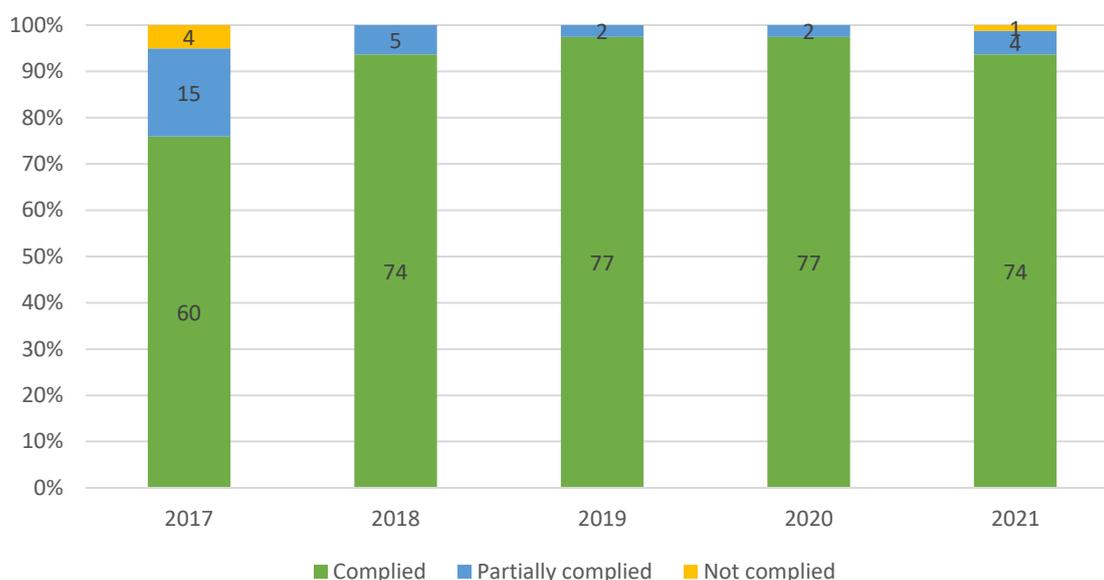
Regulation for Corporate Secretary of PJSC Enel Russia.pdf	ulation of Internal Audit Department.pdf	https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Corporate_Governance_Guidelines_ENG.pdf		
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Improvement of Corporate Governance

For the last years the company achieved significant results for implementation of best standards of corporate governance contained in the Corporate Governance Code.

According to the results of the annual "National Corporate Governance Index" survey conducted by the TopCompetence Corporate Development Center with participation of the Moscow Exchange and the Center for System Transformations of the Faculty of Economics of Lomonosov Moscow State University, in 2021, the company for the third time entered the top-10 leaders in completeness and quality of disclosed information about the observed principles of corporate governance²⁰.

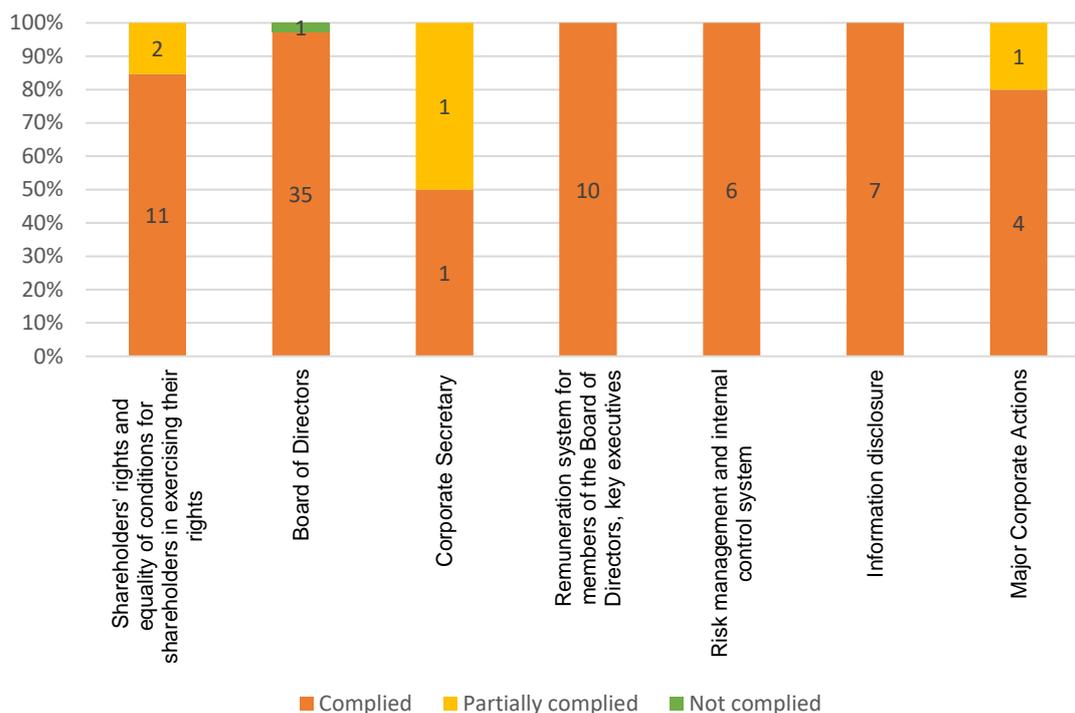
Dynamics of implementation of recommendations of the Corporate Governance Code in 2017-2021²¹



Compliance with recommendations of the Corporate Governance Code in the areas in 2021

²⁰ The survey results can be found on the Internet at http://cgindex.ru/wp-content/uploads/2021/12/National-CG-Index-2021.pdf?fbclid=IwAR1zmfFs4EI5sry0ieatc7IDXj522iQjeBYh_UjzlpWb5AustDWRb1qvbMQ.

²¹ The company's compliance with the recommendations of the Corporate Governance Code in 2017-2020 was assessed in accordance with Letter of the Central Bank of the Russian Federation No. IH-06-52/8 "On disclosure in the annual report of the public joint stock company of a report on compliance with the principles and recommendations of the Corporate Governance Code" dated February 17, 2016. The principle specified in cl. 4.2.2. of the report on compliance with the principles and recommendations of the Corporate Governance Code concerning long-term ownership of shares by members of the Board of Directors is not applicable to PJSC Enel Russia, but was taken into account in the company's compliance. Without taking into account this recommendation, PJSC Enel Russia in 2021 met 73 recommendations.



In 2021, the company continued to follow a significant number of recommendations of the Corporate Governance Code. Decrease in the number of recommendations of the Corporate Governance Code observed is due, in primarily, to the election of a smaller number of independent directors to the Board of Directors, as well as to a change in the methodology of assessment of the company's compliance with the recommendations of the Corporate Governance Code. The company's compliance with the recommendations of the Corporate Governance Code in 2021 was assessed in accordance with Letter of the Bank of Russia No. IH-06-28/102 "On disclosure in the annual report of the public joint stock company of a report on compliance with the principles and recommendations of the Corporate Governance Code" dated December 27, 2021.

Detailed report on compliance with principles and recommendations of the Corporate Governance Code is given in the section "Report on compliance with the Corporate Governance Code recommendations by the company".

The company plans to continue maintaining high level of compliance with the recommendations of the Corporate Governance Code.

Development of corporate governance practice in 2017-2021

2017	<p>The Charter establishes the key role of the Board of Directors in preventing, identifying and resolving internal conflicts; sets out a list of significant corporate actions; introduces a provision according to which decisions at a meeting of the Board of Directors are made by a majority vote of all elected members of the Board of Directors.</p> <p>Related Party Transaction Committee has been established.</p> <p>The Rules of Procedure for Convention and Holding of Meetings of Board of Directors describes the procedure for familiarization events for newly elected members of the Board of Directors.</p> <p>The risk management policy has been approved.</p>
2018	<p>More than 1/3 of the Board of Directors and the Chairmen of all Committees are independent directors.</p> <p>Absence of quasi-treasury shares.</p> <p>Providing the General Shareholders' Meeting with the opinion of the Board of Directors on the independence of all candidates.</p>

	<p>The Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees has been approved.</p> <p>The Regulation on the Information Policy, developed taking into account the recommendations of the Corporate Governance Code of the Bank of Russia, has been approved.</p>
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2019	<p>The Audit and Corporate Governance Committee and the HR and Remuneration Committee consisted exclusively of independent directors.</p> <p>The memorandum of the controlling person - the Corporate Governance Guidelines of Enel Group was published on the company's website.</p>
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2020	<p>For the first time, shareholders have been given the opportunity to vote by electronic ballot.</p> <p>The new version of the Regulation on the Information Policy contains an expanded list of information disclosed by the company on a voluntary basis.</p> <p>An independent director became the Chairman of the Board of Directors.</p> <p>For the first time, the Long Term Incentive Plan for members of executive bodies and other key managers has included a provision on payment of part of the bonus by shares of the company.</p>
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2021	<p>The company continues to work on improving corporate governance within the previously observed recommendations of the Corporate Governance Code:</p> <ul style="list-style-type: none"> • the new version of the Regulations on Preparation and Holding of General Shareholders' Meeting sets out a number of provisions related to proposals for nominating candidates, notices of will, electronic voting ballots. • the new Dividend Policy Regulation has been approved, it sets out the circumstances under which the company should not make a decision on payment of dividends. • the Induction on-boarding program for newly elected members of the Board of Directors developed in accordance with the best practices of corporate governance has been approved. • the Regulation on insider information has been approved in a new version. The new Regulation on insider information has changed the list of persons who are classified as the company's insiders; it set out the obligation of a member of the Board of Directors to send a notification to the company Board of Directors about its transactions with the company's financial instruments; has established a restrictive period during which it is recommended to refrain from performing transactions with the company's financial instruments. • based on the results of an external evaluation the Board of Directors approved an action plan to improve the effectiveness of the Board of Directors.
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In 2021, the development of the Profile of the Board of Directors was initiated. The profile was approved by the Board of Directors in 2022 and published on the company's website before the deadline for accepting shareholder proposals on the agenda of the General Shareholders' Meeting. Publication of the Profile of the Board of Directors is intended to facilitate the nomination by shareholders of a larger number of independent directors, as well as the formation of the composition of the Board of Directors that best corresponds to the company's activities and strategy.

Shares of PJSC Enel Russia are admitted to organized trading in the quotation list of the First (highest) level that means compliance with the increased requirements for the quality of corporate governance of the company. The recommendations of the Corporate Governance Code are listed below, they are observed by the company, including the corporate governance requirements established by PJSC Moscow Exchange:

- Board of Directors was formed, consisting of at least three independent directors;
- Audit and Corporate Governance Committee, as well as HR and Remuneration Committee are headed by independent directors;
- Corporate Secretary is accountable to the Board of Directors;

- Dividend policy in place;
- Head of the internal audit unit was functionally accountable to the company's Board of Directors, and administratively to the General Director.

Features of the corporate governance model

Enel Russia is one of the largest Russian public companies, the number of shareholders of which exceeds 310 thousand.

Enel Russia is a company, the main shareholder and owner of 56.43% of the ordinary shares of which is Enel S.p.A. (hereinafter - Enel). In addition, the company's freefloat calculated according to the Moscow Exchange methodology, as of December 31, 2021 was 31%.

The Corporate Governance Guidelines of Enel Group (memorandum of the controlling person) are based on the following principles:

- The objective of the companies of Enel Group is to implement effective management of Enel Group as a whole, while ensuring fair treatment of public and private interested parties of Enel Group;
- Enel and its subsidiaries undertake to identify, prevent and resolve properly conflicts of interest between the companies of Enel Group, as well as between the companies of Enel Group and their directors, managers, officials and other related persons;
- Subsidiaries of Enel undertake to recognize the stance of Enel in the proper coordination of strategies and the Corporate Governance Guidelines of Enel Group, provided that Enel recognizes independent decision-making by subsidiaries of Enel;
- Companies of Enel Group undertake to organize an information flow system corresponding to the purposes of planning, supervision, risk control, consolidation of financial statements and any other properly coordinated activities of business of Enel Group;
- Companies of Enel Group undertake to develop appropriate mechanisms that allow their governing bodies to control significant risks;
- Companies of Enel Group undertake to promote transparency and information in implementation of the above general principles.

The company Board of Directors, as well as all the Committees of the Board of Directors are headed by independent directors. The Audit and Corporate Governance Committee, the HR and Remuneration Committee, the Related Party Transactions Committee consist entirely of independent directors

Use of digital technologies in the corporate governance system

The company uses digital technologies at all levels of corporate governance.

To disclose information, the company uses both its own website and e-disclosure.

When the General Shareholders' Meetings are held, the possibility to vote by electronic ballot, express opinion and send questions via e-mail, WhatsApp, as well as using a special form posted on the company's website is provided.

For the Board of Directors, the company uses Microsoft Teams platform and BoardMaps digital system, the information space of which provides document and event management of the Board of Directors. All newly elected and current members of the Board of Directors receive appropriate training as needed and use online consultations on any emerging issues and potential needs.

Improvement of the level of knowledge and mastery of digital technologies for the company's management was carried out within the Digital days (see for more details in section " Digital technologies and information security"), thematic and personal online consultations. In particular, the operational meetings of business areas and the General Director have been fully digitized with preliminary and subsequent demonstrations of functions and innovations of the technologies used. The format of Digital days for development of the company's personnel and management at all levels has proven itself properly and subsequently its active use is planned.

Management bodies of the company

General Shareholders' Meeting

The supreme Management Body of PJSC Enel Russia - General Shareholders' Meeting.

The procedure for preparation and holding the General Shareholders' Meeting, and its competence are defined by the Federal Law On Joint Stock Companies, by-laws of the Bank of Russia, by the PJSC Enel Russia Charter, as well as by the Regulation on Preparation and Holding of General Shareholders' Meeting.



Charter
<https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf>



Regulations
on Preparation and Holding of General Shareholders' Meeting
https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/GSM_Regulation.pdf

In 2021, a new version of the Regulations on Preparation and Holding of General Shareholders' Meeting was approved, in addition to others, the following amendments were introduced into it:

- a norm is set out, according to which the proposal to nominate a candidate to the Board of Directors shall contain information about the consent of candidate for its nomination/election;
- the method of transmitting the candidate's consent to be nominated/elected to the Board of Directors has been determined in case when the proposal to nominate a candidate is sent by means of a message about the expression of will;
- the recommendation of the Corporate Governance Code is set out, according to which the presence of insignificant shortcomings in the shareholder's proposal is not a reason for refusing to include the item on the agenda, and the candidate - in the list of candidates for election;
- the order of individual actions is specified in connection with sending a message about the expression of will, as well as filling in an electronic voting ballots;
- provisions of the Regulations are adjusted in accordance with provisions of applicable laws.

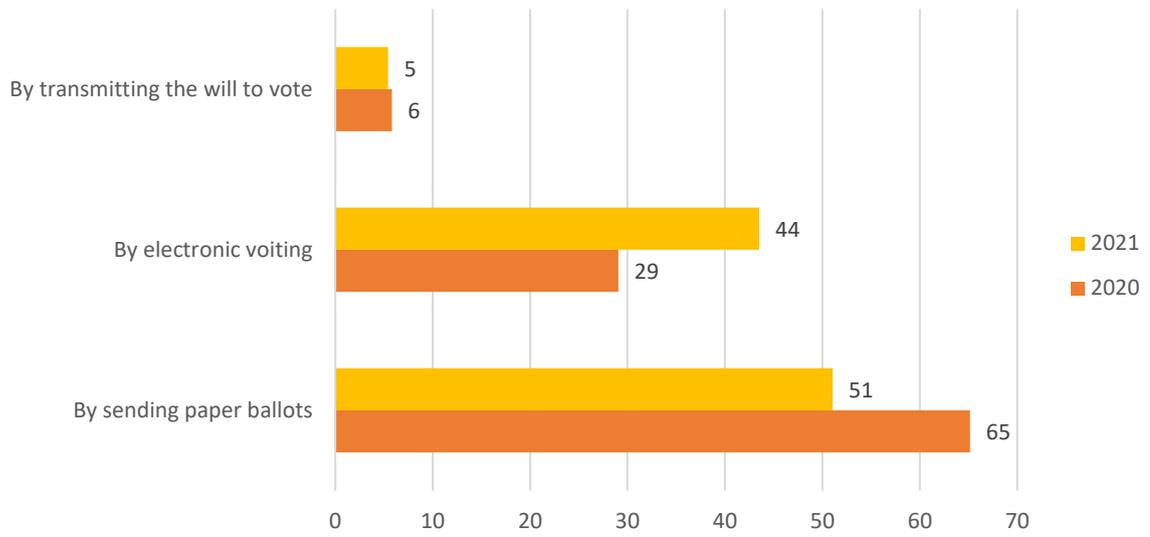
At the time of the decision to convene the General Shareholders' Meeting in 2021 in those towns/cities in which, in accordance with the company's Charter, a meeting can be held (namely in Moscow, Yekaterinburg, Konakovo, Nevinnomyssk, Sredneuralsk and Asbest) for citizens over the age of 65 years, as well as citizens with chronic diseases, a need not to leave the place of residence (stay) was kept. In order to comply with safety measures in connection with the COVID -19 pandemic, as well as in accordance with the amendments introduced into the laws of the Russian Federation, it was decided to hold the Annual General Shareholders' Meeting in absentia form.

In addition, the company has taken all necessary measures to ensure that shareholders can freely exercise their right to vote, express opinions and ask questions, namely:

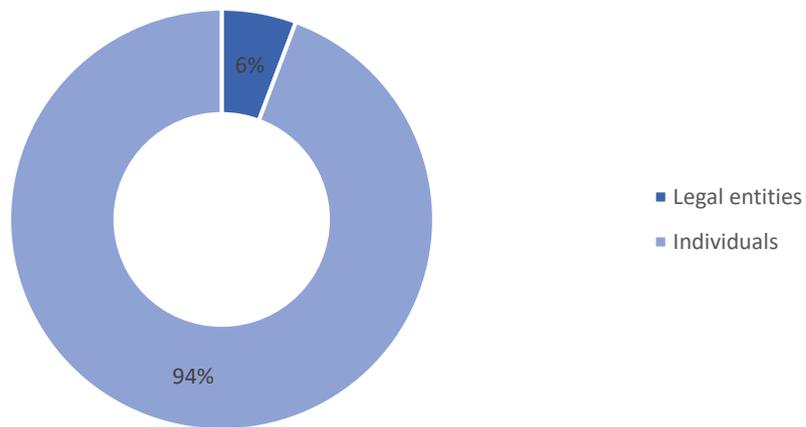
- as part of additional information to shareholders (in addition to the mandatory placement of materials for the meeting) on the company's website www.enelrussia.ru video messages on all items on the agenda, as well as an address by the Chairman of the Board of Directors (Chairman of the General Shareholders' Meeting) were published a week before the date of the General Shareholders' Meeting. Such advance posting allows shareholders to send questions, including those that arose after watching videos;
- shareholders could express their opinions and questions regarding the agenda, as well as ask questions to members of the Board of Directors, members of the Executive Board, General Director, key managers, Head of Accounting and Taxation - Head Accountant, company Auditor and Board of Directors candidates via e-mail, WhatsApp and by using a special form available on the company website;
- the company's employees immediately answered questions related to the meeting by phone;
- shareholders could participate in the General Meeting not only by sending filled in ballots, but also by electronic voting.

Number of shareholders using electronic voting has increased compared to 2020, when this method of voting became available for the first time.

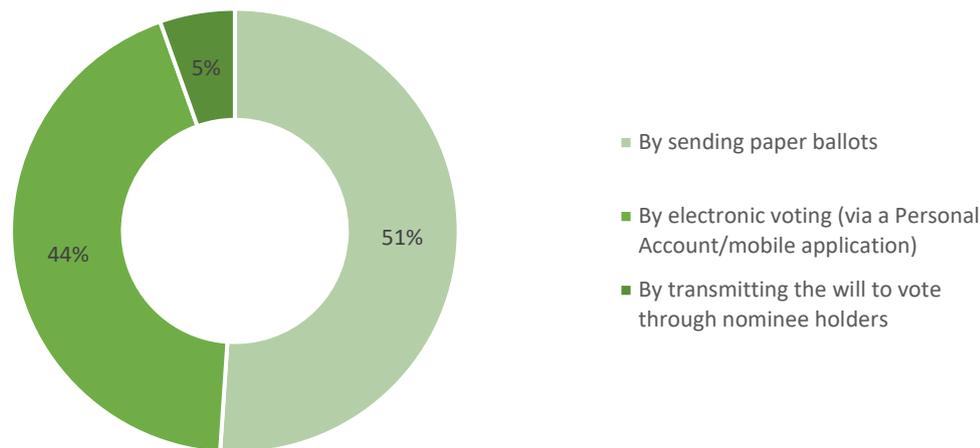
Methods of voting at annual general shareholders' meetings in 2020 and 2021, % of those who participated



Composition of persons who participated in the Annual General Shareholders' Meeting in 2021



Methods of voting at the Annual General Shareholders' Meeting in 2021



On June 8, 2021, the Annual General Shareholders' Meeting:

- adopted a decision on distribution of profit (including on payment (announcement) of dividends) of PJSC Enel Russia by the results of financial year 2020;
- elected the members of the Board of Directors of PJSC Enel Russia and approved the Auditor;
- approved the following documents: annual report of the company for 2020, annual accounting (financial) statements for 2020, Regulation on Preparation and Holding of General Shareholders' Meeting in a new version;
- gave consent for entering into the Directors and Officers liability insurance contracts as related party transactions.

Board of Directors of the company

The Board of Directors of PJSC Enel Russia carries out general management of the company.

The competence of the Board of Directors, the procedure for its activities, the rights and obligations of its members are defined by the Federal Law on Joint Stock Companies, the Charter, Rules of Procedure for Convention and Holding of Meetings of PJSC Enel Russia Board of Directors.

 <p>Charter https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf</p>	 <p>Rules of Procedure for Convention and Holding of Meetings of Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/2020_Rules_of_Procedure_for_Convention_and_Holding_of_Meetings_of_Board_of_Directors.pdf</p>	 <p>Profile of the Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Profile.pdf</p>
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Objectives and tasks of the Board of Directors

- Determination of the company's development strategy aimed at increasing market capitalization and investment attractiveness, achieving maximum profit and increasing assets
- Ensuring the exercise and protection of rights and legitimate interests of the company's shareholders, as well as facilitating the resolution of corporate conflicts
- Ensuring the completeness, reliability, and objectivity of disclosure of information about the company for shareholders and other stakeholders

Creation of effective internal control mechanisms

Regular assessment of the activities of the company's executive bodies and the work of management

The company's Board of Directors consists of 11 members. Members of the Board of Directors are elected annually by cumulative voting for a term until the next Annual General Shareholders' Meeting (or until an extraordinary General Shareholders' Meeting to which the issue of electing the Board of Directors has been submitted).

In order to elect a balanced composition of the Board of Directors, shareholders at the Annual General Meeting are provided with detailed information about candidates to the Board of Directors, including their education and work experience, as well as an assessment of the independence of candidates to the Board of Directors, an assessment of candidates to the Board of Directors in terms of whether they have the necessary experience, knowledge, business reputation and recommendations of the Board of Directors on the election of a sufficient number of independent directors in order for the company to comply with the Listing Rules of the Moscow Exchange and the recommendations of the Corporate Governance Code²², as well as information about the shareholders who nominated each of the candidates.

At the beginning of 2022 the company's Board of Directors recommended that shareholders nominate candidates to the Board of Directors in accordance with the Profile of the Board of Directors. In addition to the mandatory requirements for members of the Board of Directors, the Profile contains a list of criteria that are recommended to be met by members of the Board of Directors.

Profile recommendations to the composition of the Board of Directors:

The desired total number of independent directors is four

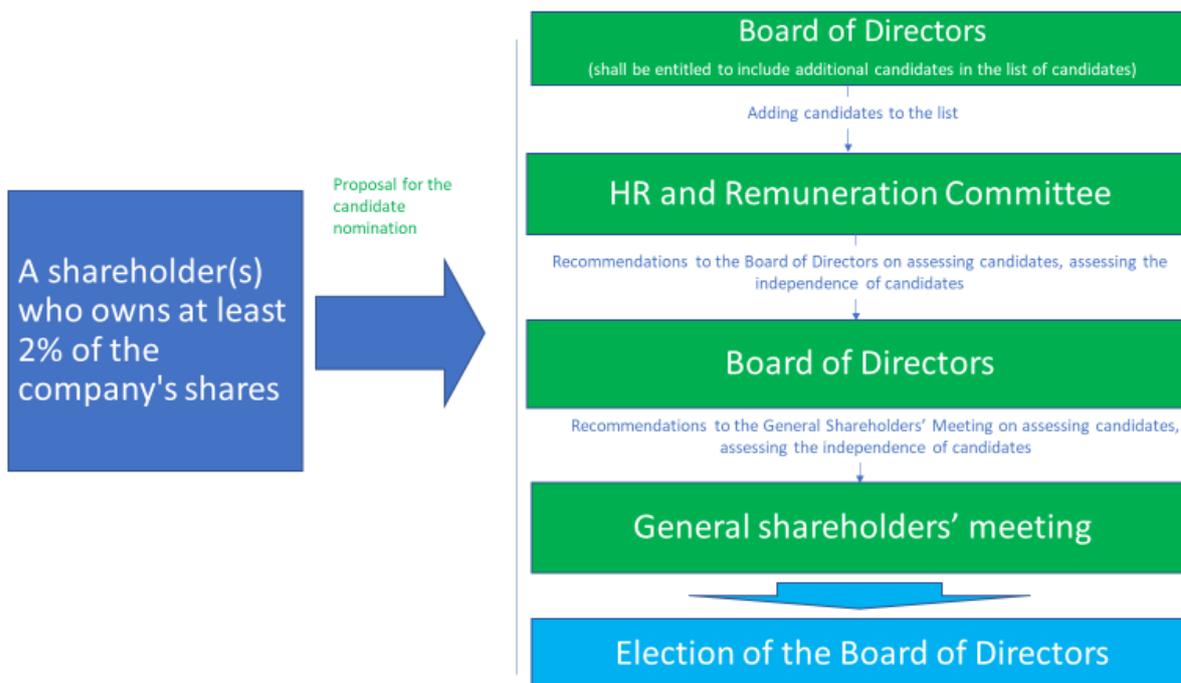
The combined expertise, experience, skills and personal qualities of the Directors enable the Board to carry out its duties, including positioning the company for the future with a view to long-term sustainable value creation

Directors are able to think critically and act independently of one another, as well as of the Executive Board and any particular interests

Backgrounds, skills, approaches, and personalities of the Directors are complementary and diverse, making the Board greater than the sum of its individual members

Process of electing the Board of Directors

²² Relevant materials for the General Shareholders' Meeting can be found on the company's website <https://www.enelrussia.ru>, in the "Investors" section, on the "General Shareholders' Meeting" page.



Meetings of the Board of Directors are held in accordance with the approved Work Plan of the Board of Directors, as well as when it is necessary, but at least once a quarter (in practice - monthly). The Work Plan of the Board of Directors is formed on the basis of proposals from the Chairman and members of the Board of Directors, the General Director, members of the Executive Board and the company's Auditor. The Rules of Procedure for Convention and Holding of Meetings of the Board of Directors establish a list of issues that are usually considered in praesentia or in praesentia/absentia form. A significant part of the issues submitted for consideration by the Board of Directors are previously considered by the Committees of the Board of Directors in accordance with their competence.

Induction

After election of new members of the Board of Directors, the Corporate Secretary sends information to the newly elected members of the Board of Directors regarding the company's strategy, corporate governance system, risk management and internal control system, distribution of responsibilities between the executive bodies of the company and other relevant information about its activities. In 2021, the induction program was implemented for the newly elected members of the Board of Directors Giuseppe Luzzio, Lea Tarchioni, Giuseppe Ferrara, Anatoly Alexandrovich Braverman, Flaminia Ceribelli.

In November 2021, the Board of Directors approved the Induction on-boarding program for newly elected directors of PJSC Enel Russia. The program is developed in accordance with the best practices of corporate governance to ensure effective work of the Board of Directors and includes the following introductory sessions: meeting with the company's management, familiarization by the newly elected members of the Board of Directors with the company documents, providing access to digital solutions for members of the Board of Directors, consultations with the Secretary of the company Board of Directors.

Conflict of Interest

A member of the Board of Directors shall notify the Board of Directors if he/she has a conflict of interest in relation to any item on the agenda of the meeting of the Board of Directors prior to the discussion of the relevant item on the agenda. At the same time, the Chairman of the Board of Directors shall refrain from voting on items on the agenda in respect of which he/she has a conflict of interests (e.g. the election of the Chairman of the Board of Directors, his/her Deputy, the Committees of the Board of Directors is carried out by members of the Board of Directors that are not nominated for these positions). In 2021, candidates for the listed positions followed this recommendation, no other cases of conflict of interest were identified.

In addition, a member of the Board of Directors shall inform the Board of Directors of its intention to join the management bodies of other entities, of the fact of such appointment, as well as of the loss of independent status, by sending a corresponding notification to the Chairman of the Board of Directors.

Members of the Board of Directors also shall inform the company of their interest in making transactions in accordance with the laws of the Russian Federation.

Composition of the Board of Directors

In 2021 there were two members of the Board of Directors - the composition elected on June 19, 2020, and composition elected on June 08, 2021.

Composition of the Board of Directors

Board of Directors of PJSC Enel Russia elected on 19.06.2020	Board of Directors of PJSC Enel Russia elected on 08.06.2021
1. Giorgio Callegari (independent)	1. Giorgio Callegari (independent)
2. Simone Mori	2. Simone Mori
3. Andrea Guaccero (independent)	3. Anatoly Alexandrovich Braverman
4. Maria Antonietta Giannelli	4. Andrea Guaccero (independent)
5. Vitaly Yurievich Zarkhin (independent)	5. Maria Antonietta Giannelli
6. Denis Mosolov (independent)	6. Giuseppe Luzzio
7. Luca Noviello	7. Andrea Palazzolo (independent)
8. Andrea Palazzolo (independent)	8. Laurent Souvion
9. Giancarlo Pescini	9. Lea Tarchioni
10. Tagir Alievich Sitdekov	10. Giuseppe Ferrara
11. Laurent Souvion	11. Flaminia Ceribelli

Independent Members of the Board of Directors

The results of the independence assessment of candidates for members of the Board of Directors are provided to shareholders as part of materials for the General Shareholders' Meeting. The Board of Directors elected on June 8, 2021 included three independent directors: Andrea Guaccero, Giorgio Callegari, Andrea Palazzolo.

Independent Director Giorgio Callegari heads the company's Board of Directors. The Chairmen of all Committees of the Board of Directors are also independent directors.

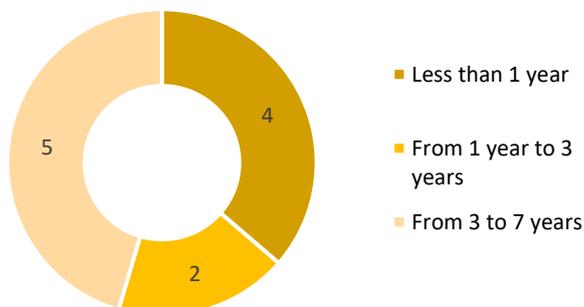
In 2022, as part of the Director of the Year National Award, Giorgio Callegari entered the ranking of the "25 best Chairmen of the Board of Directors", and Andrea Guaccero - "50 best independent directors".²³

Compliance of the Board of Directors with the best practices

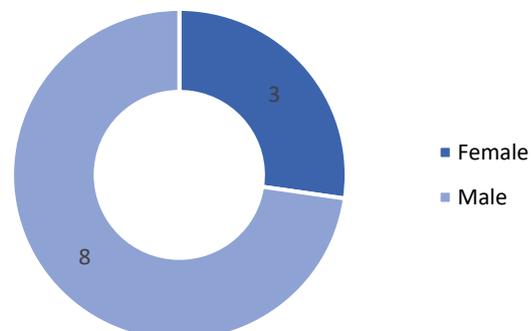
Requirements for corporate governance to include shares in the First Level (Listing rules of PJSC Moscow Exchange)	The number of independent directors shall be at least one fifth of the Board of Directors and cannot be less than three	Three out of 11 members of the Board of Directors are independent that meets the requirements of the listing of the Moscow Exchange, but does not comply with the recommendations of the Corporate Governance Code.
Corporate Governance Code	Independent directors are at least one third of the elected Board of Directors	
	The Chairman of the Board of Directors is an independent director	The Board of Directors is headed by independent Director Giorgio Callegari

²³ The results of the rating can be found at the link <https://nand.ru/professional-information/ratings/rating-2021/>

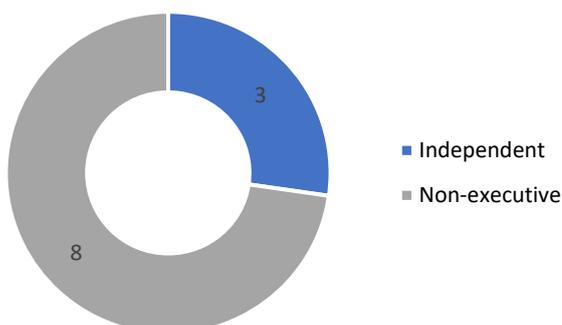
Term to service on the Company's Board of Directors



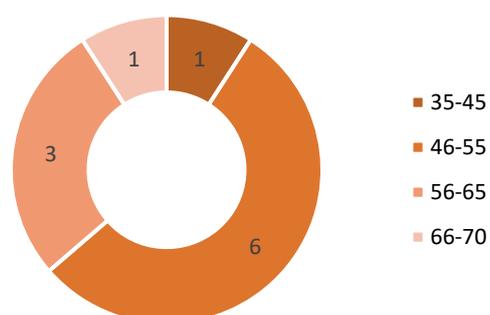
Gender composition



Status



Age



Information about members of the company Board of Directors²⁴

Giorgio Callegari Chairman of the Board of Directors Chairman of the Related Party Transaction Committee Chairman of the Strategy Committee Member of the Audit and Corporate governance Committee Member of the HR and Remuneration Committee	
Corporative status	Independent director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2018, he was Senior independent director in 2018-2020, he is currently a member of the company's Board of Directors
Born	1959
Citizenship	Italy
Education	Polytechnical Institute in Torino, Degree in Mining Engineering

²⁴ The information is specified as of March 2022. More detailed information about the members of the Board of Directors is included in the issuer's quarterly reports in Russian, posted on the company's website <https://www.enelrussia.ru/ru/investors/a201612-quarterly-reports.html>.

Work experience over the last 5 years	<p>2020 – present - member of the Auditing Commission of Association of the European Businesses</p> <p>2020 - present - member of the Board of Directors of Skolkovo Ventures</p> <p>2020 – present - Independent member of the Board of Directors, Deputy Chairman of the Board of Directors, Head of the Strategy and Transformation Committee, Head of the Personnel and Appointment Committee under the Board of Directors of Volga-Dnepr Logistics B.V</p> <p>2020-present - Honorary Consul of the Italian Republic in the city of Kaliningrad</p> <p>2018-present – CEO and Chairman of LLC Generali Russia and CIS</p> <p>2013-present –member of the Board of Directors of Ingosstrakh</p> <p>2018-2019 – CEO of LLC Insurance Brokers Generali Russia and CIS</p> <p>2017-2018 – member of the Board of Directors of JSC "Aeromar"</p> <p>2016-2018 – Council at Sita</p> <p>2014-2018 – member of the Board of Directors of Pobeda Airlines LLC</p> <p>2011-2018 – deputy CEO Strategy and Alliances of PJSC Aeroflot</p>
Ownership on shares	<p>He has no share in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021</p> <p>No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)</p>

Anatoly Alexandrovich Braverman	
Member of the Strategy Committee	
Corporative status	Non-executive director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2021, he is currently a member of the company's Board of Directors
Born	1985
Citizenship	The Russian Federation
Education	Russian State University High School of Economics, bachelor degree in Economy and a degree in Finance and Credit, University of London, degree in Economy and Management,
Work experience over the last 5 years	<p>2015 - present - First Deputy General Director and a member of the Executive Board of JSC «Managing company of The Russian Fund of the Direct Investments»</p> <p>2012 - present - member of the Executive Board of JSC «Managing company of The Russian Fund of the Direct Investments»</p> <p>2021 - present - general Co-director RCIF Asset Management Ltd</p> <p>2021 - present – member of the Board of Directors at Northern Capital Gateway LLC</p> <p>2021 - present – member of the Board of Directors JSC «Terminal Vladivostok»</p> <p>2021 - present – member of the Supervisory Board at Autonomous non-profit organization «Digital Economy»</p> <p>2021 - present - member of the Board of Directors at JSC «Russian Venture Company»</p> <p>2021- present - member of the Board of Directors at Aliexpress Russia holding PTE.LTD.</p> <p>2020- present – director at RCTIF General Partner Limited</p> <p>2020 - present director at RCTIF Investment Advisor Limited</p> <p>2020 – present - member of the Supervisory Board at Industrial Development Fund</p> <p>2018 - present - member of the Supervisory Board at PJSC Sovcombank</p> <p>2013- present - member of the Board of Directors at RCIF Partners GP Ltd</p> <p>2013 - present – director at RCIF Asset Management Ltd</p> <p>2017 – 2018 - member of the Board of Directors at PJSC «Moscow Exchange»</p> <p>2017- 2018 - member of the Board of Directors at HYPERLOOP TECHNOLOGIES, INC</p> <p>2013 – 2018 - member of the Board of Directors at LLC «Infrastrukturnye sputnikovye sistemy»</p> <p>2012- 2017 – director at Causie Investments Ltd</p>

Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)
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Andrea Guaccero Chairman of the HR and Remuneration Committee Member of the Audit and Corporate Governance Committee Member of the Related Party Transaction Committee	
Corporative Status	Independent Director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2018, he is currently a member of the company's Board of Directors
Born	1970
Citizenship	Italy
Education	He graduated with honors from the Law School of the University La Sapienza in Rome and holds a Ph.D. in Public Law of Economy from the University La Sapienza in Rome
Work experience over the last 5 years	2017-present – member of the Board of Directors of Marzotto S.p.A. 2007-present – full Professor of Law in University Roma Tre, Rome Lawyer 2019-2020 – member of the Surveillance Committee in Banca Carige S.p.A. in extraordinary administration (appointment by the European Central Bank)
Ownership on shares	He has no shares in the charter capital/ ordinary shares of company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Giannelli Maria Antonietta Member of the Strategy Committee	
Corporative Status	Non-executive director
Membership of the Board of Directors	She was first elected to the Board of Directors of PJSC Enel Russia in 2018, she is currently a member of the company's Board of Directors
Born	1973
Citizenship	Italy
Education	University of Lecce, graduation in Economics and Finance LUISS Guido Carli, MBA.
Work experience over the last 5 years	2021 – present – member of the Board of Directors at Enel Generacion Chile, S.A 2019-present – member of Supervisory Board of Slovenske Elektrarne AS 2013-present – Mergers & Acquisitions Senior Project Manager in Administration, Finance and Control Department of Enel S.p.A.
Ownership on shares	She has no shares in the charter capital/ ordinary shares of the company. She made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Giuseppe Luzzio	
Corporative Status	Non-executive director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2015, he was the company's Board of Directors in 2015-2018 and he is currently a member of the company's Board of Directors since 2021
Born	1954
Citizenship	Italy
Education	MS Mechanical Engineering, University of Pisa, 1979 Master Energy Efficiency and Renewables, Finmeccanica School, 1981 Sloan School of Management Executive Program, Massachusetts Institute of Technology, Boston, 1991

	Energy Services Executive Program, School of Business Administration, University of Michigan, Detroit, 1995
Work experience over the last 5 years	2014 - present- First Deputy General Director at “Rusenergosbyt” LLC 2014 - present - member of the Board of Directors at Rusenergosbyt Siberia LLC 2014 - present - Head of Market - Country Russia at Enel S.p.A.
Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Simone Mori Deputy Chairman of the Board of Directors Member of the Strategy Committee	
Corporative status	Non-executive Director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2019, he is currently a member of the company’s Board of Directors
Born	1964
Citizenship	Italy
Education	Parma University, degree in physics LUISS Guido Carli, MBA degree
Work experience over the last 5 years	2020-present – Head of Europe in Enel S.p.A. 2020 – present - member of the Governing Council and of the General Board of Elettricità Futura 2019 – 2021 - member of the General Board of Confindustria 2018-2020 – Head of Europe and Euro-Mediterranean Affairs in Enel S.p.A. 2017-present – member of the Board of Directors of Bruegel 2017- present – member of the Board of Directors of CERRE 2017-present –member of Europe Technical Committee of Confindustria 2016-2020 – president at Elettricità Futura 2014-2018 –Head of European Affairs at Enel S.p.A 2012-2018 non-resident fellow at German Marshall Fund of US
Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).

Andrea Palazzolo Chairman of the Audit and Corporate Governance Committee Member of the HR and Remuneration Committee Member of the Related Party Transaction Committee	
Corporative status	Independent director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2018, he is currently a member of the company’s Board of Directors
Born	1974
Citizenship	Italy
Education	He graduated with honors from Business Law School of LUISS Guido Carli.
Work experience over the last 5 years	2019-present – member of the Board of Directors of Sea Beach Immobiliare 2008-present –professor, Scientific Coordinator at LUISS University, Rome. 2008-present – lawyer at Studio Legale Palazzolo 2018-present – independent consultant, member of Legality, Transparency and Administrative Efficiency Committee in Sicily Region and Chairman of Supervisory Body of Law 231/2001 of Happy Games 2004-2016 –Trustee with power of attorney, Compliance Officer in Gruppo Maggiore
Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares

	In the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).
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Laurent Souviron	
Corporative Status	Non-executive director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2015. He was a member of the Board of Directors in 2015-2018, and he is currently a member of the company's Board of Directors since 2019
Born	1966
Citizenship	France
Education	Columbia University, bachelor's degree in operations research Columbia University, MBA
Work experience over the last 5 years	2016-present – member of the Board of Directors at ASTIR 2009-present – Partner at AGC Equity Partners Ltd 2012-2016 – member of the Board of Directors of Conformis
Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).

Lea Tarchioni	
Corporative Status	Non-executive director
Membership of the Board of Directors	She was first elected to the Board of Directors of PJSC Enel Russia in 2021 and she is currently a member of the company's Board of Directors
Born	1967
Citizenship	Italy
Education	University of Bari, degree in Electrotechnical Engineering
Work experience over the last 5 years	2021 - present - Head of Planning and organization at Enel S.p.A. 2019 – 2021 - member of the Board of Directors at Enel Servizio Elettrico S.p.A 2017 – 2021 - Head of HR and Organization Italy at Enel Italia S.p.A. 2016 – 2019 - member of the Board of Directors at Associazione ex alumni POLIBA 2014 – 2017 - Head of Procurement Italy at Enel Italia S.r.L 2014 – 2016 - member of the Board of Directors at Enel Produzione S.p.A.
Ownership on shares	She has no shares in the charter capital/ ordinary shares of the company. She made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).

Giuseppe Ferrara Member of the Strategy Committee	
Corporative Status	Non-executive director
Membership of the Board of Directors	He was first elected to the Board of Directors of PJSC Enel Russia in 2021 and he is currently a member of the company's Board of Directors
Born	1961
Citizenship	Italy
Education	University of Salerno with degree in Law
Work experience over the last 5 years	2020 - present - member of the Board of Directors at Enel Romania S.A 2019 - present - Head of Legal and Corporate Affairs Europe at Enel S.p.A. 2019 - present - member of the Supervisory Board at Slovenske Elektrarne AS. 2018 – 2019 - member of Prevention of corruption Compliance Body at E-distribuzione S.p.A. 2015 – 2019 Chairman of the Unbundling Compliance Body at E-distribuzione S.p.A. 2015 - 2017 - member of the Supervisory Body at E-distribuzione S.p.A. 2014 - 2019 - Head of Legal and Corporate Affairs at E-distribuzione S.p.A.

Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).
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Flaminia Ceribelli	
Corporative Status	Non-executive director
Membership of the Board of Directors	She was first elected to the Board of Directors of PJSC Enel Russia in 2021 and she is currently a member of the company's Board of Directors
Born	1966
Citizenship	Italy
Education	University of Rome "Sapienza" with degree in Law, Lawyer
Work experience over the last 5 years	2021- present – member of the Board of Directors at Ewiva S.r.l.(Enel Group) 2021 – present - member of the Board of Statutory Auditors of ASEM-Integrative Health Care Association for Energy and Multiservice Management 2019 – present – Member of European Womens Management Development-Delegazione Roma (no profit entity) 2019 - present – member of the Board of Directors at Enel Investment Holding B.V.2019 - present - Sole Director at Enel Holding Finance srl 2019 – present - Head of Group's Participation Legal and Corporate Affairs at Enel S.p.A. 2017 - 2020 - Head of Business Development and M&A Legal assistance at Enel X S.p.A. 2015 - 2017 Head of Holding and Global Business Lines Tax Affairs at Enel S.p.A.
Ownership on shares	She has no shares in the charter capital/ ordinary shares of the company. She made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola).

Information about members of the Board of Directors elected in 2020 and acting until the election of a new Board of Directors in 2021 is included in the annual report for 2020.



Annual report 2020

https://www.enelrussia.ru/content/dam/enel-russia/documents/en/investors/annual/Enel_Annual_report-2020-eng.pdf

Report on the Work of the Board of Directors

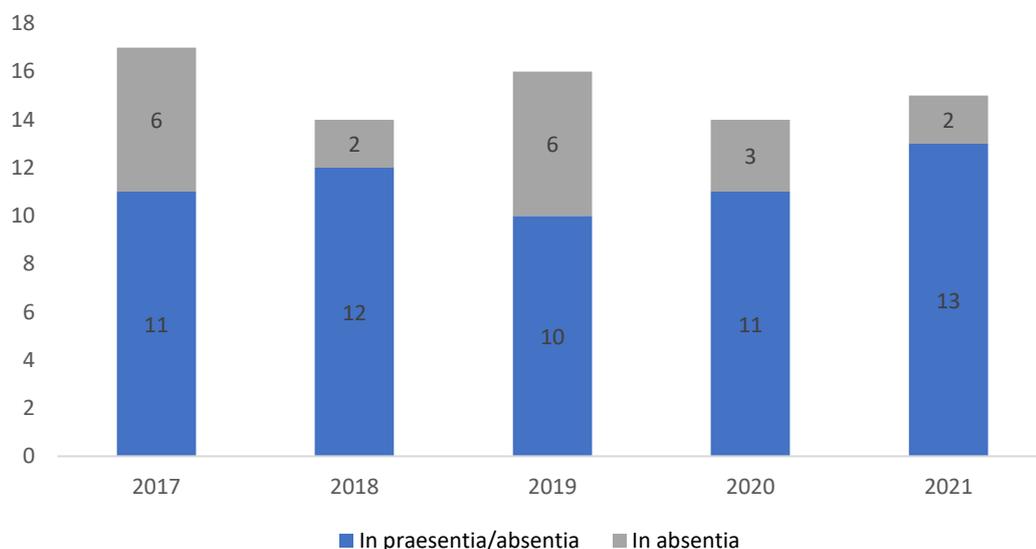
In 2021, 15 meetings of the Board of Directors were held, at which about 100 items were considered

Participation in meetings of the Board of Directors and Committees of the Board of Directors²⁵

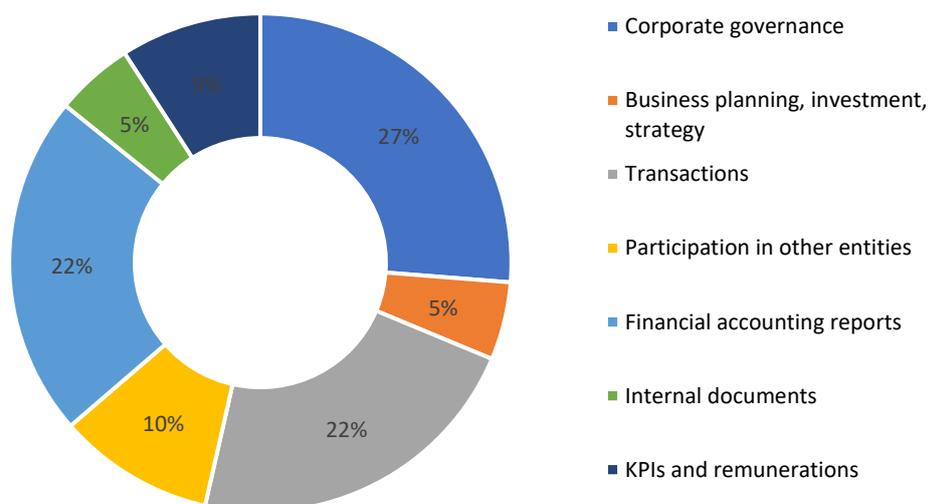
Member of the Board of Directors	Term of service on the Board of Directors	Status of a member of the Board of Directors	Nominated	Board of Directors	Audit and Corporate Governance Committee	HR and Remuneration Committee	Related Party Transactions Committee	Strategy Committee
Giorgio Callegari	06.2018-present	independent	Enel S.p.A.	15/15	5/5	5/5	12/12	9/9
Simone Mori	06.2019-present	non-executive	Enel S.p.A.	15/15	-	-	-	9/9
Anatoly Alexandrovich Braverman	06.2021-present	non-executive	RDIF Investment Management-8 LLC	7/7	-	-	-	6/6
Andrea Guaccero	06.2018-present	independent	Enel S.p.A.	15/15	14/14	11/11	12/12	-
Maria Antonietta Giannelli	06.2018-present	non-executive	Enel S.p.A.	15/15	-	-	-	9/9
Vitaly Yurievich Zarkhin	06.2019-06.2021	independent	The Russian Prosperity Fund	8/8	9/9	6/6	7/7	3/3
Giuseppe Luzzio	02.2015-06.2018 06.2021-present	non-executive	Enel S.p.A.	7/7	-	-	-	-
Denis Mosolov	06.2016 -06.2021	independent	PFR Partners Fund I Limited	8/8	-	-	-	3/3
Luca Noviello	06.2020-06.2021	non-executive	Enel S.p.A.	8/8	-	-	-	3/3
Andrea Palazzolo	06.2018-present	independent	Enel S.p.A.	15/15	14/14	11/11	12/12	-
Giancarlo Pescini	06.2019-06.2021	non-executive	Enel S.p.A.	8/8	-	-	-	-
Tagir Aliyevich Sitdekov	06.2012-06.2014 06.2015-06.2021	non-executive	PFR Partners Fund I Limited	8/8	-	-	-	-
Laurent Souviron	02.2015-06.2018 06.2019-present	non-executive	PFR Partners Fund I Limited	14/15	-	-	-	-
Lea Tarchioni	06.2021-present	non-executive	Enel S.p.A.	7/7	-	-	-	-
Giuseppe Ferrara	06.2021-present	non-executive	Enel S.p.A.	7/7	-	-	-	6/6
Flaminia Ceribelli	06.2021-present	non-executive	Enel S.p.A.	7/7	-	-	-	-

²⁵ The data in the "14/15" format means that a person could take part in 15 meetings, but actually took part in 14 meetings.

Number of meetings of the Board of Directors in 2017-2021



Structure of items considered by Board of Directors in 2021



The most important items considered in the reporting period

- on approval of the business plan and budget;
- on considering the strategy;
- on approval of consolidated financial statements in accordance with IFRS;
- on consideration of various transactions;
- on preparation and holding of the General Shareholders' Meetings as well as on evaluation of independence of candidates to the Board of Directors;
- on recommendations to a representative of the company regarding participation in general meetings of subsidiaries;
- on the practice of corporate governance and on the review of the risk management system.

The Board of Directors regularly reviewed the reports of the General Director on the company's work and reports of the Chairmen of the Committees of the Board of Directors.

Internal documents approved in the reporting period:

- Regulation on insider information of PJSC Enel Russia in a new version;
- Dividend Policy Regulation of PJSC Enel Russia in a new version;
- Human Rights Policy of PJSC Enel Russia in a new version;
- Induction on-boarding program for newly elected directors of PJSC Enel Russia;
- Long Term Incentive Plan at PJSC Enel Russia for 2021-2023.

Committees of the company's Board of Directors

The Committees of the company's Board of Directors are consulting bodies formed on the basis of the Board of Directors' decisions, that are not authorized to act on behalf of the company or the Board of Directors.

The Committees act in accordance with the Charter of the company as well as the Organizational Regulation on Committees of the Board of Directors defining the objectives, functions and procedure for holding meetings of the Committees.

Each Committee consists of at least three members of the Board of Directors, one of whom is the Chairman. Composition of Committees, including quantitative one, is determined by the Board of Directors.



 <p>Charter https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf</p>	 <p>Organizational Regulation on Committees of the Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Committees_regulation.pdf</p>	 <p>Profile of the Board of Directors https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Profile.pdf</p>
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Audit and Corporate Governance Committee

REPORT OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE FOR 2021

As the Chairman of the Audit and Corporate Governance Committee of the Board of Directors of PJSC Enel Russia, I am pleased to present our report for 2021 to shareholders. I hope that in this report we will be able to demonstrate our commitment, as the Audit and Corporate Governance Committee, to our duties in accordance with the Corporate Governance Code recommended for use by letter of the Bank of Russia dated April 10, 2014 No. 06-52/2463, and the efficient fulfillment of these duties during 2021.

Our **key objective** is to facilitate the efficient fulfillment of the functions by the Board of Directors of PJSC Enel Russia in resolving issues related to the control of financial and economic activities as well as development and improvement of the corporate governance system and practice at PJSC Enel Russia. To accomplish this objective, the Committee is granted **the following functions, namely:**

In the field of accounting (financial) statements	<ul style="list-style-type: none"> - preliminary review, analysis of the annual financial statements of the Company; - control of ensuring completeness, accuracy and reliability of the Company's financial statements.
In the field of risk management and internal control	<ul style="list-style-type: none"> - monitoring the efficiency and reliability of the internal control and risk management system; - creation and ensuring the efficiency of procedures in the field of risk management and internal control including the consideration of policies in relation to risk management and internal control; - creating conditions that prevent, identify and reduce the likelihood of financial and operational risks.
In the field of internal audit	<ul style="list-style-type: none"> - ensuring independence and objectivity of the internal audit functions; - ensuring functioning of the internal audit of the Company including consideration of the internal audit work plan and preliminary consideration of the appointment (dismissal) of the Head of Internal Audit.
In the field of external audit	<ul style="list-style-type: none"> - selection of candidates for subsequent election of the external Auditor of the Company and determination of the amount of remuneration for its services; - evaluation of independence and absence of the conflict of interest of the external Auditor as well as assessment of the quality of audit of accounting (financial) statements; - ensuring independence and objectivity of implementation of the external audit functions as well as ensuring efficient interaction of the external Auditor with the Company.
In the field of corporate governance	<ul style="list-style-type: none"> - preliminary review, analysis of the annual report of the Company; - ensuring Company's compliance with the legislation and stock exchange requirements, ethical standards, rules and procedures of the Company, as well as best national and international practices in relation to corporate governance; - analysis of the corporate governance system of the Company, evaluation of corporate governance practices and development of recommendations for improvement of the corporate governance system; - assistance in creating conditions at the Company aimed at preventing bad faith actions by the employees of the Company and third parties; - control of special investigations on the issues related to potential fraud, unfair use of insider or confidential information.

I chair the Committee **consisting** of three members, each being an independent director. The Committee in its current composition was elected by the Board of Directors of PJSC Enel Russia on June 30, 2021 (Minutes No. 9/21 of the meeting of the Board of Directors of PJSC Enel Russia dated July 01, 2021), in the previous composition – on June 26, 2020 (Minutes No. 8/20 of the meeting of the Board of Directors of PJSC Enel Russia dated June 29, 2020):

Composition of the Audit Committee operating from January to June 2021	Composition of the Audit Committee operating from June to December 2021
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Andrea Palazzolo – Chairman, independent director	Andrea Palazzolo – Chairman, independent director
Andrea Guaccero – independent director	Andrea Guaccero – independent director
Vitaly Zarkhin – independent director	Giorgio Callegari – independent director

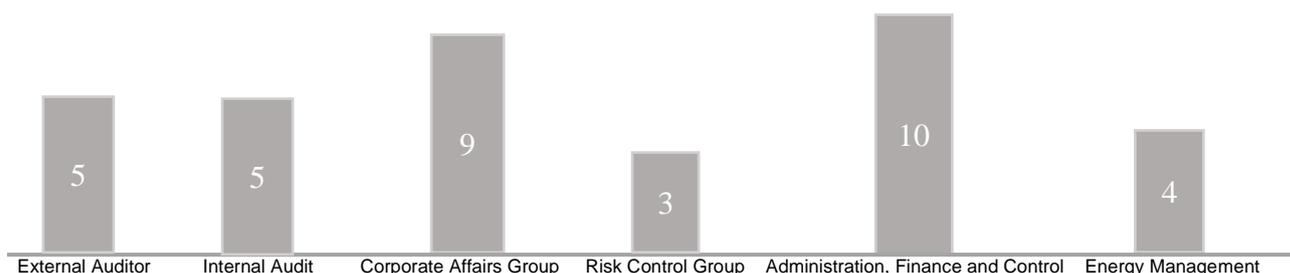
Each of the Committee's members gained extensive experience in their previous activities in the field of finance, audit and corporate governance, and was elected with the purpose of using a wide range of business knowledge to fulfil the duties assigned to the Audit and Corporate Governance Committee in accordance with the Corporate Governance Code.

14 meetings of the Audit and Corporate Governance Committee were held totally in 2021.

Form of meetings

<i>in praesentia</i>	<i>in praesentia/ absentia</i>	<i>in absentia</i>
8	3	3

The number of **meetings** of the members of the Audit and Corporate Governance Committee in 2021 **with various organizational units and the Company's Auditor** within the scope of meetings:



The Audit and Corporate Governance Committee's work was carried out on the basis of the following Work Plans:

- Work Plan approved by the Committee on July 24, 2020 (Minutes No. 10/20 of the meeting of the Audit and Corporate Governance Committee of the Board of Directors of PJSC Enel Russia dated July 24, 2020);
- Work Plan approved by the Committee on July 26-27, 2021 (Minutes No. 10/21 of the meeting of the Audit and Corporate Governance Committee of the Board of Directors of PJSC Enel Russia dated July 27, 2021);
- Work Plan approved by the Committee on October 21-22, 2021 (Minutes No. 12/21 of the meeting of the Audit and Corporate Governance Committee of the Board of Directors of PJSC Enel Russia dated October 22, 2021).

The Committee **considered totally 43 issues in 2021**, including the following main issues:

- recommendations to the Board of Directors regarding the candidacy of the Company's Auditor,
- recommendations to the Board of Directors regarding the approval of the annual report of the Company for 2020,
- recommendations to the Board of Directors regarding the annual financial statements of the Company for 2020, consolidated financial statements in accordance with IFRS for 2020, distribution of profit and payment of dividends,

— Committee's evaluation of the Auditor's reports on the Company's accounting (financial) statements for 2020,

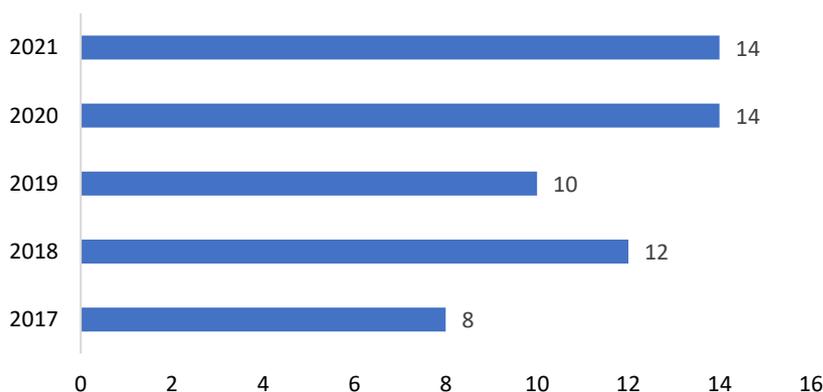
— consideration of regular reports of Internal Audit on implementation of the Annual Audit Plan, risk reports.

According to the submitted report, the internal audit process is carried out effectively, the internal audit was conducted in a timely manner, in accordance with the approved plan.

During the external audit, the interaction of the Auditor with the Company is carried out effectively, in particular, the Auditor meets regularly with the Audit and Corporate Governance Committee. As a result of the evaluation by the Audit and Corporate Governance Committee of the Auditor's reports on the accounting (financial) statements of PJSC Enel Russia prepared on the basis of 2021 business activity results, it is established that the external audit was conducted in compliance with the terms and conditions of the contract concluded between JSC KPMG and PJSC Enel Russia, in adherence to the agreed schedule and audit procedures, as well as the requirements of the legislation of the Russian Federation.

**Chairman of the Audit and Corporate Governance Committee
of the Board of Directors of PJSC Enel Russia, independent director
Andrea Palazzolo**

Number of meetings of the Audit and Corporate Governance Committee in 2017-2021:



HR and Remuneration Committee

The duties of the HR and Remuneration Committee include support of the activities of the Board of Directors of the company in efficient and transparent personnel management policy, succession planning, creating efficient remuneration system for the members of the Board of Directors, members of the Executive Board, Corporate Secretary and key managers of the company as well as assessment of the activities of the Board of Directors and its members and Committees²⁶.

Composition of the HR and Remuneration Committee

Composition of HR and Remuneration Committee elected on 26.06.2020	Composition of HR and Remuneration Committee elected on 30.06.2021
1. Andrea Guaccero (Chairman, Independent Director)	1. Andrea Guaccero (Chairman, Independent Director)
2. Andrea Palazzolo (Independent Director)	2. Andrea Palazzolo (Independent Director)
3. Vitaly Yurievich Zarkhin (Independent Director)	3. Giorgio Callegari (Independent Director)

²⁶ More detailed information about the functions of the Committee is included in the Organizational Regulation on Committees of the Board of Directors of PJSC Enel Russia that is published on the company's website <https://www.enelrussia.ru>.

In 2021, 11 meetings of the HR and Remuneration Committee were held, at which 29 issues were considered.

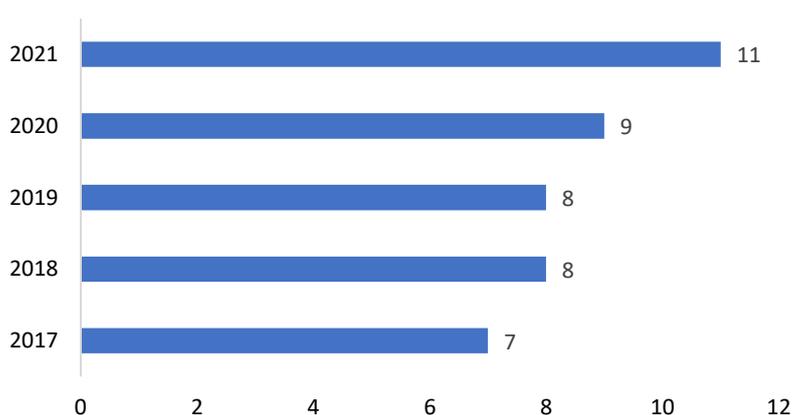
Format of the meetings

<i>In praesentia</i>	<i>In praesentia/absentia</i>	<i>In absentia</i>
8	1	2

The most significant issues and main recommendations:

- issuing recommendations to the company's Board of Directors on issues related to the remuneration of the key managers, including the approval of the Regulation on payment of remuneration and compensations to members of the Board of Directors and the Board of Directors' Committees;
- issuing recommendations to the company's Board of Directors on issues of long-term bonuses, including on the approval of the Long-Term Incentive Plan at PJSC Enel Russia for 2021-2023;
- issuing recommendations to the company's Board of Directors on approval of key performance indicators for the key executives of PJSC Enel Russia;
- issuing recommendations to the company's Board of Directors on consideration of the external evaluation report of the Board of Directors of PJSC Enel Russia for 2020;
- issuing recommendations to the company's Board of Directors regarding the action plan in accordance with the report on the external evaluation of the Board of Directors of PJSC Enel Russia for 2020;
- issuing recommendations to the company Board of Directors on assessment of independence of the candidates, formation of an opinion on the status of independence of candidates and on evaluation of candidates for the members of the Board of Directors elected at the annual General Shareholders' Meeting of PJSC Enel Russia;
- reviewing the independence of members of the Board of Directors;
- issuing recommendations to the company's Board of Directors on approval of the Induction onboarding program newly elected members of the Board of Directors of PJSC Enel Russia;
- approval of the procedure for self-evaluation of the Board of Directors of PJSC Enel Russia for 2021;
- discussion of succession planning in the company;
- discussion of the plan for presence of employees of PJSC Enel Russia in the office in the context of COVID-19.

Number of meetings of the HR and Remuneration Committee in 2017-2021



Related Party Transaction Committee

The duties of the Related Party Transaction Committee include assisting the Board of Directors in issues of evaluation and decision-making when considering related party transactions, cases of conflict of interest and significant corporate actions²⁷.

²⁷ More detailed information about the functions of the Committee is included in the Organizational Regulation on Committees of the Board of Directors of PJSC Enel Russia that is published on the company's website <https://www.enelrussia.ru>.

Members of the Related Party Transaction Committee

Composition of the Related Party Transaction Committee elected on 17.08.2020	Composition of the Related Party Transaction Committee elected on 30.06.2021
1. Giorgio Callegari (Chairman, Independent Director) 2. Andrea Palazzolo (Independent Director) 3. Andrea Guaccero (Independent Director) 4. Vitaly Yurievich Zarkhin (Independent Director)	1. Giorgio Callegari (Chairman, Independent Director) 2. Andrea Palazzolo (Independent Director) 3. Andrea Guaccero (Independent Director)

In 2021, 12 meetings of the Related Party Transaction Committee were held, at which 29 issues were considered.

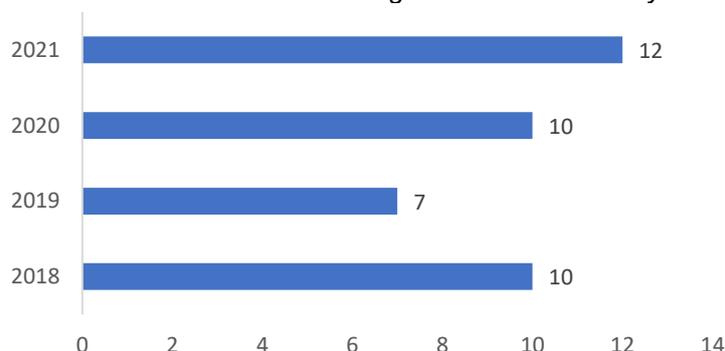
Format of the meetings

<i>In praesentia</i>	<i>In praesentia/absentia</i>
9	3

The most significant issues and main recommendations:

- issuing recommendations to the company's Board of Directors on issues of approval of related party transactions;
- issuing recommendations to the company's Board of Directors regarding the action plan in accordance with the report on the external assessment of the Board of Directors of PJSC Enel Russia for 2020.

Number of meetings of the Related Party Transaction Committee in 2018-2021²⁸



Strategy Committee

The duties of the Strategy Committee include assisting the Board of Directors in evaluation and making decisions on the company's strategy through preliminary work followed by provision of proposals and recommendations.

The Committee is provided, among other things, with the functions to prepare, consider information and provide recommendations on the following issues related to sustainability²⁹:

- revision of the Sustainability Plan and relevant documents (policies, strategies) of the company including ESG (environmental, social and governance) and relevant KPIs;
- analysis of periodic management reports on sustainable development of the company;
- monitoring of compliance with GRI reporting standards (Global Reporting Initiative), checking of ESG reports;
- monitoring of the company's performance in accordance with selected external sustainability indicators;

²⁸ The Related Party Transaction Committee was established at the end of 2017, and therefore the dynamics is specified only for the four-year period.

²⁹ More detailed information about the functions of the Committee is included in the Organizational Regulation on Committees of the Board of Directors of PJSC Enel Russia that is published on the company's website <https://www.enelrussia.ru>.

- the issues of sustainability related to the company's activities and dynamics in interaction of the company with stakeholders.

Composition of the Strategy Committee

Composition of the Strategy Committee elected on 26.06.2020	Composition of the Strategy Committee elected on 30.06.2021
1. Giorgio Callegari (Chairman, Independent Director) 2. Vitaly Yurievich Zarkhin (Independent Director) 3. Denis Mosolov (Independent Director) 4. Simone Mori 5. Maria Antonietta Giannelli 6. Luca Noviello	1. Giorgio Callegari (Chairman, Independent Director) 2. Simone Mori 3. Maria Antonietta Giannelli 4. Giuseppe Ferrara 5. Anatoly Alexandrovich Braverman

In 2021, 9 meetings of the Strategy Committee were held, at which 18 issues were considered.

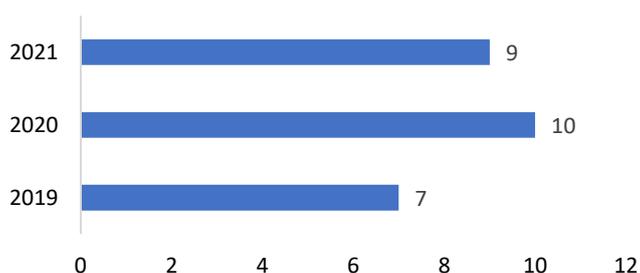
Format of the meetings

<i>In praesentia</i>	<i>In praesentia/absentia</i>	<i>In absentia</i>
4	4	1

The most significant issues and main recommendations:

- issuing recommendations to the company's Board of Directors on approval of the company's business plan for 2021-2023, including the company's budget for 2021;
- issuing recommendations to the company's Board of Directors on the company's strategy;
- issuing recommendations to the company's Board of Directors on approval of a new version of the Human Rights Policy;
- issuing recommendations to the company's Board of Directors on approval of the Dividend Policy Regulation of PJSC Enel Russia in a new version;
- issuing recommendations to the company's Board of Directors regarding the action plan in accordance with the report on the external evaluation of the Board of Directors of PJSC Enel Russia for 2020;
- discussion of various issues related to the company's investment projects and issuing relevant recommendations to the Board of Directors.

Number of meetings of the Strategy Committee in 2019-2021³⁰:



Information on self-evaluation of the Board of Directors for 2021

PJSC Enel Russia conducted a self-evaluation procedure of the Board of Directors for 2021 in line with the Russian Corporate Governance Code recommendations and Information Letter of the Bank of Russia №ИИ-06-28/41 dd.26.04.2019 On Recommendations for organizing and conducting self-evaluation of the boards of directors performance in public joint stock companies with use of Methodology approved by the HR and Remuneration Committee (Minutes No.10/21 dd. 18.11.2021).

Board of Directors' self-evaluation is an important instrument for improving efficiency, which helps to identify areas of the Board of Directors' improvement.

³⁰ The Strategy Committee has been operating since mid-2019, and therefore the dynamics are specified only for a three-year period.

The self-evaluation was held through a questionnaire survey of the directors' opinions, individual interviews with Board of Directors' members and analysis of company's internal documents and Board materials in the following sections:

- evaluation of the whole Board of Directors,
- evaluation of each Board of Directors' Committee,
- evaluation of the Board of Directors' Chairman,
- evaluation of the Corporate Secretary,
- and evaluation of each individual Board of Directors' members.

The self-evaluation identified both strong points and areas of concern of the Board of Directors and its Committees performance in 2021.

The following areas are considered as strong points: ensuring occupational and industrial safety, as well as accurate financial reporting and robust external audit process, approving business plans and budgets aligned with the company strategy and monitoring over their implementation and major investments. The work of the Chairman of the Board of Directors and the Corporate Secretary also achieved high scores.

As strong points of the Audit and Corporate Governance Committee's operation Directors noted mostly audit matters: reviewing the financial reporting, monitoring the effectiveness and efficiency of the internal/external audit process and the auditor's independence, as well as reviewing the company's corporate governance system and developing recommendations on its improvement.

Directors evaluated as the strongest point of the HR and Remuneration Committee performance assessing candidates for senior management positions, to the Board of Directors and assessing the Board's performance.

Related Party Transaction Committee manages well considering related party transaction with subsidiaries and identifying and averting conflicts of interest.

Strategy Committee was good in determining priority areas and strategic goals of the company's business.

According to the directors, the Board's areas of concern are HR matters, risk management and some other important functions, namely: assessing the executive performance, defining the optimal executive compensation system, planning the executive succession; overseeing subsidiaries and Board's remuneration.

The Audit and Corporate Governance Committee's areas of concern is risk management, including considering the risk appetite and monitoring all critical risks.

Assessing the executive performance, planning the executive succession, developing and retaining talent require more focus of HR and Remuneration Committee.

Protecting the rights and interests of the shareholders and other stakeholders can be indicated as an area of concern for Related Party Transaction Committee and considering the sustainability issues including ESG for Strategy Committee.

Within the self-evaluation of the Board of Directors for 2021, directors have indicated several business lines, which can improve the Board of Directors efficiency:

- Increasing the number of independent directors up to 4 could strengthen the Board's effectiveness. In addition, the Board composition could be strengthened by election of directors with industry-specific expertise and expertise in risk management, as well as expertise in technology and cyber.
- Board Remuneration should be revised constantly benchmarking with the relevant peers group.
- Directors pointed at necessity of additional training, which would help them for understanding better the key points of the core business, power market and other issues discussed during the Board meetings.

The results of self-evaluation of the Board of Directors and its Committees as well as the company's corporate governance practice were considered at an in-person meeting of the Board of Directors.

Improvements in the Board of Directors performance occurred as a result of the evaluation by the external consultant Stanton Chase for 2020

Based on the results of the evaluation of the effectiveness of the Board of Directors for 2020 by the external consultant Stanton Chase in 2021, the Board of Directors approved an Action Plan to improve the effectiveness of the company's Board of Directors.

Main recommendations	Measures taken
1. Renew the Dividend Policy Regulation	In September 2021, the new version of the Dividend Policy Regulation was approved
2. At least once a year, to discuss the report on investor relations reflecting the expectations of shareholders and potential investors of the company	As part of the General Director's report, the Board of Directors is regularly informed about significant issues related to investor relations
3. Engage in key events for the company's critical stakeholders	As part of the General Director's report, the Board of Directors is regularly informed about significant issues related to government relations
4. Initiate a professionally facilitated annual strategy session involving all Directors, the Management team and (if need be) external experts	In 2021, four strategic sessions were held
5. Evaluate the effectiveness of the current approach to succession planning for key executive roles	Information about succession planning in the company was reviewed by the HR and Remuneration Committee in October 2021
6. Consider creating a target model of the Board, taking into account the diversity principles and the need for additional expertise on the Board and Committees	In 2021, the HR and Remuneration Committee initiated the development, and in 2022 the Profile (Target Model) of the Board of Directors was approved and published on the company's website
7. Approve a formalized induction program for newly elected directors	In November 2021, the Board of Directors approved the Induction on-boarding program for newly elected members of the Board of Directors
8. Strengthen the Audit and Corporate Governance Committee's expertise in financial audit and risk management	In October 2021, for the members of the Audit and Corporate Governance Committee of the company, the Association of Professional Directors (IDA) held an information session on the subject "Oversight over financial statements preparation - Best practices"

Corporate Secretary

The company's Corporate Secretary acts in compliance with the Regulation on Corporate Secretary of PJSC Enel Russia.



Regulation on Corporate Secretary
https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Regulation_for_Corporate_Secretary_of_PJSC_Enel_Russia.pdf

The main objective of the activities of the Corporate Secretary is to ensure efficient interaction with the shareholders, coordination of the company's measures for protection of rights and interests of the shareholders, support of the effective work of the company's Board of Directors.

The Corporate Secretary performs the functions of the Secretary of the Board of Directors of the company, the General Shareholders' Meeting of the company, the Committees of the Board of Directors of the

company, unless otherwise provided by the decisions of the Board of Directors of the company, as well as the Secretary of the Executive Board, unless otherwise provided by the decision of the Executive Board.

Corporate Secretary is an officer of the company. The Corporate Secretary of the company is appointed and dismissed by the General Director of the company in accordance with decision of the Board of Directors.

The candidate for the position of the Corporate Secretary of the company shall have higher legal, economic or business education as well as experience in the area of corporate governance and managerial experience for at least two years. The Corporate Secretary should possess the knowledge, skills and experience sufficient for the execution of his/her duties, an impeccable reputation is preferable and enjoy the confidence of shareholders.

Since April 2012, Zhanna Igorevna Sedova has been the Corporate Secretary of the Board of Directors.

Sedova Zhanna Igorevna Corporate Secretary	
Born	1973
Citizenship	Russian Federation
Education	Perm State University, speciality "Jurisprudence"
Degree	PhD in Legal Sciences since 2001 (Russian Academy of Public Administration under the President of the Russian Federation).
Work experience over the last 5 years	2010 – present - Head of Legal and Corporate Affairs at PJSC Enel Russia 2012 - present - Corporate Secretary at PJSC Enel Russia 2021 – present - Member of the Section for Legislative Support of the Electric Power Industry and Combined Heat and Power Generation (Co-generation) of the Expert Council of the State Duma Committee on Energy 2020 – present - member of the Scientific Advisory Council on International Law under the Ministry of Justice of Russia 2019 – present - Chairman of the Energy Law Commission of Moscow branch of the Russian Association 2006 – present - assistant professor of international law at the Russian State University of Justice
Awards	Included in the Top 25 Best Corporate Governance Directors / Corporate Secretaries of the XV National Award "Director of the Year", 2020, 2021 HELP (Human Rights Education for Legal Professionals) trainer certificate issued by the Council of Europe, 2014 Annual National Award of the Association of Corporate Lawyers "Success. Best Corporate Lawyer 2013 " in the Leader of the Year nomination, 2013.
Ownership on shares	She has no shares in the charter capital/ ordinary shares of the company. She made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

General Director and Executive Board

Administration of the company's day-to-day activities is the responsibility of the sole executive body - General Director - and collegial executive body - Executive Board.

The General Director and the Executive Board are accountable to the General Shareholders' Meeting and the Board of Directors and act on the basis of the company's Charter. Activities of the Executive Board are regulated by the Regulation on the Executive Board.

 <p>Charter https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf</p>	 <p>Regulation on the Executive Board https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/2020_Regulation_on_the_Executive_Board.pdf</p>
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The General Director of the company is Stephane Maurice Zweguintzow. In 2020, he replaced Carlo Palasciano Villamagna, who headed the company for the previous five years.

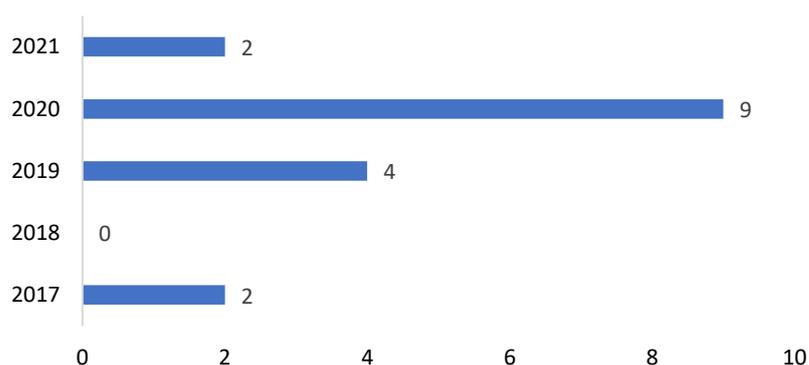
Composition of the Executive Board acting in 2021	
Full name	Position
Stephane Maurice Zweguintzow	Chairman, General Director
Matvej Vladimirovich Atzeni Moskvitin	Head of Energy Management
Mikhail Igorevich Vereshchagin	Deputy General Director - Head of People and Organization
Yulia Konstantinovna Matyushova	Deputy General Director - Head of Administration, Finance and Control
Oleg Nikolaevich Kosmenyuk	Deputy General Director - Head of Generation

Meetings of the Executive Board are convened by the Chairman of the Executive Board at the initiative of the Chairman of the Executive Board or one of the members of the Executive Board, by decision of the General Shareholders' Meeting, the Board of Directors, the Auditor. In total, two Executive Board meetings were held in 2021. They considered two issues related to the current business activities of the company.

Format of the meetings

<i>In praesentia</i>	<i>In absentia</i>
1	1

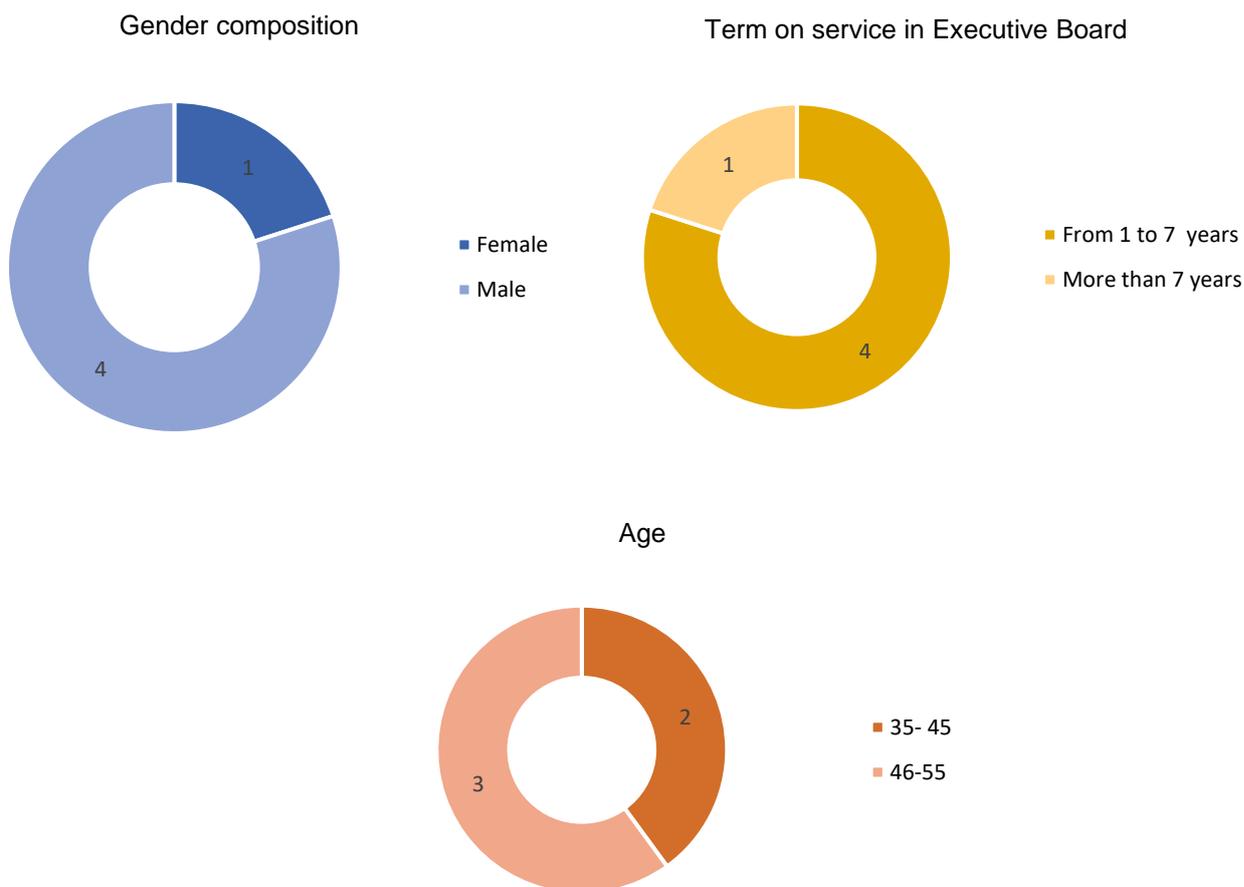
Number of the Executive Board meetings in 2017-2021



Participation of the Executive Board members in the Executive Board meetings in 2021

Full name	Number of meetings in which a member of the Executive Board participated/number of meetings in which a member of the Executive Board could participate
Stephane Maurice Zweguintzow	2/2
Matvej Vladimirovich Atzeni Moskvitin	2/2
Mikhail Igorevich Vereshchagin	2/2
Yulia Konstantinovna Matyushova	2/2
Oleg Nikolaevich Kosmenyuk	2/2

Composition of the Executive Board



Information about members of the Executive Board of the company³¹

Stephane Zweguintzow General Director Chairman of the Executive Board	
Born	1968
Citizenship	France
Education	Institut d'Etudes Politiques de Paris, Master's Degree in International Business
Work experience over the last 5 years	2020 – present – General Director, Chairman of the Executive Board of PJSC Enel Russia 2021 – present – member of the Board of Directors at “Rusenergosbyt” LLC, from 2022 – Chairman of the Board of Directors at “Rusenergosbyt” LLC 2018 – 2020 – Deputy General Director - Head of People and Organization, Head of Sustainability at PJSC Enel Russia 2014-2018 – Head of External Relations, Head of Sustainability at PJSC Enel Russia 2013 -2020 – Chairman of the Board of Directors of PJSC Enel Russia
Awards	Certificate of Honor from the Ministry of Energy of the Russian Federation, 2020 Merited Power Engineer of the CIS, 2019 Small silver plaque of the Legislative Assembly of the Sverdlovsk Region depicting the small emblem of the Sverdlovsk Region, 2015
Ownership on shares	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the

³¹ The information is specified as of March 2022. More detailed information about the members of the Executive Board and the General Director is contained in the quarterly reports of the issuer in Russian posted on the company's website <https://www.enelrussia.ru/>.

	organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)
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Matvej Atzeni Moskvitin Head of Energy and Commodity Management	
Born	1976
Citizenship	Russian Federation
Education	University of Cagliari, Italy, foreign languages and literature, State University of Management, MBA, Energy Management
Work experience over the last 5 years	2020 – present – Head of Energy Management, member of the Executive Board of PJSC Enel Russia 2020 - Director for energy markets and fuel supply at PJSC Enel Russia 2016-2020 – Deputy General Director for market at “Rusenergosbyt” LLC 2012-2016 – internal audit manager at PJSC Enel Russia
Ownership on actions	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Vereshchagin Mikhail Igorevich Deputy General Director – Head of People and Organization	
Born	1968
Citizenship	Russian Federation
Education	Moscow Institute of Chemical Technology named of D.I. Mendeleev, biotechnological engineer; Bocconi University Business School, Milan, advanced training in international management; Moscow Gestalt Institute/London Ashbourne Centre, applied psychology course, consultant psychologist; London Metropolitan University/MIRBIS, MA (Master of Arts) in human resources management
Work experience over the last 5 years	2020 – present - Deputy General Director - Head of People and Organization, member of the Executive Board at PJSC Enel Russia 2014-2019 – Vice-president (VP) PR, Eurasia region (Russia, Ukraine, CIS, Turkey, Romania, Bulgaria) Renault, Renault-Nissan Alliance
Ownership on actions	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Kosmenyuk Oleg Nikolaevich Deputy General Director – Head of Generation	
Born	1970
Citizenship	Russian Federation
Education	Pavlodar State University, Thermal Power Engineer
Work experience over the last 5 years	2016- present – Deputy General Director – Head of Generation at PJSC Enel Russia 2013 – present – member of the Executive Board in PJSC Enel Russia 2013–2016 — Head of Coal Generation - Director of the Branch “Reftinskaya GRES” of PJSC Enel Russia
Awards	Letter of Acknowledgement from the President of the Russian Federation, 2021 Honored Power Engineer, 2020 Certificate of Honor from the Ministry of Energy of the Russian Federation, 2015 Certificate of Honor from the Governor of the Sverdlovsk Region, 2015
Ownership on actions	He has no shares in the charter capital/ ordinary shares of the company. He made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Matyushova Yulia Konstantinovna
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Deputy General Director – Head of Administration, Finance and Control	
Born	1982
Citizenship	Russian Federation
Education	Volgograd State University, degree in Financial Management CIMA Advanced Diploma in Management Accounting
Work experience over the last 5 years	2017 – present - Deputy General Director –Head of Administration, Finance and Control of PJSC Enel Russia 2017-present – member of Board of Directors of "Rusenergosbyt" LLC 2016-present – member of Executive Board of PJSC Enel Russia 2016 - 2017 - acting Deputy General Director –Head of Administration, Finance and Control of PJSC Enel Russia 2015—2016 — Head of Planning and Control PJSC Enel Russia
Awards	Winner of the "Best Financial Director - 2021 of small capitalization companies" award, 2021 Winner of the "Financial Director of the Year - 2021" award for the "Most Sophisticated Risk Management System", 2021
Ownership on shares	She has no shares in the charter capital/ ordinary shares of the company. She made no transactions with ordinary shares of the company in 2021. No shares in the organizations controlled by the company that are of significant importance (LLC Enel Rus Wind Azov, LLC Enel Rus Wind Kola)

Remunerations

A decision on payment of remunerations and (or) compensations to the members of the Board of Directors and on determination of the amount of such remuneration and (or) compensations falls within the competence of the General Shareholders' Meeting. A proposal on the specified agenda item of the General Shareholders' Meeting is prepared by the Board of Directors after preliminary consideration of the item by the HR and Remuneration Committee.

Determination of the amount, procedure and conditions for payment of remuneration to the member of the Executive Board and other key managers of the company is carried out by decision of the company Board of Directors, subject to prior consideration of these issues by the HR and Remuneration Committee of the Board of Directors of the company.

Remuneration to the Board of Directors Members

Payment of remunerations and compensations to the members of the company Board of Directors is governed by the Regulation on payment of remunerations and compensations to the members of the Board of Directors and Committees of the Board of Directors (approved by the decision of the annual General Shareholders' Meeting of PJSC Enel Russia dated 18.06.2019, minutes No. 1/19 dated 18.06.2019), prepared with regard to recommendations of the Corporate Governance Code. In 2021, no amendments were made to the Regulation.



Regulation on payment of remuneration and compensations
to members of Board of Directors and Board of Directors' Committees
https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Regulation_on_BoD_and_Committee_remuneration.pdf

Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees establishes a fixed annual remuneration to the Chairmen and members of the Committees of the Board of Directors. The level of fixed annual remuneration was proposed for approval by the General Shareholders' Meeting on the basis of analysis of the remuneration market for the members of the Board of Directors of the Russian and foreign companies as well as an analysis of applicable remuneration policies for the members of the Board of Directors at Enel Group companies performed by Stanton Chase independent from the management.

The amount of fixed remuneration to the members of the Board of Directors for the year, rubles.

Amount of fixed remuneration for year			
Chairman of the Board of Directors, Senior Independent Director	Member of the Board of Directors	Chairman of the Committee (additionally)	Member of the Committee (additionally)
6,320,000	4,460,000	860,000	570,000

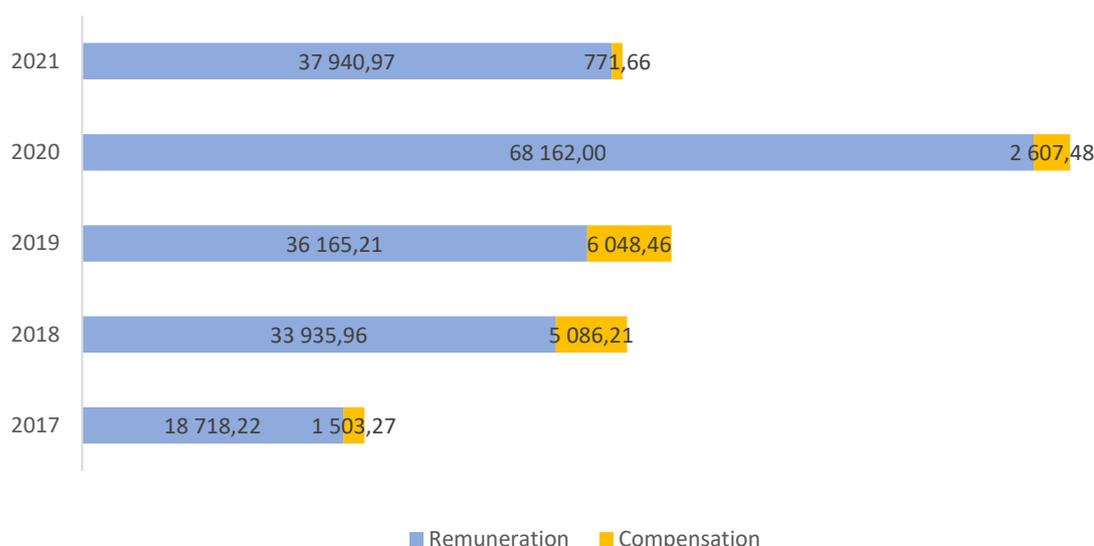
The Regulation on payment of remunerations and compensations to the members of the Board of Directors and Committees of the Board of Directors following the recommendations of the Corporate Governance Code provides for a fixed annual remuneration as the main form of remuneration. In addition, the members of the Board of Directors are entitled to sign an agreement for sales of shares with the company under the Stock Options Plan. The Regulation does not provide for the use of any form of short-term or long-term incentives for the members of the Board of Directors, accrual of severance payments due to termination of powers, other types of remuneration in non-monetary form.

Fixed remuneration is not paid to the members of the Board of Directors:

- in their relation the federal law provides for a restriction or prohibition on receiving any payments from commercial organizations;
- who hold concurrently paid positions in the company;
- those refused from remuneration in full or in a certain part;
- those not participating in more than 70% of the meetings of the Board of Directors/Committee held during the month.

The members of the Board of Directors receive reimbursement of expenses due to their presence at the meetings of the Board of Directors/Committees or performance by them of job duties as the members of the Board of Directors/Committees.

The total amount of remuneration and compensations paid to members of the Board of Directors, the rubles.



Change in the total amount of all types of remuneration paid to the members of the Board of Directors and Committees in 2021 due to a change in the number of members of the Board of Directors who receive compensation, as well as changes in the composition of the Committees.

Remunerations paid due to fulfillment of duties of the member of the Board of Directors in 2021, thousand rubles

Full name	Remuneration to members of the Board of Directors	Remuneration to the Chairman of the Board of Directors/Senior Independent Director	Remuneration to a member of Committees	Remuneration to the Chairman of Committees
Anatoly Alexandrovich Braverman	2,514.95		286.58	
Andrea Guaccero	4,460.00		1,140.00	860.00
Vitaly Yuryevich Zarkhin	1,957.45		1,140.00	
Giorgio Callegari		6,211.50	573.17	1,719.98
Denis Mosolov	1,957.45		285.00	
Andrea Palazzolo	4,460.00		1,140.00	860.00
Giancarlo Pescini	1,957.45			
Tagir Alievich Sitdekov	1,957.45			
Laurent Souviron	4,460.00			
Total:	23,724.75	6,211.50	4,564.75	3,439.98

In 2021, the members of the Board of Directors Maria Antonietta Giannelli, Simone Mori, Luca Noviello, Giuseppe Luzzio, Lea Tarchioni, Giuseppe Ferrara, Flaminia Ceribelli have not received remuneration in connection with a waiver.

The company does not have an option program for members of the Board of Directors; members of the Board of Directors are not members of the bodies of controlled companies and have not received remuneration from them.

The directors' liability insurance agreements do not apply to the members of the Board of Directors. See details about the terms of such agreements signed in 2021 in the Annex " Information on specific transaction performed by the company and its controlled entities that are of significant importance to the company in 2021".

Remuneration to the Members of the Executive Board and Key Managers

The documents governing remuneration to the members of the Executive Board and key managers of PJSC Enel Russia are:

- Policy on remuneration and reimbursement of expenses (compensations) of the members of the executive bodies and other key managers approved by the Board of Directors of PJSC Enel Russia (minutes No. 13/20 dated 29.10.2020)
- Long Term Incentive Plan at PJSC Enel Russia for 2018–2020, approved by the Board of Directors of PJSC Enel Russia (Minutes No. 1/19 dated 29.01.2019)
- Long Term Incentive Plan at PJSC Enel Russia for 2019–2021, approved by the Board of Directors of PJSC Enel Russia (Minutes No. 1/19 dated 29.01.2019)
- Long Term Incentive Plan at PJSC Enel Russia for 2020–2022, approved by the Board of Directors of PJSC Enel Russia (Minutes No. 9/20 dated 28.07.2020)
- Long Term Incentive Plan at PJSC Enel Russia for 2021–2023, approved by the Board of Directors of PJSC Enel Russia (Minutes No. 12/21 dated 30.09.2021)



Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees
https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/2020_Remuneration_Policy_KM.pdf

The policy on remuneration and reimbursement of expenses (compensation) of the members of executive bodies and other key managers (hereinafter referred to as "key managers") has been compiled taking into account the requirements of the Corporate Governance Code.

Principles of the system of remuneration and reimbursement of expenses (compensation) of members of executive bodies and other key managers

Transparency of mechanisms for determining the amount of remuneration, regulation of all types of payments, benefits, and privileges, as well as transparency of the system of remuneration and reimbursement of expenses (compensation)

Fixing in the remuneration system the link between remuneration and the result of the company's performance, as well as the personal contribution of the company's key managers to achieving this result

Sufficiency and proportionality of remuneration paid:

- to the Company's goals
- the responsibility of the members of the executive bodies and key managers of the Company
- the level of risks they take

The remuneration system for key managers of the company is aimed at achieving the optimal balance between the interconnection of remuneration with the company's performance and the personal contribution of each key manager of the company to achieving this result.

Key managers of the company in 2021³²

³² The data are as of December 31, 2021. At the beginning of 2021, Anton Tarasovich Grinkiv was the Head of Procurement.

General Director	Stephane Maurice Zweguintzow
Deputy General Director - Head of Generation	Oleg Nikolayevich Kosmenyuk
Deputy General Director - CFO	Yulia Konstantinovna Matyushova
Deputy General Director - Head of P&O	Mikhail Igorevich Vereshchagin
Head of Energy Management	Matvej Vladimirovich Atzeni Moskvitin
Head of Legal & Corporate Affairs	Zhanna Igorevna Sedova
Head of Communications	Alsu Haidyarovna Zagorskaya
Head of Procurement	Elena Grigorievna Vasilyeva
Head of Internal Audit	Shukran Abdullah Ogly Alakbarov
Head of Digital Solutions	Sergey Kirillovich Rozenberg
Head of Regulatory and Institutional Affairs	Viktor Valerievich Naboychenko

	- General Director
	- members of the Executive Board
	- Other key managers

Remuneration for fulfillment of duties of the member of the Executive Board and reimbursement of expenses (compensations) to the members of the Executive Board is not assumed due to the fact that the members of the Executive Board are key managers of the company who receive remuneration in accordance with the terms of the Policy on remuneration and reimbursement of expenses (compensations) of the members of the executive bodies and other key managers.

Elements of the remuneration system for key managers

Fixed part (official salary)

It is established by the decision of the Board of Directors and is reflected in the labor agreement signed between the company and the respective key manager of the company.

When defining the amount of base salary, the following is taken into account:

- level of competence and qualification of the relevant person, his/her individual skills and experience
- scope and area of responsibility, level of risks taken
- personal contribution into achievement of the company's results
- current compensation practices at comparable companies for positions of similar level

Actual bonus amount for the results of performance over the year of the key manager of the company shall be calculated according to the following formula:

Actual bonus amount for the results of performance over the year of the key manager of the company shall be calculated according to the following formula:

Variable part

Short-term element (bonus for the results of the performance over the year)*

Long-term element (bonus for the results of the Company performance over a three-year period)*

Other payments by decision of the Board of Directors

$ABA = BBA \times \sum (\% \text{ of KPI achievement} * \text{KPI weight}) * \text{correction factor}$, where:

- ABA - actual bonus amount for the results of the performance over the year
- BBA - base bonus amount for the results of the performance over the year
- % of KPI achievement - actual percent of KPI achievement calculated depending on the result achieved
- correction factor (multiplier or general denominator) unified for all the company key managers.

Actual bonus amount can reach 150% of the base amount.

After preliminary review by the HR and Remuneration Committee, the base bonus amount of each key manager is approved by the decision of the Board of Directors of the company and is fixed in the labor agreement signed with the key manager of the company. Individual key indicators for each calendar year are developed by the HR and Remuneration Committee and approved by the Board of Directors of the company.

Indicators can be: financial and economic, non-financial as well as goals, achievement of which is a strategic factor in success of a certain business line of the company.

The annual bonus is calculated and paid on the basis of approval of the report by the Board of Directors on implementation of annual KPIs by these persons after preliminary consideration of this issue by the HR and Remuneration Committee.

Bonus awarding for the results of the performance over a three-year period due to the key managers of the company is carried out in accordance with the "Long-Term Incentive Plan" approved by the Board of Directors after preliminary consideration of this issue by the HR and Remuneration Committee.

Long Term Incentive Plan at PJSC Enel Russia for 2018–2020, Long Term Incentive Plan at PJSC Enel Russia for 2019–2021, Long Term Incentive Plan at PJSC Enel Russia for 2020-2022, Long Term Incentive Plan at PJSC Enel Russia for 2021-2023 establish dependence of actual amount of the bonus for achievement of key performance indicators and provide for accrual and payment of bonuses upon expiration of the program. Long Term Incentive Plan for 2020-2022 and the Long Term Incentive Plan for 2021-2023 involve the payment of the actual amount of the bonus in the form of two-component remuneration - receiving shares and cash payments - the amount of which varies depending on the level of achievement of the Program objectives set for a three-year period.

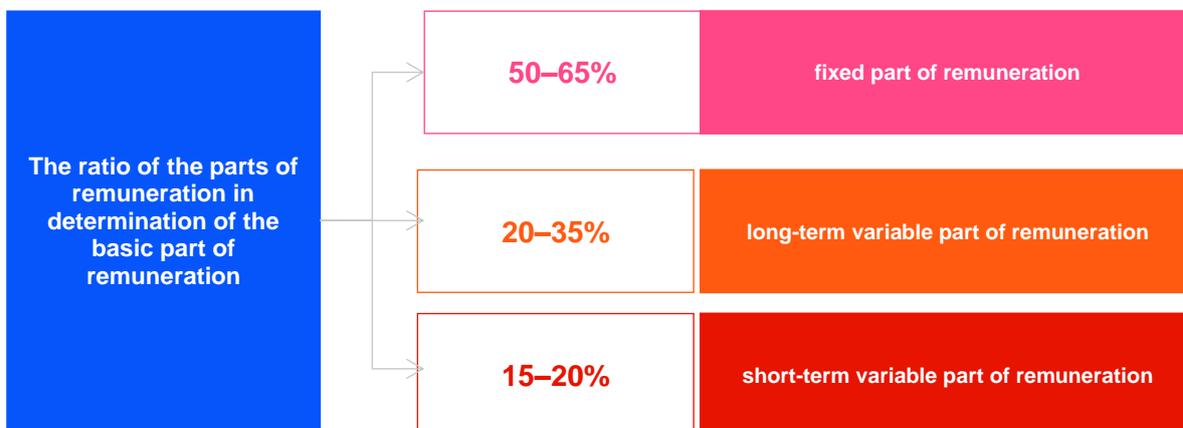
The bonus is calculated and paid on the basis of the decision of the Board of Directors on approval of the results of implementation of KPIs and calculation of the actual amounts of the bonus after preliminary consideration of this issue by the HR and Remuneration Committee.

In special cases, by decision of the company's Board of Directors, other payments to key managers of the company are possible (e.g. payment of a one-time bonus as part of the salary revision process, etc.)

* The KPIs of the key managers preconditioning the use of the mentioned incentive methods are given in the Annex hereto.

The Board of Directors is entitled to initiate the return to the company of funds (bonus payments) illegally received by key managers of the company as a result of manipulation of reporting indicators or other unfair actions on the part of relevant persons in accordance with the labor laws of the Russian Federation.

The ratio of the parts of remuneration in determination of the basic part of remuneration



In order to improve the efficiency and quality of the performance of their duties by key managers, the company provides them with additional benefits and social guarantees the list of which is approved by the decision of the Board of Directors.

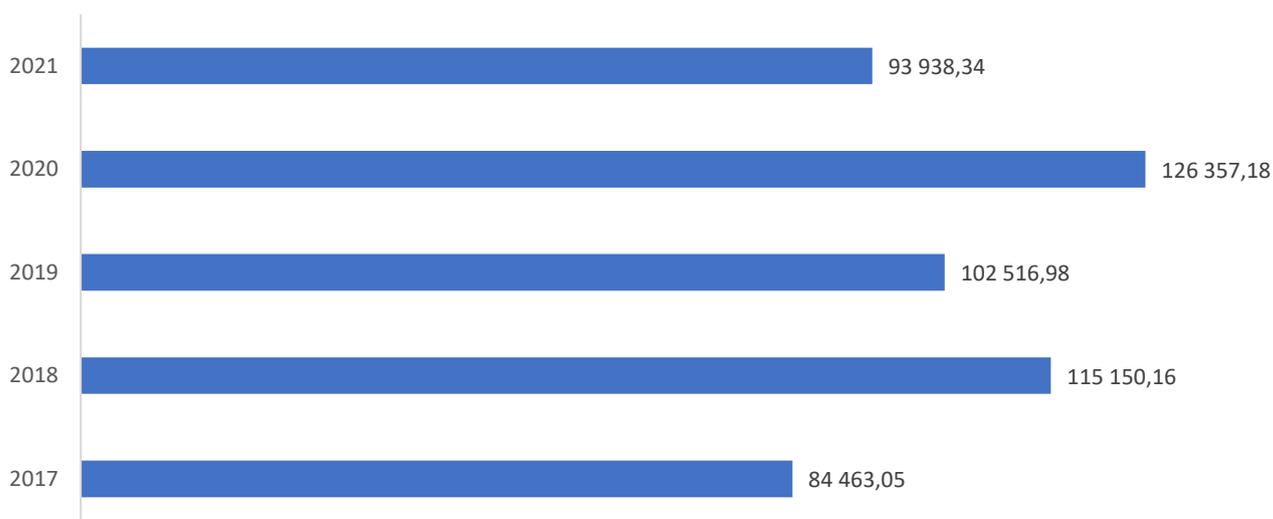
In addition to the benefits and social guarantees provided to other employees of the company, the following benefits and social guarantees are provided for key managers:

- compensation for using a private car or taxi services,
- the company can provide a loan to a key manager.

The approach to determination of the post-retirement benefits of key managers does not differ from the approach to determination of the post-retirement benefits of other employees of the company.

The company's internal documents do not contain an approach to determining payments related to dismissals for key executives (except for the case of compensation payment upon termination of an employment contract due to the recognition of an employee as incapable to work). In each case, the approach to such payments is determined individually and approved by the Board of Directors of the company.

Total amount of all types of remuneration paid to the members of the Executive Board, ths. rubles.



The reason for changing in 2021 the total amount of all types of remuneration paid to the members of the Board, is the change in the composition of the Board members.

The amount of compensation paid to the persons being among the members of the Executive Board in 2021 amounted to RUB 824.45 ths.

*Amount of payments to members of the Executive Board
and key managers in 2021, ths rubles*

	Total remuneration of members of the Executive Board	Total remuneration for a group of at least five of the highest paid key managers	Total remuneration of all key managers
Fixed part (official salary)	68,933.00	71,877.87	112,931.26
Variable part of remuneration, including	25,005.33	30,099.79	45,366.56
Short-term element (bonus for the results of the performance over the year)	15,391.08	17,422.12	28,405.14
Long-term element (bonus for the results of the Company performance over a three-year period)	9,614.26	12,177.67	16,457.42

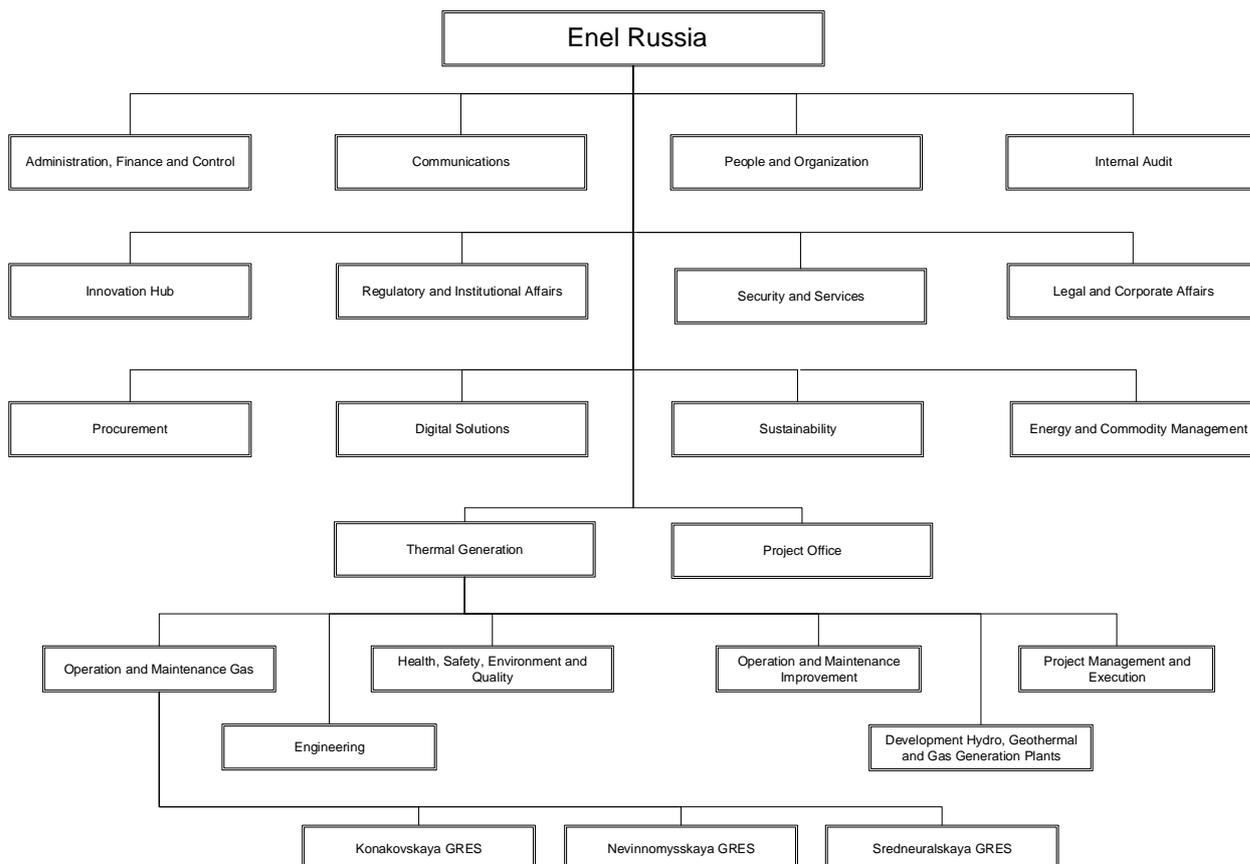
In 2021, the key managers did not quit and, accordingly, the payments related to dismissal were not made.

In 2021, the company issued loans to the members of the Executive Board, their terms do not differ significantly from market conditions.

Members of the Executive Board of PJSC Enel Russia were not part of the management bodies of controlled companies and did not receive remuneration from them.

The directors' liability insurance agreements do not apply to the General Director, members of the Executive Board and members of the Board of Directors. See details about the terms of such agreements signed in 2021 in the Annex " Information on specific transaction performed by the company and its controlled entities that are of significant importance to the company in 2021".

Company's Organizational Structure



* The chart as of 31 december 2021.

To achieve the business goals and objectives set for the company, continuous sustainable development and effective assurance of its viability in the environment, including transparency of the management model, the organizational structure of the company is formed in functional areas distinguished by three types of activities:

BUSINESS FUNCTIONS	STAFF FUNCTIONS	GLOBAL FUNCTIONS	SERVICE
Energy and Commodity Management	Security and Services	Procurement	
Thermal Generation	Internal Audit	Digital Solutions	
	Innovation Hub		
	Communications		
	People and Organization		
	Legal and Corporate Affairs		
	Project Office		
	Regulatory and Institutional Affairs		
	Sustainability		
	Administration, Finance and Control		

These functional areas are related to the first line of subordination to the General Director and they shall report directly to him.

Functional areas that ensure safety, efficiency and continuity of the production process are related to the first line of subordination to the Deputy General Director – Head of Thermal Generation. These functional areas include:

- Operation and Maintenance Gas;
- Health, Safety, Environment and Quality;
- Operation and Maintenance Improvement;

- Project Management and Execution;
- Engineering;
- Development Hydro, Geothermal and Gas Generation Plants.

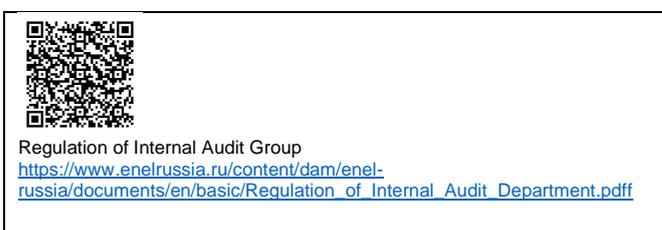
The first line of subordination to the Head of Operations and Maintenance Gas includes, among other things, the production branches:

- Konakovskaya GRES;
- Nevinnomysskaya GRES;
- Sredneuralskaya GRES.

During 2021 new organizational structures were approved for Security and Services, Legal and Corporate Affairs, People and Organization, Administration, Finance and Control.

As part of its core activities and competencies, each of the units contributes to the formation of the agenda, decision-making and implementation of programs on economic, environmental, and social issues.

Internal Audit



The main objective of the company's Internal Audit Group is to systematically provide the Audit and Corporate Governance Committee of the Board of Directors, the Board of Directors and the General Director with an independent assessment of the effectiveness of the internal control system, the risk identification and management system, as well as corporate governance practices.

Main tasks of the Internal Audit Group

Support to the management and personnel of the company to develop and monitor implementation of the procedures and activities on improvement of the risk management system, internal control system, corporate governance system in the company

Coordination of activities with the external auditor of the company, as well as those providing advisory services in risk management, internal control and corporate governance

Internal audit of controlled companies within the established procedure

Preparation and submission of reports on fulfillment of the annual audit plan to the Audit and Corporate Governance Committee of the Board of Directors, Board of Directors and management of the company

Check of whether the members of the executive bodies, management and personnel of the Company observe the provisions of the laws of the Russian Federation and internal executive documents of the company related to the insider information, corruption prevention and compliance with the requirements of the Code of Ethics of the company

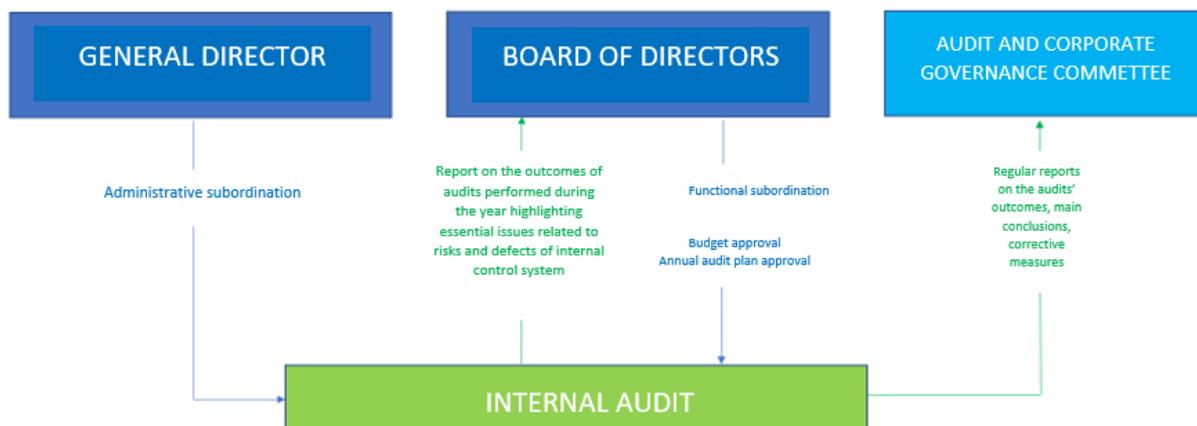
Functions of the Internal Audit Group include:

- Assessment of adequacy and effectiveness of the internal control system that includes:
 - analyzing the compliance of the objectives of business processes, projects and organizational units with the company's objectives, checking the reliability and integrity of business processes (activities) and information systems, including the reliability of procedures to counter illegal actions, abuse and corruption;
 - verification of reliability of accounting (financial), statistical, managerial and other reporting, determination of how the results of the business processes and organizational units of the company meet the set objectives;

- determination of the adequacy of the criteria established by the executive bodies for the analysis of the degree of fulfillment (achievement) of the set objectives;
 - identification of deficiencies in the internal control system that did not allow (do not allow) the company to achieve its objectives;
 - assessment of the results of taking (implementation) of measures to eliminate violations, deficiencies and improve the internal control system implemented by the company at all levels of management;
 - checking the effectiveness and expediency of use of resources;
 - verification of asset security;
 - verification of compliance with the requirements of the laws, the Articles of Association and internal documents of the company.
- Assessment of the effectiveness of the risk management system that includes:
 - verification of sufficiency and maturity of elements of the risk management system for effective risk management (objectives and tasks, infrastructure, organization of processes, regulatory and methodological support, interaction of organizational units within the risk management system, reporting);
 - verification of completeness of identification and correctness of risk assessment by the company's management at all levels of its management;
 - verification of the effectiveness of control procedures and other risk management measures, including the effectiveness of the use of resources allocated for these purposes;
 - analysis of information on realized risks (violations identified by the results of internal audits, facts of failure to achieve objectives, facts of litigation).
- Assessment of corporate governance that includes verification of:
 - compliance with ethical principles and corporate values of the company;
 - procedure for setting the company's objectives, monitoring and controlling their achievement;
 - level of regulatory support and procedures for information interaction (including on internal control and risk management) at all levels of the company's management, including interaction with stakeholders;
 - enforcement of rights of shareholders, including controlled companies, and the effectiveness of relationships with stakeholders;
 - procedures for disclosure of information about the activities of the company and the companies controlled by it.

In carrying out its activities, the Internal Audit Group adheres to the *principle of independence*. The Head of Internal Audit is accountable to the Board of Directors, it shall be appointed and dismissed by the General Director upon the decision of the company's Board of Directors. The Head of Internal Audit shall not manage the functional areas of the company's activities that require management decisions regarding the objects of audit.

Subordination and reporting



In 2021, in accordance with the Annual Audit Plan approved by the company's Board of Directors, the Internal Audit Group conducted seven internal audits, including audits of the effectiveness of the internal control system and risk management of key business processes of PJSC Enel Russia. In 2021, in accordance with the international standards of internal audit, the Internal Audit Group of PJSC Enel Russia successfully passed an external assessment of the quality of work.

Auditor

For independent assessment of the reliability of financial statements, the company involves an external auditor. After necessary internal procedures, the candidate for an external auditor is approved annually by the General Shareholders' Meeting.

The company conducted a procurement procedure, as a result of which the candidacy of Joint Stock Company KPMG was proposed by the company Board of Directors to the General Shareholders' Meeting for approval as the Auditor (after preliminary consideration of this issue by the Audit and Corporate Governance Committee). On 08 June 2021, the Annual General Shareholders' Meeting approved Joint Stock Company KPMG as the Auditor of PJSC Enel Russia.

Joint Stock Company KPMG meets all the requirements imposed on the auditor by the applicable laws of the Russian Federation, including the independence criteria.

Joint Stock Company KPMG is a member of the self-regulating organization of auditors Association "Sodruzhestvo" (SRO AAS). JSC KPMG is included in the control copy of the register of auditors and audit institutions under the main registration number of the entry 12006020351.

The amount of remuneration of the auditor is approved by the Board of Directors and is indicated in the agreement with the auditor. The amount of the Auditor's remuneration has not changed compared to 2020.

Amount of the Auditor's remuneration for 2021

	Amount, rubles, excluding VAT
Company	10,073,115
Other companies of the group	4,555,500

In the reporting year, the Auditor did not provide non-audit services to the company and its subsidiaries, and, accordingly, remuneration for non-audit services was not paid to it.

Prior to approval by the Annual General Shareholders' Meeting of Joint Stock Company KPMG as an auditor for 2020, Ernst and Young LLC was the company's Auditor.

Anti-Corruption Policy

The company is aware that corruption impedes economic, political and social development, and violates significantly the rules of correctness and transparency of the markets. The principles that PJSC Enel Russia undertakes to comply with in this area are provided in the Code of Ethics and the Zero-Tolerance of Corruption Plan of PJSC Enel Russia, and the organization and management model is stipulated in the Global Compliance Program within the framework of corporate criminal liability.

 <p>Code of Ethics https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/archive/CODE_OF_ETHICS-2017.pdf</p>	 <p>Zero Tolerance of Corruption Plan https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Zero_Tolerance_to_Corruption_Plan.pdf</p>	 <p>Global Compliance Program https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Enel_Global_Compliance_Program.pdf</p>
 <p>Anti-Corruption Policy https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Anti-corruption_policy_of_PJSC_Enel_Russia.pdf</p>	 <p>Anti-Corruption Management System Manual https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Anti-Corruption_Management_System_Manual.pdf</p>	

The company has established a permanent Anti-Corruption Committee. The Committee is engaged in the implementation of measures to prevent and combat corruption, as well as to minimize or eliminate the impact of corruption offenses.

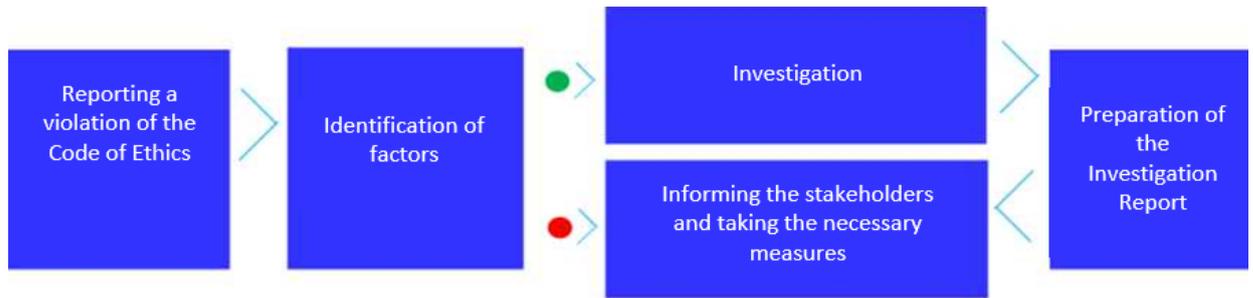
Members of the Anti-Corruption Committee in 2021	
Full Name	Position
Alakbarov Shukran Abdulla Ogly	Head of Internal Audit
Sedova Zhanna Igorevna	Head of Legal and Corporate Affairs
Shalaev Maxim Nikolaevich	Head of Health, Safety, Environment and Quality
Rachkin Sergey Vladimirovich	Head of Security and Services

In February 2021, for the first time, the company obtained an external certificate confirming the compliance of the Anti-Corruption Management System with the International Standard ISO 37001:2016. Despite the fact that implementation of the management system does not actually eliminate the risks of corruption situations, it confirms the company's commitment to effectively and efficiently manage the risks in the field of corruption and bribery, to allocate resources for these purposes and increase the competence and awareness of its employees.

There are several channels of communication in the company that can be used to report about any violations of the Code of Ethics, Zero-Tolerance of Corruption Plan or any other code of conduct established by the company:

- E-mail: audit.coe@enel.com
- Postal address: Internal Audit Department, Enel Russia, 7, build 1, Pavlovskaya street, Moscow, Russian Federation, 115093
- Hotline: 8 (495) 539-31-31
- Corporate platform: <https://secure.ethicspoint.eu/domain/media/ru/gui/102504/index.html>

The Internal Audit Department of PJSC Enel Russia is responsible for investigating such communications and the alleged violations of the Code of Ethics. The results of the investigations, as well as the list of the corrective actions to be taken (if required) are reported to the Audit and Corporate Governance Committee of the Board of Directors. Then the Committee evaluates the need to inform the Board of Directors on the most important cases.



Over the last five years 10 calls to the hotline have been made. Investigations were carried out in relation to each call.

More detailed information on anti-corruption management is available in the Sustainability Report.

Management of subsidiaries

Information about controlled companies

Name	Location	Activity	Share of participation in the authorized capital, %
<i>Controlled entities that are of significant importance to the company</i>			
LLC Enel Rus Wind Azov	Rostov Region, Azov District, Kagalnik settlement	Generation of electric power from renewable energy sources	100
LLC Enel Rus Wind Kola	Murmansk, Murmansk Region	Generation of electric power from renewable energy sources	100
<i>Other controlled companies</i>			
LLC Enel Rus Wind Stavropolye	Stavropol Territory, Kochubeyevskiy District, Kochubeyevskoe settlement	Generation of electric power from renewable energy sources	100
LLC Enel Rus Finance	Tver Region, Konakovo	Electricity generation by thermal power plants	100
JSC Teploprogress	Sverdlovsk Region, Sredneuralsk	Activity to ensure the operability of heating networks	60

The company manages controlled companies through the following mechanisms:

- presence of company representatives in the management bodies of controlled companies. In addition, the company's Board of Directors makes recommendations to the company's representatives regarding participation and voting procedure on items on the agenda of General shareholders' (participants') meetings of controlled companies;
- synchronization of provisions of the charters, main internal documents of the company and controlled entities;
- coordination of financial, investment, HR activities of controlled entities;
- information interaction between the company and controlled entities, including in terms of information disclosure.

The General Director of the company regularly reports to the Board of Directors on the activities of LLC Enel Rus Wind Azov and LLC Enel Rus Wind Kola.



Charter

<https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Charter2020.pdf>

Company securities

Shares

In 2021, the company's authorized capital did not change and amounted to 35,371,898,370 rubles. The authorized capital is divided into 35,371,898,370 ordinary shares with a par value of 1 ruble each. For the whole period of activity upon the company state registration on October 27.2004 and until December 31.2021 the company has not issued preferred shares.

The company shares are included in the Level One of the quotation list of securities (highest level) admitted to trading at PJSC Moscow Exchange (MOEX).

Emission history

	Main issue	Additional issue	Additional issue	Additional issue	Additional issue	Additional issue
State registration number of the issue	1-01-50077-A	1-01-50077-A-001D	1-01-50077-A-002D	1-01-50077-A-003D	1-01-50077-A-004D	1-01-50077-A-005D
Date of the issue state registration	24.12.2004	16.03.2006	16.03.2006	28.09.2006	07.08.2007	07.08.2007
Placed shares	29,407,170,459	4,105,388,231	69	5,100,000,000	600,000	400,000
Actually placed shares	29,407,170,459	864,514,976	69	5,100,000,000	168,061	44,805
Method of placement	Acquisition of shares by the sole founder of the joint stock company	Conversion of ordinary registered shares of Konakovskaya Power Plant OJSC being merged with OGK-5 OJSC, into additional ordinary shares of OGK-5 OJSC	Conversion of ordinary registered shares of Nevinnomysskaya Power Plant OJSC being merged with OGK-5 OJSC, into additional ordinary shares of OGK-5 OJSC	Public offering (IPO)	Conversion of ordinary registered shares of OJSC OGK-5 Holding into additional ordinary registered shares of OJSC OGK-5. The shares are placed when spinning off OJSC OGK-5 Holding from OJSC RAO UES of Russia together with affiliation of OJSC OGK-5 Holding with OJSC OGK-5	Conversion of preferred registered uncertificated shares of OJSC OGK-5 Holding into additional ordinary registered shares of OJSC OGK-5. The shares are placed when spinning off OJSC OGK-5 Holding from OJSC RAO UES of Russia together with merger of OJSC OGK-5 Holding with OJSC OGK-5
Placement beginning date	27.10.2004	01.04.2006	01.04.2006	01.11.2006	03.09.2007	03.09.2007
Placement ending date	27.10.2004	01.04.2006	01.04.2006	10.11.2006	03.09.2007	03.09.2007
Date of state registration of the report on the results of issue / date of sending notification on the results of issue	24.12.2004	27.04.2006	27.04.2006	13.11.2006	11.10.2007	11.10.2007
Date of the additional issue individual number (code) cancellation	—	22.08.2006	17.08.2006	20.02.2007	15.01.2008	15.01.2008
Name of the registering body	Federal Financial Markets Service of Russia					

Stock exchange information about the company's shares

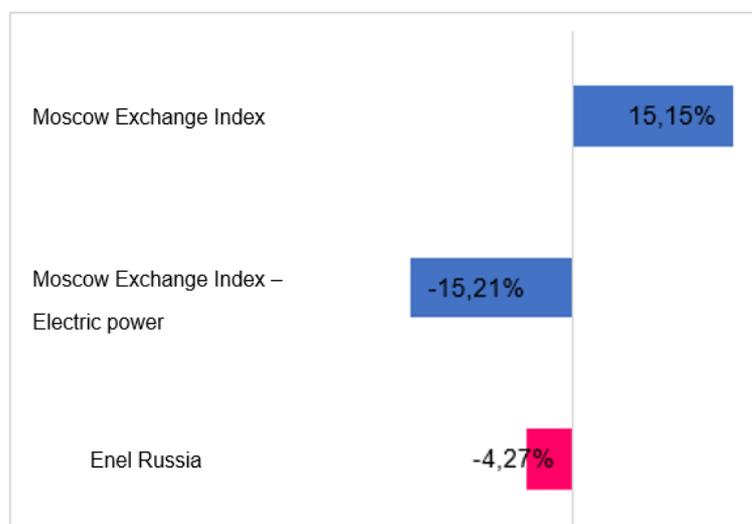
The company shares are included in the First level of the list of securities (highest level) accepted for trading on PJSC Moscow Exchange (MOEX).

Number of ordinary shares, pcs	35,371,898,370
Par value of the share, rubles	1
ISIN	RU000A0F5UN3
Trading platform	MOEX
Start of trading	September 2005
Quotation list	First level
Stock code (ticker)	ENRU
Bloomberg code	ENRU RX

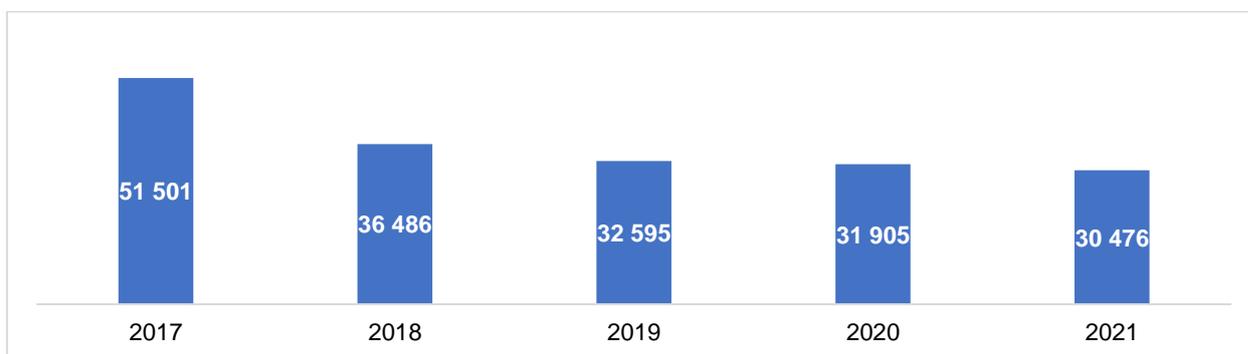
Free float as of 30.12.2021 was 31% according to the methodology of PJSC Moscow Exchange

As of 30.12.2021, the shares are included in the calculation base of industry index MOEX Electric Utilities (MOEXEU) with a weight of 4.69%.

Dynamics of the market and shares of PJSC Enel Russia in 2021, % change by 2020



Capitalization of PJSC Enel Russia, mln rubles



Stock trading results in 2017-2021

Indicator	2017	2018	2019	2020	2021
Minimum closing price, rubles	0.935	1.005	0.866	0.73	0.7722
Maximum closing price, rubles	1.537	1.685	1.177	1.1355	0.949
Market price as of 31.12., rubles	1.456	1.032	0.922	0.9	0.8616

Capitalization, mln rubles	51,501	36,486	32,595	31,905	30,476
Average daily trading volume, rubles	19,137,150	26,264,436	30,658,996	63,915,607	59,256,689

2021 turned out to be quite volatile both for the shares' value of PJSC Enel Russia and for various indices of the Moscow Stock Exchange.

By the end of 2021, the Moscow Stock Exchange index gained about 15%, largely due to the strong fundamental indicators of companies from the main sectors of the economy, primarily, oil and gas. The dynamics of the Russian stock market on the one hand reflected global trends, such as economic growth after last year's recession, strengthening of inflationary trends and interest rates and, as a result, an increase in the cost of capital, and, on the other hand, country-specific, such as the growth of geopolitical tensions and, as a result, uncertainty for investors. Strong positive dynamics of shares of Russian companies in the first half of 2021 was shown on the background of positive macroeconomic news following the recovery of global economic activity and reduction of COVID-19 related restrictions as well as following the increase in world energy prices, which was however replaced by a sharp drop in Q4 following the general correction on global bourses and the increase in the key rate of the Central Bank of the Russian Federation.

The Moscow Exchange utilities index showed the opposite dynamics relative to the main index of the Moscow Exchange and fell by about 15% during 2021. Despite the positive situation in the electricity market associated with growth in both demand and market prices (DAM) and, as a result, an increase in revenue, free cash flow and dividends of generating companies, the electricity index declined, explained by the beginning of a new investment cycle by most generating companies (DPM and KOMMOD programs) and market expectations for structural risks associated with tariff containment in the situation of surging inflation.

The share price of PJSC Enel Russia decreased by about 4% compared to last year's level that is on average better than that of other companies in the utilities sector. Among the factors that influenced the dynamics of the company's shares in 2021 were both positive, such as the growth of both electricity demand and prices and the launch of Azovskaya WPP, and negative, such as the postponement of the payment of 3 bln rubles of fixed dividends from 2021 to 2023.

Shareholders

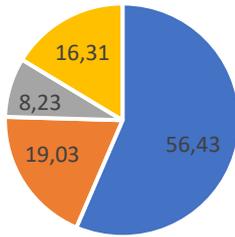
Number of persons registered in the register of shareholders of the company as of December 31, 2021 ³³	313 429
Number of persons included in the last compiled list of persons entitled to participate in the General Shareholders' Meeting (as of May 14, 2021)	408,990
Number of shares held by the company	none
Number of shares held by legal entities controlled by the company	none

Changes in the composition of entities entitled to dispose of at least 5% of the votes attributable to the voting shares of the company, in 2017-2021³⁴

³³ Without disclosing information about the owners of shares the rights to which are accounted for by nominee holders.

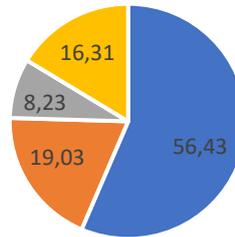
³⁴ The data is specified in accordance with the notifications that the company has received in accordance with Russian laws. Prosperity Capital Management Limited is an entity who, together with other entities, is entitled to dispose of a certain number of votes attributable to voting shares constituting the authorized capital of the issuer.

As of 31.12.2017



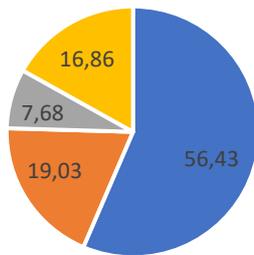
- Enel S.p.A.
- PFR Partners Fund I Limited
- Prosperity Capital Management Limited
- Other persons/entities

As of 31.12.2018



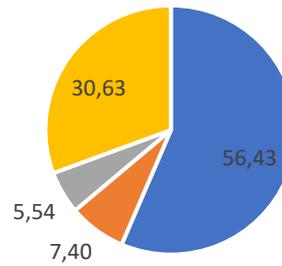
- Enel S.p.A.
- PFR Partners Fund I Limited
- Prosperity Capital Management Limited
- Other persons/entities

As of 31.12.2019



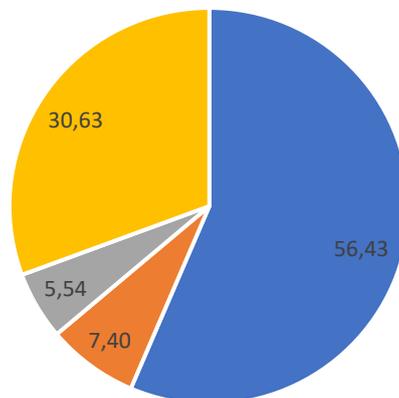
- Enel S.p.A.
- PFR Partners Fund I Limited
- Prosperity Capital Management Limited
- Other persons/entities

As of 31.12.2020



- Enel S.p.A.
- PFR Partners Fund I Limited
- RDIF Investment Management-8 LLC
- Other persons/entities

As of 31.12.2021



- Enel S.p.A.
- UROC LIMITED
- RDIF Investment Management-8 LLC
- Other persons/entities

The Italian Ministry of Economy and Finance owns 23.6% of the charter capital of Enel S.p.A.³⁵

The Financial Department of the Orenburg Region Administration owns 0.00000012% of the company's charter capital.

The company has no data on existence of shares holdings exceeding 5%, in addition to already disclosed.

The company's shareholders may enter into shareholder agreements including those providing for acquisition of a degree of control by any shareholder not in proportion to their participation. The company has no information about the shareholder agreements relevant in 2021.

Dividends

The decision on dividend payment is taken at the General Shareholders' Meeting based on recommendations of the company Board of Directors.

In accordance with the strategic plan for 2021-2023 approved by the Board of Directors, it was decided to recommend to the Annual General Shareholders' Meeting of PJSC Enel Russia not to pay dividends based on the results of 2020. In addition, the company plans to postpone to 2023 the distribution of fixed dividends in the amount of 3 bln rubles that, according to the previous strategic plan for 2020-2022, were planned to be distributed in 2021.

In addition, in 2021, the Board of Directors approved a new Dividend Policy Regulation that specifies the company's desire to ensure profitability for its shareholders, increase the capitalization of the company and to make dividend payments. In accordance with the Dividend Policy Regulation, when deciding to pay dividends, PJSC Enel Russia is based on the following principles:

- transparency of the mechanism for determining the amount of dividends;
- balance of short-term (payment of dividends) and long-term (capitalization growth) interests of shareholders;
- compliance with acceptable levels of the company's net debt and earnings before interest, taxes, depreciation and amortization for the company;
- focus on maintaining the financial stability of the company and improving the financial and economic indicators of its activities;
- striving to increase the amount of dividends in the long term;
- focus on increasing the investment attractiveness of the company.

Also, in accordance with the Regulation, the company takes into account that the amount of dividend payments may be influenced by various factors affecting the company's cash flow in the context of implementation of the investment program of the company aimed at future growth of financial indicators.



Dividend Policy Regulation

https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Dividend_policy.pdf

Information about accrued and paid dividends in the period from 2016 to 2021

Dividend payment reporting period	Following the results of financial year 2016	Following the results of financial year 2017	Following the results of 2018	According to the results of 2019 from the financial profits of previous years	Following the results of 2020
Date of the decision adopted by the General Shareholders' Meeting of the company to pay dividends	15.06.2017	04.06.2018	18.06.2019	19.06.2020	
Class, type, category of shares	registered ordinary	registered ordinary	registered ordinary	registered ordinary	On 09.06.2021 the General Shareholders'

³⁵ The information is given in accordance with the data posted on the website <https://www.enel.com/investors/investing/shareholders>.

Date when the persons entitled to receive dividends are determined	28.06.2017	22.06.2018	08.07.2019	09.07.2020	Meeting decided not to pay dividends for ordinary shares of PJSC Enel Russia following the results of 2020
Total amount of accrued dividends, mln rubles	2,413	5,127	5,004	3,007	
Total amount of paid dividends*, mln rubles	2,402	5,105	4,982	2,993	
Amount of dividends per one share, rubles	0.06822	0.14493	0.141471	0.085	
Date of dividends payment	02.08.2017	27.07.2018	12.08.2019	13.08.2020	

The reasons for not fully paying dividends are the lack of correct details for payment not provided by registered persons as well as the return of unpaid dividends by nominee holders.

Principles on which the company's Board of Directors will base its recommendations regarding the payment of dividends

Transparency of the mechanism for determining the amount of dividends

Balancing of short-term (payment of dividends) and long-term (capitalization growth of the company) interests of shareholders

Compliance with acceptable levels of the company's net debt and earnings before interest, taxes, depreciation and amortization for the company

Focus on maintaining the financial stability of the company and improving the financial and economic indicators of its activities

Striving to increase the amount of dividends in the long term

Focus on increasing the investment attractiveness of the company

Depository Receipts

Upon authorization by the Federal Financial Markets Service of Russia for circulation of the company ordinary shares outside the Russian Federation in the amount of not more than 7,074,537,100 shares in August 2007 a program is opened for global depository receipts (GDR) issue for ordinary shares of PJSC Enel Russia. The GDR program is established and supported according to Regulation S (Reg S). Ratio of GDR to ordinary shares of the company amounts to 1:50.

Program	Depository bank	Amount of depository receipts in circulation	Receipts in circulation from the charter capital, %	Foreign organizer of trade
Sponsored*				
GDR (ordinary shares)	The Bank of New York Mellon	448,829 (corresponds to 22,491,450 ordinary	0.06	Over the counter securities market

shares of the
company)

* Information as of December 31, 2021.

Stock Exchange Bonds

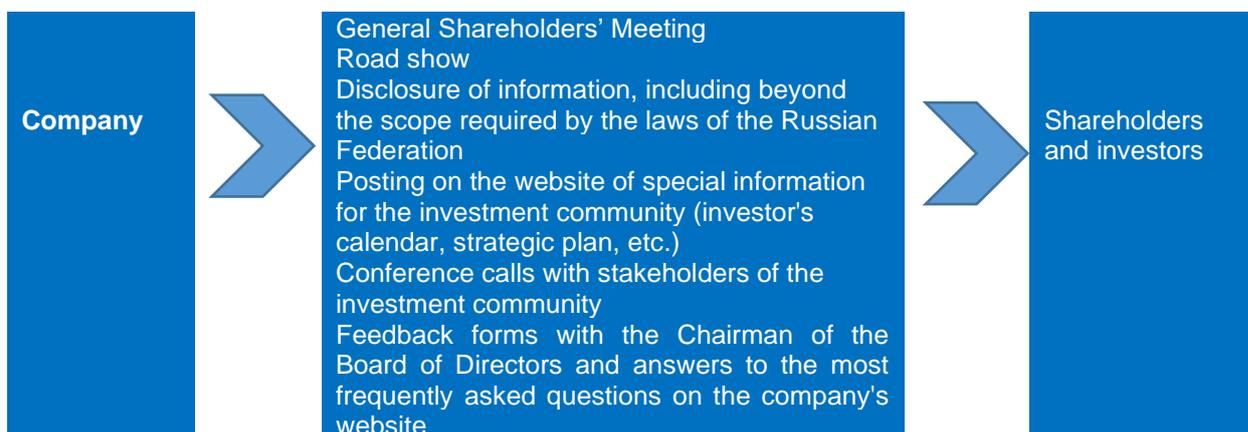
During 2021, exchange bonds of PJSC Enel Russia were included in the Second level of listing of PJSC Moscow Exchange. In accordance with the terms of issue in October 2021, the bonds of the 001P-03R series were repaid, the obligations under the bonds were fulfilled in full.

Exchange documentary interest-bearing inconvertible bonds to bearer held in collective safe custody		
Series	001P-02R	001P-03R
Identification number of the issue	4B02-02-50077-A-001P	4B02-03-50077-A-001P
Date of the identification number assignment	29.03.2019	29.03.2019
International Securities Identification Number (ISIN)	RU000A100824	RU000A100840
Number of securities issued	2,000,000	3,000,000
Issue amount, rubles	2,000,000,000	3,000,000,000
Coupon rate	8.6%	8.5%
Placement date	02.04.2019	02.04.2019
Circulation period, days	1352	915
Coupon period, days	169	183
Method of placement	public subscription	public subscription
Maturity	14.12.2022	03.10.2021

Interaction with the Shareholders and Investors

PJSC Enel Russia works actively in interaction with stock market participants and improvement of information disclosure. The company's representatives are in on-going dialogue with analysts of investment banks and hold regular meetings with investors.

Key instruments for interaction with shareholders and investors



Procedure of interaction with shareholders, investors, media representatives defines the Regulation on the Information Policy. Following the best national practices, it provides for an extended list of information disclosed by the company and defines the procedure for shareholders to access information about entities controlled by the company. Information is disclosed on the company's website, in the news wire e-disclosure.ru, on the website <https://fedresurs.ru>, as well as in other ways provided for by the Regulation on the Information Policy of the company.

Principles of information disclosure

Regularity

Consistency and efficiency

Availability

Reliability

Completeness and comparability of disclosed data

In 2021, there were changes in the laws of the Russian Federation in the field of information disclosure, including the changed list of information that public companies should disclose and approach to drawing up regular reports in public companies on the securities market (now they shall be disclosed on a consolidated basis). The change in the list of disclosed information is aimed at eliminating duplication of information as much as possible. During 2021, the List of the company's insider information was approved twice, its adjustments reflected changes in the laws.

In order to avoid cases of non-disclosure/untimely disclosure of information, presentations and memos about the main changes in regulation were sent to the units involved in the disclosure process, and, if necessary, verbal explanations were given.

 <p>Regulation on the Information Policy https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/Regulation_of_the_Information_Policy.pdf</p>	 <p>Regulation on insider information https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/1_Regulation_on_insider_information.pdf</p>
 <p>List of insider information https://www.enelrussia.ru/content/dam/enel-russia/documents/en/basic/List_of_insider_information_of_PJSC_Enel_Russi_eng.pdf</p>	
 <p>Company website enelrussia.ru</p>	 <p>News wire e-disclosure.ru ³⁶ http://www.e-disclosure.ru/portal/company.aspx?id=5732</p>

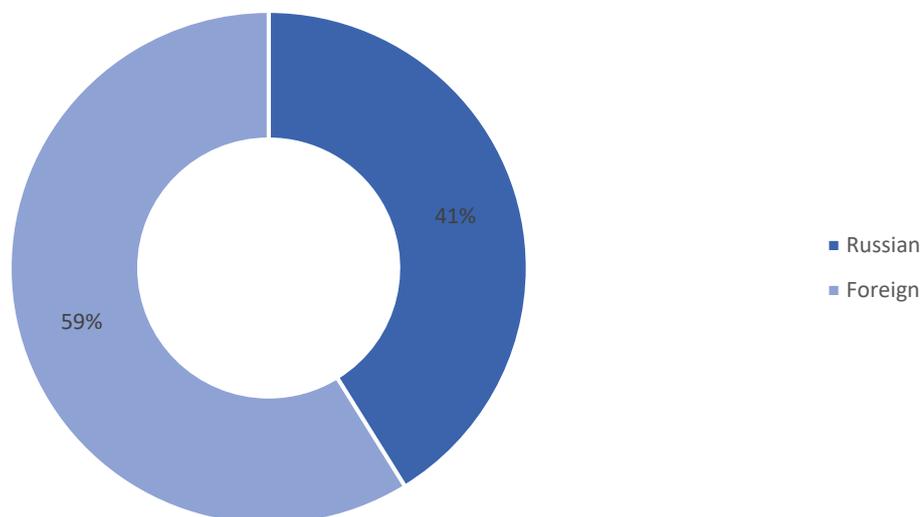
In 2021, the company continued to work for improvement of transparency of the public history and attractiveness of investments in the shares of PJSC Enel Russia including in the form of ongoing IR events:

- disclosure of annual and quarterly financial results;
- update of the strategic plan with key operational and financial targets for the next three years, including further strategic view;
- direct meetings with investors including broker conferences;
- Q&A sessions with investors and analysts

³⁶ Disclosure in the news wire is carried out only in Russian

Due to the limitations caused by COVID-19 pandemic, a significant part of the above activities were carried out online. The trend continued of increase of direct communication with individual investors who resume to show active interest in the company's shares continued during the year. Around 40 meetings in 2021 were held with current and potential Russian and foreign investors.

Geography of meetings with investors



Analytical coverage of the company was provided by teams of six leading brokers and investment banks.

Share price as of December 31, 2021
0.86 rubles

Consensus forecast
1.0 rubles

Growth potential
+16%

Key IR-activities conducted in 2021

Q1 2021	Q2 2021	Q3 2021	Q4 2021
Conference call based on the results of 2020	Conference call based on the results of Q1 of 2021	Conference call based on the results of 6 months of 2021	Conference call based on the results of 9 months of 2021
Presentation of the strategic business plan for 2021-2023	Meeting of the company's top management with analysts during the Opening ceremony of Azovskaya wind farm (Rostov Region)	SOVA Conference (Moscow)	Moscow Stock Exchange Conference (online, Moscow)
Road show (online, Moscow)		Capital (online, Moscow)	
Raiffeisen Bank Conference (online, Moscow)	Raiffeisen Bank Conference (online, Moscow)		

	Renaissance Conference (online, Moscow)	Capital (online, Moscow)		
	Sberbank Conference (online, Moscow)	CIB (online, Moscow)		

Calendar of events for investors for 2022



Annexes

Annex 1. Financial statements and auditor's report

Evaluation

by the Audit and Corporate Governance Committee of the Board of Directors of PJSC Enel Russia of the Auditor's reports on consolidated financial and accounting statements of PJSC Enel Russia prepared on the basis of 2021 business activity results.

Pursuant to p. 177 of the Code of Corporate Governance recommended by Central Bank of the Russian Federation (Letter of the Central bank dated 10.04.2014 No. 06-52/2463), the Audit and Corporate Governance Committee of the Board of Directors shall provide evaluation of the Auditor's reports on consolidated financial statements prepared in accordance with International Financial Reporting Standards (hereinafter – «IFRS») and on accounting statements prepared in accordance with Russian Accounting Standards (hereinafter – «Russian GAAP») – to be further submitted as materials to the Annual General Shareholders' Meeting of the Company.

JSC KPMG, located at Presnenskaya Naberezhnaya, 10, Block C, Naberezhnaya Tower Complex, Moscow, 123112, Russia, was appointed as the Auditor of PJSC Enel Russia to provide audit and issue Auditor's reports to express an opinion on consolidated financial statements prepared in accordance with IFRS and on accounting statements prepared in accordance with Russian GAAP. JSC KPMG is a member of the Self-regulatory organization of auditors "Sodruzhestvo" (Association).

Based on the results of compulsory audit of consolidated financial and accounting reporting of PJSC Enel Russia for 2021, JSC KPMG drew up the Auditor's reports.

Upon examining the Auditor's reports issued by JSC KPMG, the Audit and Corporate Governance Committee of the Board of Directors has resolved:

1. The audit was conducted in compliance with the terms and conditions of the contract concluded between JSC KPMG and PJSC Enel Russia, in adherence to the agreed schedule and audit procedures.

2. The Auditor's reports presented are in compliance with the requirements of the Federal Law "On audit activities" No. 307-FZ dated 30.12.2008; with the International Standards of Auditing approved by the RF Government Decree No. 576 dated 11.06.2015; with internal regulations (standards) of audit activities of the Self-regulatory organization of auditors.

3. To note that JSC KPMG issued the unqualified opinion which contains the positive notion that:

- the consolidated financial statements of PJSC Enel Russia reflect fairly and in all material aspects the consolidated financial standing of PJSC Enel Russia and its subsidiaries as of December 31, 2021, as well as their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS);

- the accounting statements of PJSC Enel Russia reflect fairly and in all material aspects the

financial standing of PJSC Enel Russia as of December 31, 2021, as well as its financial performance and its cash flows for the year then ended in accordance with Russian Accounting Standards (RAS).

**Chairman of the Audit and
Corporate Governance Committee
of PJSC Enel Russia Board of Directors**

Andrea Palazzolo

Annex 2. Report on compliance with the Corporate Governance Code recommendations by the company

This report on compliance with the principles and recommendations of the Corporate Governance Code was reviewed by the Board of Directors of Public Joint Stock Company Enel Russia (hereinafter referred to as PJSC Enel Russia or the company) at a meeting of the Board of Directors on April 27, 2022, Minutes No. 08/22 dated April 28, 2022.

The Board of Directors confirms that the data contained in this Report contain complete and reliable information on compliance with the principles and recommendations of the Corporate Governance Code by the company for 2021.

Assessment of compliance with the corporate management principles recorded in the Corporate Management Code by the company in accordance with the methods stated in letter of the Bank of Russia No. IH-06-28/102 dated 27.12.2021.

In 2021, PJSC Enel Russia maintained a high level of compliance with the recommendations of the Code (93.7%). The company complies with 73 principles out of 79 principles set by the Corporate Governance Code, 4 principles are partially observed, one item remains inapplicable and one item is not observed.

The decrease in compliance by one item compared to 2020 is due to the election of new membership of the Board of Directors, the number of independent directors consisting of 3 people that is not the recommended one-third of the Board of Directors (principle 2.4.3 of the Corporate Governance Code).

Partially observed principles:

1.1.3. During the preparation and holding of the general meeting, shareholders had the opportunity to freely and timely receive information about the meeting and materials for it, ask questions to the executive bodies and members of the Board of Directors of the company, communicate with each other.

1.2.1. The company has developed and implemented a transparent and understandable mechanism for determining the amount of dividends and their payment.

3.1.2. The Corporate Secretary has sufficient independence from the executive bodies of the company and has the necessary powers and resources to perform the tasks assigned to it.

7.2.2. Rules and procedures related to the implementation of significant corporate actions by the company are specified in the internal documents of the company.

Inapplicable principle:

4.2.2. Long-term ownership of the company's shares contributes most to the convergence of the financial interests of the members of the Board of Directors with the long-term interests of shareholders. At the same time, the company does not condition the right to sell shares by achieving certain performance indicators, and members of the Board of Directors do not participate in option programs.

A brief description of the most significant aspects of the model and corporate governance practice in the company is contained in the annual report's section "Risk and Corporate Governance".

Information about which principles are not observed or are fully observed, with a brief description of which part they are not observed or partially observed, is contained in the table below.

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
1.1	The company shall ensure equal and fair treatment of all shareholders when exercising their right to participate in the management of the company			

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
1.1.1	The company creates the most favorable conditions for shareholders to participate in the general meeting, conditions for developing a reasoned stance on the items on the agenda of the general meeting, coordinating their actions, as well as the opportunity to express their opinion on the items under consideration	1. The company provides accessible means of communication with the company, such as a hotline, e-mail or an Internet forum, allowing shareholders to express their opinions and send questions regarding the agenda in preparation for the general meeting. These means of communication were organized by the company and provided to shareholders during the preparation for each general meeting held during the reporting period	Complied	Continues to be complied with. During the General Shareholders' Meeting in 2021, PJSC Enel Russia provided shareholders with an e-mail address, the number of the company's business account in the WhatsApp text messaging system (hereinafter – WhatsApp) and a special form on the company's website, with which shareholders could express their opinions and send questions regarding the agenda of the General Shareholders' Meeting. The company's employees answered questions related to the General Shareholders' Meeting.
1.1.2	Procedure for notifying on holding the General Meeting and providing materials for the General Meeting gives shareholders the opportunity to properly prepare for participation in it	1. In the reporting period, the notice of the General Shareholders' Meeting was posted (published) on the company's website on the Internet no later than 30 days before the date of the General Meeting, unless the laws provide for a longer period. 2. The notice of the meeting specifies the documents required for admission to the premises. 3. Shareholders were provided with access to information about who proposed the agenda items and who nominated candidates to the Board of Directors and the Internal Audit Commission of the company (if its formation is provided for by the Articles of Association of the company)	Complied	Continues to be complied with. In accordance with Article 11.8 of the Charter of PJSC Enel Russia, the notice of the General Shareholders' Meeting of the company shall be published on the company's website (https://www.enelrussia.ru) at least 21 days before its holding, but in fact the company publishes this notice no later than 30 days before the General Shareholders' Meeting. Until 2020, the company specified in the notice of the General Shareholders' Meeting the documents necessary for access to the premises in which the meeting is held. In 2021, and in 2020, the notice of the meeting does not specify the place and time of holding the General Shareholders' Meeting, since the General Shareholders' Meeting is held in absentia on the basis of article 2 of Federal Law No. 17-FZ dated 24.02.2021, lifting the ban to hold the General Shareholders' Meeting in the form of absentee voting, the agenda of which includes the items: election of the Board of Directors, approval of the auditor of the joint stock company, the approval of the annual report, annual accounting (financial) statements. At the time of the decision to convene the General Shareholders' Meeting in those towns/cities in which, in accordance with the company's Charter (Article 10.11 of the Charter), a meeting can be held, namely in Moscow, Yekaterinburg, Konakovo, Nevinnomyssk, Sredneuralsk and Asbest, for citizens over the age of 65 years, as well as citizens with chronic diseases, a need not to leave the place of residence (stay) was kept (Decree of the Mayor of Moscow No. 3-YM dated 21.01.2021, Resolution of the Governor of the Stavropol Territory No. 161 dated 13.04.2021 Decree of the Governor of the Sverdlovsk Region No. 176-УГ dated 15.03.2021, Resolution of the Governor of the Tver Region No. 185-nr dated 18.12.2020). Considering that more than 300 people personally participated in the General Shareholders' Meetings of previous years, a significant part of whom are over 65 years old, the company considered it appropriate to change the form of the annual General Shareholders' Meetings from in person to in absentia.
1.1.3	During the preparation and holding of the general meeting, shareholders had the opportunity to freely and timely receive information about the meeting and materials for it, ask questions to the executive bodies and members of the Board of Directors of the company, communicate with each other	1. During the reporting period, shareholders were given the opportunity to ask questions to members of the executive bodies and members of the Board of Directors of the company during the preparation for the meeting and during the General Meeting. 2. The stance of the Board of Directors (including special opinions included in the minutes (if any) on each item on the agenda of the general meetings held during the reporting period was included in the materials for the General Meeting. 3. The company provided the shareholders entitled to this an	Partially complied	The principle is partially observed. Deterioration compared to the previous period. In preparation for the annual General Shareholders' Meeting in 2021, shareholders were given the opportunity to receive answers to their questions by sending them to a special e-mail address (Enelrussiaagsm@enel.com) and to the WhatsApp number specified in the message about the meeting. Questions could also be asked using a special form on the company's website. The shareholders could express their opinion and ask questions to the members of the Board of Directors, members of the Executive Board, General Director, key managers, Head of Accounting and Taxation - Head Accountant, company Auditor and Board of Directors candidates. The company's employees answered phone calls related to the meeting.

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
		access to the list of persons entitled to participate in the General Meeting, starting from the date of its receipt by the company in all cases of holding general meetings in the reporting period		<p>Subclause 2 of principle 1.1.3. is partially observed, since in the materials of the annual General Shareholders' Meeting in 2021, the stance of the Board of Directors on each item on the agenda of the General Shareholders' Meeting was reflected without including a special opinion of the members of the Board of Directors. A few days before the annual General Shareholders' Meeting the company's website posted videos with speeches on each item on the agenda, as well as an address by the Chairman of the Board of Directors.</p> <p>The company provided shareholders entitled to do so with access to the list of persons entitled to participate in the General Shareholders' Meeting, starting from the date of receipt of such a list.</p>
1.1.4	The exercise of the shareholder's right to demand the convocation of the General Meeting, nominate candidates for management bodies and make proposals for inclusion in the agenda of the General Meeting was not associated with unjustified difficulties	<p>1. The company's Articles of Association sets a deadline for shareholders to submit proposals for inclusion in the agenda of the annual General Meeting that is at least 60 days after the end of the corresponding calendar year.</p> <p>2. During the reporting period, the company did not refuse to accept proposals for the agenda or candidates for the company's bodies due to typos and other insignificant shortcomings in the shareholder's proposal.</p>	Complied	<p>Continues to be complied with.</p> <p>Clause 13.1 of the Charter of PJSC Enel Russia sets the deadline for shareholders to submit proposals on the agenda of the annual General Shareholders Meeting - no later than 60 days after the end of the reporting year.</p> <p>If there are significant shortcomings in the shareholder's proposal, the company immediately informs the shareholder about them in order to provide it with the opportunity to correct them. In the reporting period, there were no refusals on the part of the company to accept proposals for the agenda or candidates for the Board of Directors for the specified reasons.</p>
1.1.5	Each shareholder had the opportunity to freely exercise the right to vote in the simplest and most convenient way for it	1. The Articles of Association of the company provides for the possibility of filling in the electronic form of the bulletin on the website on the Internet, the address of which is specified in the notice of the General Shareholders' Meeting	Complied	<p>Continues to be complied with.</p> <p>Clause 11.11 of the Charter of PJSC Enel Russia provides for the possibility of filling in an electronic form on the Internet site determined by the Board of Directors and specified in the notice of the General Shareholders' Meeting.</p> <p>Since 2020, the company has provided shareholders with the possibility of electronic voting that could be used through the "Shareholder's Personal Account" service on the website of the registrar of JSC "IRC - R.O.S.T." – https://lk.rrost.ru/ or by using a special mobile application.</p>
1.1.6	The procedure established by the company for conducting the General Meeting provides an equal opportunity for all persons present at the meeting to express their opinions and ask questions of interest to them	<p>1. When General Shareholders' Meetings were held in the reporting period in the form of a meeting (joint presence of shareholders), sufficient time was provided for reports on items on the agenda and time for discussion of these items, shareholders were given the opportunity to express their opinions and ask questions on the agenda that interested them.</p> <p>2. The company invited candidates to the management and control bodies of the company and took all necessary measures to ensure their participation in the General Shareholders' Meeting at which their candidacies were put to the vote. Candidates for the management and control bodies of the company who attended the General Shareholders' Meeting were available to answer questions from shareholders.</p> <p>3. The sole executive body, the person responsible for accounting, the chairman or other members of the Audit Committee of the Board of Directors were available to answer shareholders' questions at the</p>	Complied	<p>Continues to be complied with.</p> <p>Based on the decision of the company's Board of Directors (Minutes No. 6/21 dated 23.04.2021), adopted in accordance with Article 2 of Federal Law No. 17-FZ dated 24.02.2021, the annual General Shareholders' Meeting of PJSC Enel Russia was held in the form of absentee voting. In order to provide additional information to shareholders on the company's website www.enelrussia.ru video messages were published on all items on the agenda, as well as a video message from the Chairman of the Board of Directors. For convenience, a presentation on the agenda item was posted under each video. Shareholders could ask questions via e-mail (enelrussiaagsm@enelrussia.ru), to the number of the company's business account in WhatsApp that were specified in the message about the meeting, as well as using a special form posted on the company's website. Shareholders could ask questions to candidates for members of the Board of Directors, members of the Board of Directors, Chairmen and other members of the Committees of the Board of Directors, members of the Executive Board, General Director, key managers, Head of Accounting and Tax Accounting - Chief Accountant, Auditor of the company. These measures of additional informing shareholders on the items on the agenda were</p>

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
		<p>General Shareholders' Meetings held during the reporting period.</p> <p>4. In the reporting period, the company used telecommunications facilities to provide remote access for shareholders to participate in general meetings, or the Board of Directors made a reasoned decision that there was no need (possibility) to use such facilities in the reporting period</p>		<p>taken by the company's management on behalf of the Board of Directors.</p> <p>The company's shareholders could also use the electronic voting system by filling in the electronic ballot form on the website of the registrar of JSC «IRC-R.O.S.T.» – https://lk.roost.ru/.</p>
1.2	Shareholders are given an equal and fair opportunity to participate in the company's profits by receiving dividends			
1.2.1	The company has developed and implemented a transparent and understandable mechanism for determining the amount of dividends and their payment	<p>1. The company's Dividend Policy Regulation was approved by the Board of Directors and disclosed on the company's website on the Internet.</p> <p>2. If the dividend policy of the company composing the consolidated financial statements uses the company's reporting indicators to determine the amount of dividends, the relevant provisions of the dividend policy take into account the consolidated financial statements.</p> <p>3. The justification of the proposed distribution of net profit, including for the payment of dividends and the company's own needs, and an assessment of its compliance with the company's dividend policy, with explanations and economic justification of the need to direct a certain part of net profit to its own needs in the reporting period were included in the materials for the General Shareholders' Meeting, the agenda of which includes the item of profit distribution (including the payment (declaration) of dividends)</p>	Partially complied	<p>Continues to be complied with. Deterioration compared to the previous period.</p> <p>The company's Board of Directors approved the Dividend Policy Regulation (Minutes No. 12/21 dated 30.09.2021) published on the company's website (https://www.enelrussia.ru/investors/basic-documents).</p> <p>The company's dividend policy does not use the company's reporting indicators to determine the amount of dividends, therefore, the Dividend Policy Regulation does not contain provisions on consolidated financial reporting indicators. Subclause 3 of principle 1.2.1. is partially observed. In 2021, explanations and economic justifications for the distribution of net profit were publicly disclosed in advance (4 months before the General Shareholders' Meeting as part of the materials for the Investor and Analyst Day) and were not included in the materials for the General Shareholders' Meeting.</p> <p>The company plans to include in the materials for the General Shareholders' Meeting in 2022, the rationale for the proposed distribution of net profit and assessment of its compliance adopted by the company's dividend policy and thus to ensure compliance with subclause 3 of the principle 1.2.1.</p>
1.2.2	The company does not make a decision to pay dividends if such a decision, without formally violating the restrictions established by law, is economically unjustified and may lead to the formation of false ideas about the company's activities	1. The company's Dividend Policy Regulation, in addition to the restrictions established by law, defines financial/economic circumstances under which the company should not make a decision on the payment of dividends	Complied	<p>Continues to be complied with. Improvement compared to the previous period.</p> <p>The new version of the Dividend Policy Regulation approved by the Board of Directors (Minutes No. 12/21 dated 30.09.2021) contains clause 2.1. that defines the financial/economic circumstances under which the company should not make a decision on the payment of dividends.</p>
1.2.3	The company does not allow deterioration of the dividend rights of existing shareholders	1. In the reporting period, the company did not take any actions leading to deterioration of the current shareholders' dividend rights	Complied	<p>Continues to be complied with.</p> <p>PJSC Enel Russia did not take any actions leading to deterioration of shareholders' dividend rights in the reporting year.</p>
1.2.4	The company strives to exclude the use by shareholders of other ways of obtaining profit (income) at the expense of the company, in addition to dividends and liquidation value	1. In the reporting period, other ways for persons controlling the company to receive profit (income) at the expense of the company in addition to dividends (for example, through transfer pricing, unjustified provision of services to the company by the controlling person at inflated prices, through internal loans replacing dividends to the controlling person and (or) its controlled persons) were not used	Complied	<p>Continues to be complied with.</p> <p>In the reporting period, the company did not use any methods for persons controlling the company to receive profit (income) at the company's expense in addition to dividends.</p> <p>Transactions with the controlling person and its controlled persons, for which these persons received income, were concluded by the company in the reporting period on market conditions in accordance with the Basic Principles of Approval of Related Party Transactions. This document was adopted by the Board of Directors and provides for the need to determine a fair market valuation of property acquired or disposed of under a related-party transaction based on the results of a tender, market price analysis or the involvement of an independent appraiser. The company also has Enel Group Corporate Governance Guidelines approved by the company's Board of Directors in 2018 that contain the general principles and procedures for intra-group transactions and other related-party transactions.</p> <p>In addition, the company has established the</p>

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
				Related Party Transactions Committee, consisting exclusively of independent directors in the reporting period. The tasks of this Committee include providing assistance to the Board of Directors in issues of evaluation and decision-making when considering related-party transactions and cases of conflict of interest.
1.3	System and practice of corporate governance ensure equality of conditions for all shareholders - owners of shares of the same category (type), including minority (small) shareholders and foreign shareholders, and equal treatment by the company			
1.3.1	The company has created conditions for fair treatment of each shareholder by the management bodies and controlling persons of the company, including conditions ensuring the inadmissibility of abuse by large shareholders in relation to minority shareholders	1. During the reporting period, the persons controlling the company did not abuse their rights in relation to the shareholders of the company, there were no conflicts between the controlling persons of the company and the shareholders of the company, and if there were any, the Board of Directors would pay them due attention	Complied	Continues to be complied with. During the reporting period, the person controlling the company did not allow abuse of rights in relation to the shareholders of the company, and there were no conflicts between the controlling person of the company and the shareholders in the company.
1.3.2	The company does not take actions that lead or may lead to an artificial redistribution of corporate control	1. Quasi-treasury shares are absent or did not participate in voting during the reporting period	Complied	Continues to be complied with. There were no quasi-treasury shares in the company in the reporting period.
1.4	Shareholders are provided with reliable and effective ways of accounting for the rights to shares, as well as the possibility of free and unencumbered alienation of their shares			
1.4	Shareholders are provided with reliable and effective ways of accounting for the rights to shares, as well as the possibility of free and unencumbered alienation of their shares	1. The technologies used by the registrar of the company and the conditions of the services provided meet the needs of the company and its shareholders, ensure that the rights to shares are taken into account and the rights of shareholders are exercised in the most effective way	Complied	Continues to be complied with. The registrar of the company JSC «IRC - R.O.S.T.» is the largest registrar in Russia that provides its customers with the widest range of advanced services.
2.1	The Board of Directors carries out strategic management of the company, determines the basic principles and approaches to the organization of the risk management and internal control system in the company, controls the activities of the executive bodies of the company, as well as implements other key functions			
2.1.1	The Board of Directors is responsible for making decisions related to the appointment and dismissal of executive bodies, including in connection with improper performance of their duties. The Board of Directors also monitors that the company's executive bodies act in accordance with the approved development strategy and the main directions of the company's activities	1. The Board of Directors has the powers stipulated in the Articles of Association to appoint, dismiss from office and determine the terms of contracts with respect to members of executive bodies. 2. In the reporting period, the Nomination Committee (appointments, personnel) ³⁷ considered the issue of compliance of professional qualifications, skills and experience of members of executive bodies with the current and expected needs of the company dictated by the approved strategy of the company. 3. In the reporting period, the Board of Directors reviewed the report(s) of the sole executive body and the collegial executive body (if any) on the implementation of the company's strategy	Complied	Continues to be complied with. In accordance with the Charter of PJSC Enel Russia, the competence of the Board of Directors includes the appointment and early termination of the powers of the General Director of the company, determination of the quantitative composition, election and early termination of the powers of the members of the Executive Board. During the reporting period, the Board of Directors considered the issues of compliance of the professional qualifications, skills and experience of the General Director and members of the Executive Board with the current and expected needs of the company dictated by the company's strategy, within the issues of setting key performance indicators (KPIs) (Minutes No. 2/21 dated 25.02.2021, Minutes No. 5/21 dated 29.03.2021, Minutes No. 6/21 dated 23.04.2021), reports on compliance (Minutes No. 6/21 dated 23.04.2021) and the issue of long-term bonuses for the period 2021-2023 (Minutes No. 12/21 dated 30.09.2021). All issues were also previously considered by the HR and Remuneration Committee. In 2021, the Board of Directors regularly reviewed the reports of the company's General Director that, among other things, reflect the implementation of the business plan and the implementation of the strategy of PJSC Enel Russia.

³⁷ Hereinafter - the Nomination Committee

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
2.1.2	The Board of Directors sets the main guidelines for the company's long-term activities, evaluates and approves the key performance indicators and the main business goals of the company, evaluates and approves the strategy and business plans for the main activities of the company	1. During the reporting period, the meetings of the Board of Directors considered issues related to the implementation and updating of the strategy, approval of the financial and economic plan (budget) of the company, as well as consideration of criteria and indicators (including interim ones) for the implementation of the strategy and business plans of the company	Complied	Continues to be complied with. During 2021, the Board of Directors considered issues related to the implementation and updating of the company's strategy within the General Director's reports on the company's activities, as well as issues related to the approval of the company's business plan for 2021-2023 and 2022-2024 and the company's budget for 2021 and 2022.
2.1.3	The Board of Directors determines the principles and approaches to the organization of the risk management and internal control system in the company	1. The principles and approaches to the organization of the risk management and internal control system in the company are defined by the Board of Directors and are recorded in the internal documents of the company defining the policy in risk management and internal control. 2. In the reporting period, the Board of Directors approved (revised) the acceptable amount of risks (risk appetite) of the company or the audit committee and/or the risk committee (if any) considered the feasibility of submitting the issue of reviewing the company's risk appetite to the Board of Directors for consideration.	Complied	Continues to be complied with. The company has a number of internal documents defining the principles and approach to the organization of the risk management and internal control system: - Policy in Risk Management and Internal Control defining the objectives, tasks, principles and methods of risk management in the company; - Regulation on the Internal Control System, defining the objectives and tasks of the internal control system; -The Regulation on the Risk Committee that defines the basic principles of work, including the tasks of the Risk Committee and its powers; - Regulation on the Internal Audit Department, aimed at provision of independent assessment of the performance of the internal control system, risk detection and management system and corporate governance practice to the Audit and Corporate Governance Committee, Board of Directors and General Director. In 2021, the Board of Directors considered the organization of the risk management system, including acceptable risk values (risk appetite), of PJSC Enel Russia and recognized it as effective during 2021.
2.1.4	The Board of Directors determines the company's policy on remuneration and (or) reimbursement of expenses (compensation) to members of the Board of Directors, executive bodies of the company and other key executives of the company	1. The company has developed, approved by the Board of Directors and implemented policy (policies) on remuneration and reimbursement of expenses (compensations) of members of the Board of Directors, executive bodies of the company and other key executives of the company. 2. During the reporting period, the Board of Directors considered issues related to the specified policy(ies)	Complied	Continues to be complied with. The company has internal documents that regulate remuneration and reimbursement of expenses of members of the Board of Directors, executive bodies of the company and other key executives. Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees approved by the General Shareholders' Meeting of PJSC Enel Russia on 18.06.2019 and the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia approved by the company Board of Directors on 28.10.2020. In 2021, the Board of Directors considered issues related to these documents, in particular, at a meeting of the Board of Directors in September 2021 as part of the issue of approving measures according to the action plan to improve the efficiency of the Board of Directors of PJSC Enel Russia (Minutes No. 12/21 dated 30.09.2021).
2.1.5	The Board of Directors plays a key role in preventing, identifying and resolving internal conflicts between the company's bodies, the company's shareholders and the company's employees	1. The Board of Directors plays a key role in preventing, identifying and resolving internal conflicts. 2. The company has created a system for identifying transactions related to conflicts of interest and a system of measures aimed at resolving such conflicts	Complied	Continues to be complied with. The Regulation on the key role of the Board of Directors in resolving internal conflicts is included in the company's Charter (Article 15.1) and in the Rules of Procedure for Convention and Holding of Meetings of Board of Directors (cl. 3.8). Also, PJSC Enel Russia has established and effectively operates the Related Party Transactions Committee of the Board of Directors consisting of independent directors. The Board of Directors has approved the Enel Group Corporate Governance Guidelines setting the general principles and procedures for

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				committing intra-group and other related party transactions.
2.1.6	The Board of Directors plays a key role in ensuring the company's transparency, timeliness and completeness of information disclosure by the company, and easy access of shareholders to the company's documents	1. The company's internal documents identify the persons responsible for the implementation of the information policy	Complied	Continues to be complied with. According to the Regulation on the Information Policy, the responsibilities for monitoring compliance with this Regulation are assigned to the Board of Directors (cl. 9.1 of the Regulation on the Information Policy).
2.1.7	The Board of Directors monitors corporate governance practices in the company and plays a key role in significant corporate events of the company	1. During the reporting period, the Board of Directors reviewed the results of self-assessment and (or) external assessment of corporate governance practices in the company	Complied	Continues to be complied with. The Board of Directors reviewed the report on corporate governance practices at PJSC Enel Russia in October 2021. The issues of the corporate governance system were also considered as part of the self-evaluation of the activities of the Board of Directors for 2021.
2.2	The Board of Directors is accountable to the company's shareholders			
2.2.1	Information about the work of the Board of Directors is disclosed and provided to shareholders	1. The company's annual report for the reporting period includes information on attendance of meetings of the Board of Directors and committees by each of the members of the Board of Directors. 2. The annual report contains information on the main results of the evaluation (self-evaluation) of the quality of the work of the Board of Directors conducted in the reporting period	Complied	Continues to be complied with. In its annual report for 2021, the company discloses information on the number of meetings of the Board of Directors and its Committees held during the reporting year specifying the form of the meeting and information on the presence of members of the Board of Directors and Committees of the Board of Directors at meetings. The main results of the self-evaluation of the work of the Board of Directors carried out for 2021 are also disclosed in the annual report of PJSC Enel Russia.
2.2.2	The Chairman of the Board of Directors is available to communicate with the company's shareholders	1. The company has a transparent procedure that provides shareholders with the opportunity to send appeals to the Chairman of the Board of Directors (and, if applicable, a senior independent director) and receive feedback on them	Complied	Continues to be complied with. The company shareholders have the opportunity to ask questions to the Chairman of the Board of Directors via the Corporate Secretary of the company or feedback form available on the company website (https://www.enelrussia.ru/investors/feedback).
2.3	The Board of Directors is an effective and professional management body of the company capable of making objective independent judgments and making decisions that meet the interests of the company and its shareholders			
2.3.1	Only persons who have an impeccable business and personal reputation and have the knowledge, skills and experience necessary to make decisions within the competence of the Board of Directors and required for the effective exercise of its functions are elected members of the Board of Directors.	1. During the reporting period, the Board of Directors (or its nomination committee) evaluated candidates for the Board of Directors in terms of their necessary experience, knowledge, business reputation, lack of conflict of interest, etc.	Complied	Continues to be complied with. Based on the recommendation of the HR and Remuneration Committee, in 2021 the Board of Directors evaluated candidates to the Board of Directors for compliance with the criteria of independence and in terms of their having the necessary experience, knowledge and business reputation.
2.3.2	Members of the company's Board of Directors are elected through a transparent procedure that allows shareholders to obtain information about candidates sufficient to form an idea of their personal and professional qualities	1. In all cases of holding a General Shareholders' Meeting in the reporting period, the agenda of which included issues on the election of the Board of Directors, the company provided shareholders with biographical data of all candidates for members of the Board of Directors, the results of the assessment of the candidates' professional qualifications, experience and skills to the current and expected needs of the company conducted by the Board of Directors (or its nomination committee), as well as information on the candidate's compliance with the independence criteria in accordance with recommendations 102 - 107 of the Code and information on the availability of written consent of	Complied	Continues to be complied with. Biographical data of candidates to the Board of Directors, information on the availability of written consent of candidates for election to the Board of Directors, recommendations of the Board of Directors regarding voting on candidates, as well as the results of the evaluation of candidates by the Board of Directors, including information on the candidates' compliance with independence criteria, were included in the materials for the annual General Shareholders' Meeting in 2021.

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		candidates for election to the Board of Directors		
2.3.3	The composition of the Board of Directors is balanced, including in terms of the qualifications of its members, their experience, knowledge and business qualities, and is supported by the confidence of shareholders	1. During the reporting period, the Board of Directors analyzed its own needs in professional qualifications, experience and skills and determined the competencies required by the Board of Directors in the short and long term	Complied	Continues to be complied with. During the self-evaluation procedure of the Board of Directors for 2021, the Board of Directors analyzed its own needs in professional qualifications, experience and business skills and determined the competencies required by the Board of Directors
2.3.4	The quantitative composition of the company's Board of Directors makes it possible to organize the activities of the Board of Directors in the most effective way, including the possibility of forming committees of the Board of Directors, and also provides significant minority shareholders of the company with the opportunity to elect a candidate to the Board of Directors for whom they vote	1. During the reporting period, the Board of Directors considered the issue of compliance of the quantitative composition of the Board of Directors with the needs of the company and the interests of shareholders	Complied	Continues to be complied with. As part of the procedure for self-evaluation of the Board of Directors performance for 2021, the Board of Directors analyzed the issue of adequacy of the number of Board members in terms of the company needs and shareholders' interests.
2.4	The Board of Directors includes a sufficient number of independent directors			
2.4.1	An independent director is a person who has sufficient professionalism, experience and independence to form its own stance, is able to make objective and conscientious judgments, independent of the influence of the company's executive bodies, individual groups of shareholders or other related parties. At the same time, it should be taken into account that under normal conditions, a candidate (an elected member of the Board of Directors) who is associated with the company, its significant shareholder, significant counterparty or competitor of the company or is associated with the state cannot be considered independent.	1. During the reporting period, all independent members of the Board of Directors met all the independence criteria specified in recommendations 102 - 107 of the Code, or were recognized as independent by the decision of the Board of Directors	Complied	Continues to be complied with. During 2021, independent members of the company's Board of Directors fully met all the independence criteria contained in the recommendations of the Corporate Governance Code and in the Listing Rules of the Moscow Stock Exchange.
2.4.2	The compliance of candidates for members of the Board of Directors with the criteria of independence is assessed, as well as regular analysis of the compliance of independent members of the Board of Directors with the criteria of independence is carried out. When conducting such an assessment, the content prevails over the form	1. During the reporting period, the Board of Directors (or the nomination committee of the Board of Directors) formed an opinion on the independence of each candidate for the Board of Directors and submitted a corresponding opinion to shareholders. 2. During the reporting period, the Board of Directors (or the nomination committee of the Board of Directors) at least once considered the issue of the independence of the current members of the Board of Directors (after their election). 3. The company has developed procedures defining the necessary actions of a member of the Board of Directors in case that it ceases to be independent, including obligations to inform the Board of Directors about this in a timely manner	Complied	Continues to be complied with. During 2021, the Board of Directors made an opinion on the independence of each candidate for the Board of Directors and presented it to shareholders as part of the materials for the annual General Shareholders' Meeting. The HR and Remuneration Committee considered the independence of the current members of the Board of Directors of PJSC Enel Russia in November 2021, determining the independence of all current members of the Board of Directors. The company has specified the required actions of a member of the Board of Directors in case he/she loses independence (cl. 3.10 of the Rules of Procedure for Convention and Holding of Meetings of PJSC Enel Russia Board of Directors).
2.4.3	Independent directors are at least one third of the elected Board of Directors	1. Independent directors are at least one third of the Board of Directors	Not complied	Subclause 1 of principle 2.4.3. is not observed. Deterioration compared to the previous period. From January 1, 2021 until the election of a new Board of Directors by the annual General Shareholders' Meeting of the company on June 8, 2021, independent directors were about half of the Board of Directors (5 out of 11 members of the Board of Directors), however, the current Board of Directors includes only 3 independent directors that meets the requirements of the listing of the Moscow Exchange, but does not comply with the recommendations of the Corporate Governance Code. On February 9, 2022, the Board of Directors approved the Profile of the Board of Directors (Target model of the Board of Directors). This

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				<p>document describes the vision of the Board of Directors, which composition of the Board of Directors corresponds to the company's activities and strategy, and contains recommendations to the company's shareholders on combining the knowledge, experience, skills and personal qualities of the members of the Board of Directors necessary for decision-making by the Board of Directors.</p> <p>In the company's opinion, the approval and publication of this document on the company's website may contribute to the nomination by shareholders of a larger number of independent directors and, thus, compliance with subclause 1 of principle 2.4.3.</p>
2.4.4	Independent directors play a key role in preventing internal conflicts in the company and committing significant corporate actions by the company	1. Independent directors (who had no conflict of interest) in the reporting period pre-evaluated significant corporate actions related to a possible conflict of interest, and the results of such an assessment were provided to the Board of Directors	Complied	Continues to be complied with. Assistance to the Board of Directors in assessment and decision making issues when considering major corporate actions or cases of conflict of interest is a part of the responsibilities of the Related Party Transactions Committee composed exclusively of independent directors (cl. 5.1 of the Organizational Regulation on Committees of the Board of Directors). The Related Party Transactions Committee preliminarily (before consideration of the issue by the Board of Directors) evaluates significant corporate actions and cases of conflict of interest and provides the results of such an assessment to the Board of Directors.
2.5	The Chairman of the Board of Directors contributes to the most effective implementation of the functions assigned to the Board of Directors			
2.5.1	An independent director has been elected Chairman of the Board of Directors, or a senior independent director has been appointed from among the elected independent directors, coordinating the work of independent directors and interacting with the Chairman of the Board of Directors	<p>1. The Chairman of the Board of Directors is an independent director or a senior independent director has been identified among the independent directors.</p> <p>2. Role, rights and duties of the Chairman of the Board of Directors (and, if applicable, the Senior Independent Director) are duly defined in the company's internal documents</p>	Complied	<p>Continues to be complied with. The Chairman of the Board of Directors is Independent Director Giorgio Callegari. Giorgio Callegari was included in the rating of the "25 Best Chairmen of the Boards of Directors" of the annual National Award "Director of the Year" organized by the Association of Professional Directors (IDA) and the Russian Union of Industrialists and Entrepreneurs.</p> <p>Role, rights and duties of the Chairman of the Board of Directors are defined in clause 2 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors.</p>
2.5.2	The Chairman of the Board of Directors ensures a constructive atmosphere of meetings, free discussion of issues included in the agenda of the meeting, control over the execution of decisions taken by the Board of Directors	1. The effectiveness of the work of the Chairman of the Board of Directors was assessed as part of the procedure for assessing (self-assessment) the quality of the work of the Board of Directors in the reporting period	Complied	Continues to be complied with. In the reporting period, the effectiveness of the Chairman of the Board of Directors was highly assessed during the self-evaluation procedure of the Board of Directors for 2021 as 4.9 points out of 5 possible.
2.5.3	The Chairman of the Board of Directors takes the necessary measures to provide the members of the Board of Directors with the information necessary for making decisions on the items on the agenda in a timely manner	1. The duty of the Chairman of the Board of Directors to take measures to ensure timely provision of complete and reliable information to the members of the Board of Directors on the agenda of the meeting of the Board of Directors is set out in the internal documents of the company	Complied	Continues to be complied with. The duty of the Chairman of the Board of Directors to take measures to ensure timely provision of materials to the members of the Board of Directors on the agenda is set out in cl. 2.4 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors.
2.6	The members of the Board of Directors act in good faith and reasonably in the interests of the company and its shareholders on the basis of sufficient awareness, with due care and prudence			
2.6.1	The members of the Board of Directors make decisions taking into account all available information, in the absence of a conflict of interest, taking into account equal treatment of the company's shareholders, within the ordinary business risk	1. The company's internal documents establish that a member of the Board of Directors shall notify the Board of Directors if it has a conflict of interest in relation to any item on the agenda of a meeting of the Board of Directors or a committee of the Board of Directors, prior to the discussion of the relevant item on the agenda.	Complied	Continues to be complied with. Cl. 8.10 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors establishes the Director's obligation to notify the Board of Directors if it has a conflict of interest in relation to any item on the agenda before the discussion of the relevant item. Also, cl. 8.11 of the above Regulation establishes the need to abstain from voting on issues in respect of which a member of the Board of Directors has a conflict of interest. The

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		<p>2. The company's internal documents stipulate that a member of the Board of Directors shall abstain from voting on any item on which it has a conflict of interest.</p> <p>3. The company has established a procedure that allows the Board of Directors to receive professional advice on issues related to its competence at the expense of the company</p>		<p>concept of "conflict of interest" is set out in the Rules of Procedure for Convention and Holding of Meetings of Board of Directors and in Enel Group Corporate Governance Guidelines approved by the company's Board of Directors in 2018. These Guidelines set out the general principles and procedures for making intra-group transactions and other related-party transactions.</p> <p>Cl. 3.7 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors provides for a procedure that allows the Board of Directors to receive professional advice on issues within its competence at the expense of the company.</p>
2.6.2	The rights and obligations of the members of the Board of Directors are clearly formulated and set out in the internal documents of the company	1. The company has adopted and published an internal document clearly defining the rights and obligations of members of the Board of Directors	Complied	Continues to be complied with. The General Shareholders' Meeting approved the Rules of Procedure for Convention and Holding of Meetings of Board of Directors of PJSC Enel Russia that define the rights and obligations of members of the company's Board of Directors. These Rules have been published on the company website in the Internet.
2.6.3	Members of the Board of Directors have enough time to perform their duties	<p>1. Individual attendance at meetings of the Board and committees, as well as the sufficiency of time to work in the Board of Directors, including in its committees, was analyzed as part of the procedure for assessment (self-assessment) of the quality of work of the Board of Directors in the reporting period.</p> <p>2. In accordance with the company's internal documents, members of the Board of Directors are required to notify the Board of Directors of their intention to join the management bodies of other institutions (other than institutions controlled by the company), as well as the fact of such appointment</p>	Complied	<p>Continues to be complied with.</p> <p>The self-evaluation of the activities of the Board of Directors for 2021 included an evaluation of individual attendance of meetings by members of the Board of Directors and its Committees, as well as the sufficiency of time to work in the Board of Directors and its Committees.</p> <p>Clause 3.9 The Rules of Procedure for Convention and Holding of Meetings of Board of Directors establish the obligation of a member of the Board of Directors to inform the Board of Directors of its intention to join the management bodies of other entities, as well as of the fact of such appointment, by sending a corresponding notification to the Chairman of the Board of Directors no later than 14 days upon appointment. When being elected to the Board of Directors, candidates fill in questionnaires specifying the institutions in which they are members of the management bodies.</p>
2.6.4	All members of the Board of Directors equally have access to the company's documents and information. The newly elected members of the Board of Directors are provided with sufficient information about the company and the work of the Board of Directors as soon as possible	<p>1. In accordance with the company's internal documents, the members of the Board of Directors have the right to receive information and documents required by the members of the Board of Directors of the company for the performance of their duties concerning the company and the entities controlled by it, and the executive bodies of the company shall ensure the provision of relevant information and documents.</p> <p>2. The company implements a formalized program of familiarization events for newly elected members of the Board of Directors</p>	Complied	<p>Continues to be complied with. Improvement compared to the previous period.</p> <p>In accordance with cl. 3.3 and 3.4. of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors, members of the company's Board of Directors are entitled to access documents and make requests concerning the activities of the company and entities controlled by it, and executive bodies shall provide relevant information and documents no later than 3 (three) business days upon receipt of the relevant request.</p> <p>In 2021, the Board of Directors approved the Induction on-boarding program for newly elected members of the Board of Directors of PJSC Enel Russia (Minutes No. 14/21 dated 15.11.2021). This Program was developed in accordance with the best corporate governance practices in order to ensure the effective work of the Board of Directors and describes a system of introductory events for members of the Board of Directors elected for the first time. Information on the procedure for familiarization events is also included in cl. 3.2 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors, according to which the Corporate Secretary sends to the members of the Board of Directors elected to its composition for the first time information about the company's strategy, the corporate governance system adopted by the company, the risk management and internal control system, the distribution of responsibilities between the executive bodies of the company and other</p>

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				material information about the activities of PJSC Enel Russia.
2.7	Meetings of the Board of Directors, preparation for them and participation of members of the Board of Directors in them ensure the effective operation of the Board of Directors			
2.7.1	Meetings of the Board of Directors are held as necessary, taking into account the scope of activities and the tasks facing the company in a certain period of time	1. The Board of Directors held at least six meetings during the reporting year	Complied	Continues to be complied with. In 2021, 15 meetings of the Board of Directors were held, 13 of which were held in person and in absentia.
2.7.2	The company's internal documents set out the procedure for preparing and holding meetings of the Board of Directors that provides members of the Board of Directors with the opportunity to properly prepare for its holding	1. The company has approved an internal document defining the procedure for preparing and holding meetings of the Board of Directors that, among other things, stipulates that notification of a meeting shall be made, as a rule, at least five days before the date of its holding. 2. During the reporting period, members of the Board of Directors who were absent from the venue of the meeting of the Board of Directors were given the opportunity to participate in the discussion of agenda items and voting remotely - via conference communication and video conferencing	Complied	Continues to be complied with. In accordance with cl. 7.6.1 of the Rules of Procedure for Convention and Holding of Meetings of Board of Directors approved by the General Shareholders' Meeting, notification of a meeting of the Board of Directors is sent to each member of the Board of Directors no later than 5 (five) business days prior to the date of the meeting of the Board of Directors (the deadline for the acceptance of questionnaires for voting). Members of the Board of Directors who are absent from the venue of meetings of the Board of Directors or its Committees are given the opportunity to participate in the discussion of agenda items and voting remotely - through conference communication and video conferencing on the Microsoft Teams platform, as well as through the use of the BoardMaps information system.
2.7.3	The form of the meeting of the Board of Directors is determined taking into account the importance of the agenda items. The most important items are resolved at meetings held in person	1. The Articles of Association or internal document of the company stipulate that the most important issues (including those listed in recommendation 168 of the Code) shall be considered at in-person meetings of the Board of Directors	Complied	Continues to be complied with. This principle is set out in cl. 8.12. of the Rules of Procedure for Convention and Holding of Meetings of PJSC Enel Russia Board of Directors.
2.7.4	Decisions on the most important issues of the company's activities are made at a meeting of the Board of Directors by a qualified majority or majority of votes of all elected members of the Board of Directors	1. The company's Articles of Association provide that decisions on the most important issues, including those set out in recommendation 170 of the Code shall be made at the meeting of the Board of Directors by a qualified majority, not less than 3/4 of the votes, or a majority of all elected members of the Board of Directors	Complied	Continues to be complied with. Article 18.9 of the Charter of the company are the most important issues on which the decisions are taken by a qualified majority of three quarters of votes of the total number of elected members of the Board of Directors. Article 18.6 of the company Charter sets the requirement to decision making on issues specified: — in cl. 15.2.35 by majority of 9 out of 11 votes of the Board of Directors' members; — by unanimous voting of the members of the Board of Directors for making a decision on the issue specified in cl. 15.2.36.
2.8	The Board of Directors establishes committees for preliminary consideration of the most important issues of the company's activities			
2.8.1	The Audit Committee consisting of independent directors has been established for preliminary consideration of issues related to the control over the financial and economic activities of the company	1. The Audit Committee consisting of independent directors has been established for preliminary consideration of issues related to the control of the company's financial and economic activities 2. The internal documents of the company determine the tasks of the Audit Committee, including the tasks set forth in recommendation 172 of the Code. 3. The Board of Directors has formed the Audit Committee consisting exclusively of independent directors. 4. Meetings of the Audit Committee were held at least once a quarter during the reporting period	Complied	Continues to be complied with. The Company has fully complied with criterion 1 of principle 2.8.1 since June 2019. The Board of Directors has formed the Audit and Corporate Governance Committee consisting exclusively of independent directors. The tasks of the Audit and Corporate Governance Committee are defined in cl. 2.1 of the Organizational Regulation on Committees of the Board of Directors of PJSC Enel Russia. During the self-evaluation of the activities of the Board of Directors for 2021, all members of the Audit and Corporate Governance Committee confirmed that they have experience and knowledge in preparation, analysis, assessment and audit of accounting (financial) statements. In 2021, 14 meetings of the Audit and Corporate Governance Committee were held.
2.8.2	For preliminary consideration of issues related to the formation of effective and	1. The Board of Directors has established a remuneration committee	Complied	Continues to be complied with.

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	transparent remuneration practices, a remuneration committee consisting of independent directors and headed by an independent director who is not the chairman of the Board of Directors has been established	<p>that consists only of independent directors.</p> <p>2. The Chairman of the remuneration committee is an independent director who is not the chairman of the Board of Directors</p> <p>3. The company's internal documents define the tasks of the remuneration committee, including, inter alia, the tasks contained in recommendation 180 of the Code, as well as the conditions (events), upon the occurrence of which the remuneration committee considers the revision of the company's remuneration policy for members of the Board of Directors, executive bodies and other key executives</p>		<p>The company has fully complied with criterion 1 of principle 2.8.2 since June 2019. The Board of Directors has formed the HR and Remuneration Committee consisting exclusively of independent directors.</p> <p>The independent director Andrea Guaccero was the Chairman of the HR and Remuneration Committee who is entrusted with the tasks of the remuneration committee, during 2021. In 2021, Andrea Guaccero entered the rating of the "50 best independent directors" of the annual National Award "Director of the Year" organized by the Association of Professional Directors (IDA) and the Russian Union of Industrialists and Entrepreneurs.</p> <p>The tasks of the HR and Remuneration Committee are defined in cl. 3.1 of the Organizational Regulation on Committees of the Board of Directors of PJSC Enel Russia. The issues of remuneration regulation for members of the Board of Directors were included in the Questionnaire for Assessing the Effectiveness of the Board of Directors of PJSC Enel Russia (annex to the Methodology for Self-Evaluation of the activities of the Board of Directors of PJSC Enel Russia for 2021 approved by the HR and Remuneration Committee of the Board of Directors of PJSC Enel Russia (Minutes No. 10/21 dated 18.11.2021). The provisions on the review of remuneration of executive bodies and other key managers of PJSC Enel Russia, including the terms of the review, are set out in the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia approved by the Board of Directors (Minutes No. 13/20 dated 29.10.2020)</p>
2.8.3	For preliminary consideration of issues related to the implementation of HR planning (succession planning), the professional composition and efficiency of the Board of Directors, the nomination (appointment, HR) committee has been established, most of whose members are independent directors	<p>1. The Board of Directors has established the nomination committee (or its tasks specified in recommendation 186 of the Code are implemented within another committee), most of whose members are independent directors.</p> <p>2. The internal documents of the company determine the tasks of the Committee for Nominations (or of a relevant committee with joint functions), including the tasks contained in recommendation 186 of the Code.</p> <p>3. In order to form a board of directors that best meets the goals and objectives of the company, the nomination committee in the reporting period independently or jointly with other committees of the Board of Directors or the authorized division of the company for interaction with shareholders organized interaction with shareholders, not limited to the circle of the largest shareholders, in the context of the selection of candidates to the Company Board of Directors</p>	Complied	<p>Continues to be complied with.</p> <p>The tasks specified in recommendation 186 of the Corporate Governance Code are assigned to the tasks and functions of the HR and Remuneration Committee in accordance with the Organizational Regulation on Committees of the Board of Directors. Since June 2019, the HR and Remuneration Committee consists exclusively of independent directors.</p> <p>At the beginning of each year, the authorized division of the company for interaction with shareholders - the Corporate Affairs group - sends information letters to the main shareholders with recommendations on nominating candidates for members of the Board of Directors.</p> <p>According to the action plan to improve the efficiency of the Board of Directors of PJSC Enel Russia approved by the Board of Directors, (Minutes No. 12/21 dated 30.09.2021) in 2021, the HR and Remuneration Committee initiated the development of a Profile of the Board of Directors that best meets the goals and objectives of the company (Target Model of the Board of Directors). This document describes the vision of the Board of Directors, which composition of the Board of Directors corresponds to the company's activities and strategy, and contains recommendations to the company's shareholders on combining the knowledge, experience, skills and personal qualities of the members of the Board of Directors necessary for decision-making by the Board of Directors.</p> <p>In 2022, the company improved its practice of interacting with shareholders by publishing the Profile of the Board of Directors and an information letter to shareholders on its website.</p>

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2.8.4	Taking into account the scope of activities and the level of risk, the company Board of Directors made sure that the composition of its committees fully meets the objectives of the company's activities. Additional committees were either formed or were not deemed necessary (Strategy Committee, Corporate Governance Committee, Ethics Committee, Risk Management Committee, Budget Committee, Health, Safety and Environment Committee, etc.)	1. During the reporting period, the company Board of Directors considered the issue of compliance of the structure of the Board of Directors with the scale and nature, objectives and needs, risk profile of the company. Additional committees were either formed or were not deemed necessary	Complied	Continues to be complied with. The Board of Directors considered the issue of compliance of its structure with the scale, nature, objectives, needs and risk profile of the company, as well as the issue of compliance of the composition of the Committees with the tasks of the Board of Directors within the issue of self-evaluation of the activities of the company Board of Directors for 2021.
2.8.5	The composition of the committees is determined in such a way that it allows for a comprehensive discussion of the issues previously considered, taking into account various opinions	1. The Audit Committee, Remuneration Committee, Nomination Committee (or the corresponding committee with combined functions) were headed by independent directors in the reporting period. 2. The company's internal documents (policies) contain provisions according to which persons who are not members of the Audit Committee, Nomination Committee (or the corresponding committee with combined functionality) and the Remuneration Committee can attend committee meetings only upon invitation of the chairman of the relevant committee	Complied	Continues to be complied with. All 4 Committees of the Board of Directors are headed by independent directors. The meetings of the Committees of the Board of Directors are attended by members of the Committees, as well as persons invited to the meeting by the Chairman of the relevant committee in accordance with cl. 6.2 of the Organizational Regulation on Committees of the Board of Directors.
2.8.6	The Chairmen of the committees regularly inform the Board of Directors and its Chairman about the work of their committees	1. During the reporting period, the Chairmen of the committees regularly reported on the work of the committees to the Board of Directors	Complied	Continues to be complied with. In 2021, in accordance with cl. 1.10 of the Organizational Regulation on Committees of the Board of Directors, the Chairmen of the Committees submitted quarterly reports on the activities of their Committees to the Board of Directors for consideration.
2.9	The Board of Directors ensures that the quality of work of the Board of Directors, its committees and members of the Board of Directors is assessed			
2.9.1	The assessment of the quality of the work of the Board of Directors is aimed at determining the degree of effectiveness of the work of the Board of Directors, committees and members of the Board of Directors, compliance of their work with the needs of the company's development, activation of the work of the Board of Directors and identification of areas in which their activities can be improved	1. The company's internal documents define procedures for conducting an evaluation (self-evaluation) of the quality of the work of the Board of Directors. 2. The evaluation (self-evaluation) of the quality of the work of the Board of Directors carried out in the reporting period included an evaluation of the work of the committees, an individual assessment of each member of the Board of Directors and the Board of Directors as a whole. 3. The results of the evaluation (self-evaluation) of the quality of the work of the Board of Directors conducted during the reporting period were reviewed at an in-person meeting of the Board of Directors	Complied	Continues to be complied with. The methodology for self-evaluation of the activities of the Board of Directors of Public Joint Stock company Enel Russia in 2021 was approved by the HR and Remuneration Committee (Minutes No. 10/21 dated 18.11.2021) and taken into account by the Board of Directors (Minutes No. 14/21 dated 25.11.2021). The self-evaluation of the Board of Directors' activities for 2021 included an assessment of the work of the Board of Directors as a whole, an individual assessment of the members of the Board of Directors and an assessment of each Committee. The results of the self-evaluation of the Board of Directors based on the results of 2021 were reviewed at an in-person meeting of the Board of Directors in March 2022.
2.9.2	Assessment of the work of the Board of Directors, committees and members of the Board of Directors is carried out on a regular basis at least once a year. An external institution is engaged to conduct an independent assessment of the quality of the work of the Board of Directors at least once every three years (consultant)	1. To conduct an independent evaluation of the quality of the work of the Board of Directors during the last three reporting periods, the company engaged an external entity at least once (consultant)	Complied	Continues to be complied with. The company engages external institutions (consultants) to conduct an external assessment of the quality of the work of the Board of Directors every three years. In 2020, Limited Liability Company Stanton Chase Rus was involved. In 2017, external evaluation of the Board of Directors performance was carried out by PricewaterhouseCoopers Limited Liability Company. The company plans to conduct the next external evaluation of the Board of Directors in 2023.
3.1	The Corporate Secretary of the company ensures effective ongoing interaction with shareholders, coordination of the company's actions to protect the rights and interests of shareholders, and support the effective work of the Board of Directors			

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3.1.1	The Corporate Secretary shall have knowledge, skills and experience sufficient for him/her to perform his/her obligations, excellent reputation and enjoy the trust of the shareholders	1. The company's website on the Internet and the annual report provide biographical information about the Corporate Secretary (including information on age, education, qualifications, experience), as well as information on positions in the management bodies of other legal entities held by the Corporate Secretary for at least the last five years	Complied	Continues to be complied with. Biographical information about the Corporate Secretary is disclosed in the company's annual report.
3.1.2	The Corporate Secretary has sufficient independence from the executive bodies of the company and has the necessary powers and resources to perform the tasks assigned to it	1. The company has adopted and disclosed an internal document - the Regulation on Corporate Secretary. 2. The Board of Directors approves the candidate for the position of the Corporate Secretary and terminates its powers, considers the issue of paying it additional remuneration. 3. The company's internal documents stipulate the right of the Corporate Secretary to request and receive company documents and information from management bodies, organizational units and officials of the company	Partially complied	The principle 3.1.2 of corporate governance is observed by the company at the same level. The Regulation on Corporate Secretary of PJSC Enel Russia has been disclosed on the company's website on the Internet. This Regulation establishes the right of the Corporate Secretary to request and receive company documents and information from the management bodies, organizational units and officials of the company (cl. 3.1 of the Regulation). The Head of Legal and Corporate Affairs combines her responsibilities with those of the Corporate Secretary of the company. The Corporate Secretary reports directly to the Board of Directors in her activities: The Board of Directors approves the candidate for the position of Corporate Secretary and terminates her powers, considers the issue of paying an additional remuneration in accordance with the Rules of Procedure for Convention and Holding of Meetings of Board of Directors. According to cl. 2.2 of the Regulation on Corporate Secretary, the Corporate Secretary acts as the secretary of the company Board of Directors, the company General Shareholders Meeting, as well as the Committees of the company Board of Directors. PJSC Enel Russia believes that the combination of the functions of the Corporate Secretary and the Head of Legal and Corporate Affairs does not create a conflict of interest and does not reduce the effectiveness of the Corporate Secretary. The Board of Directors annually evaluates the effectiveness of the Corporate Secretary during the quality assessment procedure of its work. During the independent external evaluation of the Board of Directors for 2020, the work of the Corporate Secretary Zh.I. Sedova was recognized as one of the strengths of the Board of Directors. The members of the Board of Directors have always highly appreciated the work of the Corporate Secretary: 4.9 points (out of 5 possible) for 2021, 3.68 points (out of 4 possible) for 2020; 4.6 points (out of 5 possible) at the end of 2018 and 2019. In 2020 and 2021 Corporate Secretary of PJSC Enel Russia Zh.I. Sedova entered the rating of the "25 Best Corporate Governance Directors/Corporate Secretaries" of the annual National Award "Director of the Year" organized by the Association of Professional Directors (IDA) and the Russian Union of Industrialists and Entrepreneurs. In the near future, the company does not plan to appoint another person to the position of the Corporate Secretary.
4.1	The level of remuneration paid by the company is sufficient to attract, motivate and retain persons with the necessary competence and qualifications for the company. Remuneration is paid to members of the Board of Directors, executive bodies and other key executives of the company in accordance with the remuneration policy adopted by the company			
4.1.1	The amount of the remuneration provided by the company to the members of the Board of Directors, executive bodies and other key managers adequately motivates them to work efficiently, allowing the Company to engage and retain competent and qualified specialists. At the same time, the Company avoids setting the level of remuneration any higher than necessary, as well as an	1. The remuneration amount paid to the members of the Board of Directors and other key managers of the company is based on the results of comparative analysis of remuneration amounts in comparable companies.	Complied	Continues to be complied with. On the basis of the comparative analysis of the market of remunerations for members of boards of directors of Russian and foreign companies, performed by an external entity, Stanton Chase, in 2019, the company has specified the remuneration amounts paid to the members of the Board of Directors and Committees in the Regulation on payment of remuneration and

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	excessively large gap between the level of remuneration of any of the above persons and that of the other company's employees			compensations to members of Board of Directors and Board of Directors' Committees. Remuneration of the members of the executive bodies and key managers is governed by Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia and defined according to cl. 4.2. of the Policy and based on the results of comparative analysis of remuneration amounts in comparable companies, performed by external entities.
4.1.2	The company's remuneration policy has been drawn up by the Remuneration Committee and approved by the Board of Directors of the company. The Board of Directors, assisted by the Remuneration Committee, supervises adoption and implementation of the remuneration policy and, when necessary, revises and corrects it.	1. Within the reporting period, the Remuneration Committee examined the remuneration policy (policies) and (or) practice of its (their) implementation, evaluated their effectiveness and transparency and, as required, provided the Board of Directors with the relevant recommendations on revision of the said policy (policies).	Complied	Continues to be complied with. In 2021, the HR and Remuneration Committee examined the practice of implementation of the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia approved by the Board of Directors in 2020 (Minutes No. 13/20 dated 29.10.2020) at a meeting held by the HR and Remuneration Committee on 23.03.2021. (Minutes No. 4/21 dated 23.03.2021). The Policy for remuneration of the members of the Board of Directors and Board of Directors' Committees was examined as part of examination of the results of self-evaluation of quality of the work performed by the Board of Directors in 2021.
4.1.3	The company's remuneration policy contains transparent procedures for defining the remuneration amount paid to the members of the Board of Directors, executive bodies and other key managers of the company, as well as regulates all types of payments, benefits and privileges provided to the mentioned persons.	1. The company's remuneration policy (policies) contains (contain) transparent procedures for defining the remuneration amount paid to the members of the Board of Directors, executive bodies and other key managers of the company, as well as regulates (regulate) all types of payments, benefits and privileges provided to the mentioned persons.	Complied	Continues to be complied with. Such internal documents of PJSC Enel Russia as the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia and Policy for payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees contain transparent procedures for defining the remuneration amount paid to the members of the Board of Directors, executive bodies and other key managers of the company, as well as regulates (regulate) all types of payments, benefits and privileges provided to them.
4.1.4	The company defines the policy for reimbursement of costs (compensations) that specifies the list of costs that can be reimbursed and service level applicable to the members of the Board of Directors, executive bodies and other key managers of the company. Such policy can be a component of the company's remuneration policy.	1. The remuneration policy (policies) or other internal company documents establish the rules for reimbursement of expenses of the members of the Board of Directors, executive bodies and other key managers of the company.	Complied	Continues to be complied with. The Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia and Policy for payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees establish the rules for reimbursement of expenses of the members of the Board of Directors / Committees, executive bodies and other key managers of PJSC Enel Russia. Such lists of expenses are specified by the mentioned company's internal documents.
4.2	The remuneration system for the members of the Board of Directors ties together the financial interests of the directors with long-term financial interests of the shareholders.			
4.2.1	The company pays a fixed remuneration amount to the members of the Board of Directors. The Company does not pay remuneration for participation in individual meetings of the Board of Directors or its Committees. The company does not use any form of short-term motivation to provide additional material incentive to the members of the Board of Directors.	1. The company paid remuneration to the members of the Board of Directors in the reporting period in compliance with the adopted company's remuneration policy. 2. In the reporting period, the company did not use any form of short-term motivation or additional material incentive depending on Company's performance (indicators). No remuneration was paid for participation in individual meetings of the Board of Directors or its Committees.	Complied	Continues to be complied with. Pursuant to cl. 4.1 of the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia in 2021, only fixed remuneration amount was paid to the members of the Board of Directors / Committees. The company did not use any form of short-term motivation or additional material incentive depending on company's performance (indicators) for the members of the Board of Directors and Committees. No remuneration was paid for participation in individual meetings of the Board of Directors or its Committees.
4.2.2	Long-term ownership of the company's shares contributes most to the convergence of the financial interests of	1. Should any internal document(s), such as the company's remuneration policy (policies), stipulate providing	Not Applicable	Cl. 4.2.2 continues to be not applicable, Pursuant to cl. 4.5 of the Regulation on payment of remuneration and compensations

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	the members of the Board of Directors with the long-term interests of shareholders. At the same time, the company does not condition the right to sell shares by achieving certain performance indicators, and members of the Board of Directors do not participate in option programs	the members of the Board of Directors with shares, unambiguous rules for possession of shares by the members of the Board of Directors, aimed to promote long-term holding of such shares, shall be stipulated and disclosed.		to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia, the members of the Board of Directors have the right to sign a contract for sale of shares of PJSC Enel Russia with deferred obligations for share transfer and payment under an equity incentive plan approved by the company's Board of Directors, as the company does not have an equity incentive plan for providing the members of the Board of Directors with shares. The members of the Board of Directors receive only fixed remuneration amount in the monetary form. The company is not planning to approve an option program in 2022.
4.2.3	The company does not provide any additional payments or compensations in case of early resignation of members of the Board of Directors due to transfer of control over the company or other circumstances.	1. The company does not provide any additional payments or compensations in case of early resignation of members of the Board of Directors due to transfer of control over the company or other circumstances.	Complied	Continues to be complied with. No additional compensations or severance payments provided to the members of the Board of Directors in case of their early resignation due to transfer of control over the company or other circumstances.
4.3	The system of remuneration of the members of the executive bodies and other key managers or the company stipulates dependence of the remuneration amount on the performance of the company and their personal contribution to this result.			
4.3.1	Remuneration amounts paid to the members of the executive bodies and other key managers or the company are defined so that to ensure reasonable and well-founded ratio of the fixed part of the remuneration amount and its variable part that depends on the performance of the company and personal contribution of an employee to this result.	1. The yearly performance indicators approved by the Board of Directors were used in the reporting period in order to define variable remuneration amounts to be paid to the members of the executive bodies and other key managers or the company. 2. The latest assessment of the system of remuneration of the members of the executive bodies and other key managers or the Company showed the Board of Directors (Remuneration Committee) that the Company uses an efficient ratio of the fixed part of the remuneration amount and its variable part. 3. The remuneration amount paid to the members of the executive bodies and other key managers or the company is defined with taking into account the risks to the Company in order to prevent creation of incentives to excessively risky managerial decisions.	Complied	Continues to be complied with. The variable part of the remuneration amount paid to the members of the executive bodies and other key managers or the company for 2021 was defined by the HR and Remuneration Committee on the basis of the yearly performance indicators approved by the company's Board of Directors, taking into account the risks to the company. The HR and Remuneration Committee has evaluated the remuneration system for the members of the executive bodies and other key managers as part of the issue of amending the Regulation on payment of remuneration and compensations to members of Board of Directors and Board of Directors' Committees of PJSC Enel Russia and took a decision not to introduce any changes to the document. The new version of this Regulation is planned to be examined in 2022.
4.3.2	The Company has adopted the long-term incentive program for the members of the executive bodies and other key managers of the company involving the use of the company shares (options or other derivatives based on the Company shares).	1. Should the company adopt a long-term incentive program for the members of the executive bodies and other key managers of the company involving the use of the company shares (or financial instruments based on the Company shares), such program shall stipulate that the right to sale such shares or other financial instruments originates not earlier than three years upon their provision. In such case, the right of their sale is based on achievement of specific performance indicators by the Company.	Complied	Continues to be complied with. The Board of Directors has approved the Long Term Incentive Plan for 2020-2022 involving the members of the executive bodies and other key managers. The said Plan includes a clause on payment of a bonus with company shares. The Long Term Incentive Plan stipulates payment of the actual bonus amount in the form of two-component remuneration - shares and monetary payment - which varies depending on the extent of achievement of the targets set under the said Plan for the three-year period.
4.3.3	The compensation amount ("golden handshake") paid by the company to the members of the executive bodies and other key managers in case of their early resignation at the initiative of the company, providing that they have committed no bad faith actions, shall not exceed the two-fold amount of the fixed part of the yearly remuneration.	1. The compensation amount ("golden handshake") paid by the company to the members of the executive bodies and other key managers in case of their early resignation at the initiative of the company, providing that they have committed no bad faith actions did not exceed the two-fold amount of the fixed part of the yearly remuneration in the reporting period.	Complied	Continues to be complied with. The compensation amount paid by the company to the members of the executive bodies and other key managers in case of their early resignation at the initiative of the company, providing that they have committed no bad faith actions, shall not exceed the two-fold amount of the fixed part of the yearly remuneration.
5.1	The Company has devised an efficient risk management and internal control system aimed at ensuring reasonable confidence in achievement of Company's objectives.			

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5.1.1	The company Board of Directors has specified the principles and approaches to arrangement of the risk management and internal control system in the Company.	1. The functions of different governing bodies and organizational units in the risk management and internal control system are clearly defined in internal documents / relevant company's policy approved by the Board of Directors.	Complied	Continues to be complied with. The company has the Policy in Risk Management and Internal Control approved by the Board of Directors and clearly defining the risk management system, as well as functions of the company units and governing bodies in the risk management system.
5.1.2	The executive bodies of the company devise and support an efficient risk management and internal control system of the company.	1. The executive bodies of the company ensured distribution of duties, authorities and responsibilities in risk management and internal control among managers (heads) of units and groups reporting to them.	Complied	Continues to be complied with. For risk management purpose, a three-step system incorporating the company units, Risk Control Group of Administration, Finance and Control, General Director's Risk Committee and Internal Audit Department. The Risk Control Group coordinates work of organizational units in risk identification and assessment, as well as in arranging risk management actions, ensures updating of the Policy in Risk Management and Internal Control, develops and spreads the risk culture.
5.1.3	The risk management and internal control system of the company ensures unbiased, fair and clear understanding of the current status and prospects of the company, integrity and transparency of the company's reporting, reasonability and acceptability of risks taken by the company.	1. The company has approved an anti-corruption policy. 2. The company uses a safe, confidential and easy method (hotline) for informing the Board of Directors or the Audit Committee of the Board of Directors on cases of violation of the law, internal procedures and Company Code of Ethics.	Complied	Continues to be complied with. The company has adopted an anti-corruption management system according to the requirements of international standard ISO 37001. The Board of Directors has approved the Anti-Corruption Policy and Guidelines for Anti-Corruption Management System, Code of Ethics and Zero Tolerance to Corruption Plan. The General Director has approved the Whistleblowing Policy. The company has devised safe, confidential and easy methods of reporting of cases of violation of the law and internal procedures. In addition, the Company has established the Anti-corruption Committee and involves it on a regular basis.
5.1.4	The Company's Board of Directors takes required measures to ensure that the applicable Company's risk management and internal control system complies with the principles and approaches to its organization defined by the Board of Directors and efficiently implemented.	1. The Board of Directors (Audit Committee and (or) Risk Committee (if any)) arranged assessment of reliability and effectiveness of the risk management and internal control system. 2. In the reporting period, the Board of Directors examined the results of the assessment of reliability and effectiveness of the risk management and internal control system of the company, with the results included into the annual report of the company.	Complied	Continues to be complied with. In 2021, the Board of Directors examined the risk management and internal control system of PJSC Enel Russia and found it being efficient during 2021. The information on the results of that assessment was included into the company's annual report for 2021.
5.2	The company arranges internal audit for the purpose of systematic independent assessment of reliability and effectiveness of the risk management and internal control system, as well as the corporate governance practice.			
5.2.1	A separate organizational unit was established or an independent external body was engaged in order to conduct internal audit. Functional and administrative accountability of the internal audit unit is separated. From a functional standpoint, the internal audit unit reports to the Board of Directors.	1. A separate organizational unit, reporting to the Board of Directors from a functional standpoint, was established or an independent external body, reporting on the basis of the same principle, was engaged in order to conduct internal audit in the company.	Complied	Continues to be complied with. PJSC Enel Russia has established the Internal Audit Department acting by virtue of the Regulation of internal audit department. The department reports to the Board of Directors from a functional standpoint and to the General Director from an administrative standpoint. The Head of Internal Audit shall be appointed and dismissed by the General Director under the decision of the company's Board of Directors.
5.2.2	The internal audit unit assesses reliability and effectiveness of the risk management and internal control system, as well as corporate governance, applying the common internal audit standards.	1. As part of internal audit within the reporting period, reliability and effectiveness of the risk management and internal control system were assessed. 2. Practice (separate practices) of corporate governance, including the information exchange procedures (including ones related to internal control and risk management) at all company's governance levels, as well as stakeholders engagement procedures, was evaluated in the	Complied	Continues to be complied with. The Internal Audit Department carried out a number of audits, including an audit of effectiveness of the internal control and risk management system, in the reporting year. The audit of the corporate governance practice was carried out as part of the audits scheduled for 2021.

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		reporting period as part of internal audit.		
6.1	The Company and its activities are transparent for shareholders, investors and other stakeholders.			
6.1.1	The company has developed and adopted an information policy ensuring efficient information exchange between the company, shareholders, investors and other stakeholders.	<p>1. The Company Board of Directors has approved the company's information policy developed in accordance with the recommendations provided in the Code.</p> <p>2. Within the reporting period, the Board of Directors (or one of its Committees) examined the issue of effectiveness of information exchange between the Company, shareholders, investors and other stakeholders, as well as expedience (necessity) of revision of the Company's information policy.</p>	Complied	Continues to be complied with. The company's information policy developed in accordance with the recommendations provided in the Code of Corporate Governance approved by the Board of Directors in 2020. The Board of Directors examined the issue on Company's compliance with this policy in 2021. The issue of effectiveness of information exchange between the company, shareholders, investors and other stakeholders, as well as expedience (necessity) of revision of the company's information policy was examined as part of the issue of self-evaluation of the Board of Directors' activities that included the results of individual interviews with members of the Board of Directors on this issue.
6.1.2	The company discloses information on the system and practice of corporate governance, including the detailed information on company's compliance with the principles and recommendations provided in the Code.	<p>1. The company discloses information on the system and practice of corporate governance and general corporate governance principles applied in the company, including on the company's website.</p> <p>2. The company discloses the information on the composition of the executive bodies and the Board of Directors, independence of the Board members and their membership in the Board of Directors Committees (in accordance with the definitions of the Code).</p> <p>3. In case there is a person controlling the company, the company shall publish a memorandum of the controlling person with respect of its plans related to corporate governance in the company.</p>	Complied	Continues to be complied with. PJSC Enel Russia discloses the information on the system and general principles of corporate governance in the Internet on its website. In addition, the company discloses information on its governing bodies and their members, including short bios of the members of the governing bodies and information on independence of the members of the Board of Directors and their membership in the Board of Directors' Committees as part of quarterly and annual reports. The Enel Group Corporate Governance Guidelines are published on the company website PJSC Enel Russia views the said Guidelines as a corporate memorandum stipulated by the Code and controlling persons with respect to their plans related to corporate governance in the company.
6.2	The Company discloses complete, up-to-date and valid information on itself in a timely manner in order to ensure the capability to make reasonable decisions with Company shareholders and investors.			
6.2.1	The company discloses information in compliance with the principles of regularity, consistence and promptness, as well as availability, validity, completeness and comparativeness of disclosed data.	<p>1. The company have defined a procedure ensuring coordination of work of all company's organizational units and employees related to disclosing information or carrying out activities that can lead to the need for information disclosure.</p> <p>2. In case when company's securities are traded on recognized foreign markets, essential information shall be disclosed in the Russian Federation and on such markets at the same time and to the same extent within a reporting year.</p> <p>3. Should foreign shareholders possess a significant quantity of company's shares, information shall be disclosed during a reporting year not only in Russian but in one of the most widespread foreign languages as well.</p>	Complied	Continues to be complied with. The procedure for coordination of work of all Company's organizational units and employees related to disclosing information or carrying out activities that can lead to the need for information disclosure is regulated by orders of the General Director of the company. The company does not disclose any important information on recognized foreign markets. Shares and stock exchange bonds of PJSC Enel Russia are traded only on the Moscow Exchange, depositary receipts - on the over-the-counter market. The company discloses most of information at its website not only in Russian but in English as well, as a significant number of shares of PJSC Enel Russia belongs to foreign shareholders.
6.2.2	The company avoids token approach to information disclosure and discloses important information on its activities even if not stipulated by the law.	<p>1. The company's Information Policy defines approaches to disclosure of information on other events (actions) that have a significant impact on the cost or quotations of its securities which are not subject to disclosure according to the law.</p> <p>2. The company discloses information on the structure of its capital in accordance with recommendation 290 of the Code in</p>	Complied	Continues to be complied with. The company's Regulation on the Information Policy defines the approaches to disclosure of information on other events (actions) that have a significant impact on the cost or quotations of its securities which are not subject to disclosure according to the law of the Russian Federation. Additionally, the company undertakes to disclose information on its activities to an extent exceeding that stipulated by the law on a voluntary basis. The company discloses information on the structure of its

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		<p>its annual report at the company website.</p> <p>3. The company discloses information on entities under its control that are essential for the company, including information on their key business areas, on procedures ensuring accountability of controlled entities and on powers possessed by the company Board of Directors with respect to defining the strategy and evaluating performance of the controlling entities.</p> <p>4. The company discloses its non-financial report - a sustainability, environmental, corporate social responsibility or other report containing non-financial information, including information on environmental factors (including climate change), social factors or corporate governance, except for a report provided by the public securities issuer and the annual report of the joint stock company.</p>		<p>share capital in its annual report at the company website.</p> <p>The information on entities under company's control that are essential for the company, including information on their key business areas, on procedures ensuring accountability of controlled entities and on powers possessed by the company Board of Directors with respect to defining the strategy and evaluating performance of the controlled entities (including by providing recommendations to a representative of PJSC Enel Russia with respect to participation in general meetings of participants/shareholders of controlled entities, consolidation of financial results of controlled entities in aggregated IFRS statements, approval of a company's business plan, including performance indicators of controlled entities) is disclosed in the company's Annual Report, issuer's report (previously also in the quarterly report) and messages on significant company's events.</p> <p>The company has provided its non-financial sustainability-related results in the annual report in compliance with international GRI Standards.</p>
6.2.3	Being one of the most important tools of information exchange with shareholders and other stakeholders, the Annual Report contains the information that allows to evaluate company's results achieved for a year.	<p>1. The company Annual Report contains information on results of Audit Committee's assessment of effectiveness of external and internal audit.</p> <p>2. The company Annual Report contains information on the company's environmental and social policies.</p>	Complied	<p>Continues to be complied with.</p> <p>The company Annual Report is drawn up on the basis of the recommendation provided in the Code of Corporate Governance and contains information on results of Audit and Corporate Governance Committee's assessment of effectiveness of external and internal audit, on key aspects of company's operations, its financial performance and sustainability, including the company's environmental and social policies.</p>
6.3	The company provides information and documents on shareholders' requests in accordance with the principles of equal and unhindered access.			
6.3.1	Implementation of the shareholders' right to access to company's documents and information is not affected by undue hardships.	<p>1. The company's information policy (internal documents defining the information policy) sets an affordable procedure for access to Company's documents and information on shareholders' requests.</p> <p>2. The information policy (internal documents defining the information policy) contain provisions stipulating that, should there be a shareholder's request to provide information on entities controlled by the company, the company shall make necessary efforts to obtain such information from the relevant controlled entities.</p>	Complied	<p>Continues to be complied with.</p> <p>The company is guided by the applicable law when providing access to its documents and information for shareholders, as well as aims to prevent creating undue hardships for them. Clause 7 of the Regulation on the Information Policy of PJSC Enel Russia provides the procedure for provision of company's documents and information on its activities, as well as information on legal entities controlled by the company.</p>
6.3.2	When providing information to shareholders, the company ensures a reasonable balance between interests of specific shareholders and those of the company itself that seeks to keep confidentiality of important business information that can significantly affect company's competitiveness.	<p>1. Within the reporting period, the company either satisfied shareholders' requests for providing information or provided explanation in case of rejection.</p> <p>2. In particular cases specified by the company's Information Policy, shareholders shall be warned on the confidential nature of information and undertake to keep it confidential.</p>	Complied	<p>Continues to be complied with.</p> <p>The shareholders are notified on confidential nature of the information and gain access to it after signing of a nondisclosure agreement with the company (confidentiality agreement) which is available on the website of PJSC Enel Russia. https://www.enelrussia.ru/content/dam/enel-russia/documents/ru/basic/Privacy_agreement.pdf</p>
7.1	Actions that affect or can affect the structure of the share capital and financial status of the company, and, therefore the status of its shareholders, to a significant extent (significant corporate actions) shall be taken on fair conditions securing the rights and interests of shareholders and other stakeholders.			
7.1.1	The significant corporate actions include reorganization of the company, acquisition of 30 or more percent of the company's voting shares (takeover), major transactions of the company, increase or decrease of the company's authorized capital, listing or delisting of company's shares and other actions that can significantly change the shareholders' rights or compromise their	1. The company Articles of Association specifies a list (criteria) of transactions and other actions interpreted as significant corporate actions. Decision making with respect to significant corporate actions lays within the competence of the Board of Directors according to the company Articles of Association. When such corporate	Complied	<p>Continues to be complied with.</p> <p>The company Charter defines the criteria and list of transactions interpreted as significant corporate actions. (Art. 25). The Board of Directors makes decisions with regard to the significant corporate actions. When such corporate actions lie within the competence of the General Shareholders' Meeting, the Board of Directors provides relevant recommendations</p>

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
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	interests. The company Articles of Association specifies a list (criteria) of transactions and other actions interpreted as significant corporate actions, and such actions lay within the competence of the Board of Directors of the company.	actions lie within the competence of the General Shareholders' Meeting by law, the Board of Directors provides relevant recommendations to the shareholders		to the shareholders.
7.1.2	The Board of Directors plays the key role in making decisions or devising recommendations with respect to significant corporate actions, relying on the opinion of the independent directors of the company.	1. The company has a procedure stipulating that the independent directors shall declare their opinion on significant corporate actions prior to their approval.	Complied	Continues to be complied with. Review of significant corporate actions and assistance to the Board of Directors in relevant decision making lie in the competence of the Related Party Transactions Committee that have been fully composed of independent directors since 2019.
7.1.3	When making significant corporate actions that affect the rights and legal interests of shareholders, equal conditions shall be ensured for all shareholders of the company. If the legal procedures protecting the shareholders' rights are insufficient, additional measures protecting the rights and legal interests of shareholders shall be taken. In this case, the company is guided not only by formal legal requirements, but also by the corporate governance principles set forth in the Code.	1. Taking into account the peculiarities of the functions of the Board of Directors, the company Articles of Association lists approval of other essential transactions than ones stipulated by the law. 2. In the reporting period, all significant corporate actions passed the approval procedure before their execution.	Complied	Continues to be complied with. According to cl. 25.2 of the company Charter, decision making with respect to significant Company's transactions is charged to the Board of Directors. When such approval of such transactions lie within the competence of the General Shareholders' Meeting, the Board of Directors provides relevant recommendations to the shareholders. In 2021, all actions classified as significant corporate actions according to the Code of Corporate Governance and Charter of the company was approved by the Board of Directors prior to executing them.
7.2	The Company shall ensure such procedure for the corporate actions performance, which allows the shareholders to timely obtain complete information on such actions, ensures the possibility for the shareholders to influence such actions and guarantees compliance and adequate level of their rights protection in the course of such actions			
7.2.1	The information on making significant corporate actions may be disclosed with explanation of reasons, conditions and consequences of such actions.	1. When the company took significant corporate actions in the reporting period, it disclosed information on such actions, including reasons for them, conditions in which they are taken and their consequences for shareholders, in a timely manner and to a full extent.	Complied	Continues to be complied with. In 2021, the company disclosed the information on executing a transaction that was essential for the company, in a timely manner and to the full extent. The Company found it inexpedient to include the information on the consequences of such agreement for the Company shareholders into the text of the published notice on material fact, as the transaction was executed as part of routine company's business activities.
7.2.2	Rules and procedures related to the implementation of significant corporate actions by the company are specified in the internal documents of the company	1. Internal documents of the company specify the cases of and procedures for engagement of an appraiser for defining cost of property alienated or acquired under major transactions or related party transactions.	Partially complied	Criterion 1 of principle 7.2.2 is met to the same extent. The Board of Directors of the company has approved the General Principles for Approval of Related Party Transactions stipulating the need for defining the fair market price of property alienated or acquired under a related party transaction on the basis of a tender, market prices analysis or opinion of an engaged independent appraiser. In addition, the Board of Directors of the company has approved the Guidelines for Corporate Governance of Enel Group. This Guidelines establishes the general principles and procedures for intra-group and other related party transactions. The company does not have an internal document governing the procedure for engagement of independent appraisers for defining cost of property alienated or acquired under major transactions due to lack of regular practice of major transactions.

№	Corporate governance principles	Criteria for assessing compliance with the corporate governance principle	Status of compliance with the corporate governance principle	Comments and explanations of deviations from the criteria for assessing compliance with the corporate governance principle
1	2	3	4	5
		<p>2. Internal documents of the company stipulate a procedure for engagement of an appraiser for assessment of acquisition and reacquisition cost of company shares.</p> <p>3. Should there be no formal interest of a member of the Board of Directors, sole executive body, member of a collective executive body, person controlling the company or person authorized to give binding instructions to the company, it is stipulated by internal documents of the company that such persons shall not vote on approval of a transaction with conflict of interest or presence of their actual interest.</p>		<p>Criterion 2 of principle 7.2.2 is met to the same extent. Internal documents of the company does not stipulate a procedure for engagement of an independent appraiser for assessment of acquisition and sale cost of company's own shares due to lack of regular practice of shares acquisition and buyback procedure. For the period of 2018-2021, such transactions had not been committed. Taking into account the fact that the shares of PJSC Enel Russia are stock-listed and have an adequate liquidity, the company always possess valid information on the cost of its shares, so there is no need to engage an independent appraiser.</p> <p>Criterion 3 of principle 7.2.2 is still not complied</p> <p>The company carries out its activities in compliance with article 83 of Federal Law "On Joint Stock Companies" that contains an exhaustive list of reasons for considering members of the Board of Directors interested in transactions and thus not allowed to vote on approval of such transactions. The company may enter into related party transactions with companies belonging to the group of the controlling shareholder who nominates the majority of the dependent members of the Board of Directors possessing the right to vote on approval of such transactions according to Article 83 of Federal Law "On Joint Stock Companies". Clause 8.10 on the Rules of Procedure for Convention and Holding of Meetings of Board of Directors of the company stipulates a Director's obligation to notify the Board of Directors in case when he/she has conflict of interest with respect to any issue on agenda before the start of discussion of the relevant issue, while cl. 8.11 of the aforementioned Rules stipulate the necessity of abstaining from voting on issues with respect to which that member of the Board of Directors has conflict of interest. The term "conflict of interest" is defined in the Rules of Procedure for Convention and Holding of Meetings of Board of Directors and Guidelines for Corporate Governance of Enel Group approved by the Board of Directors of the company. PJSC Enel Russia relies on good faith and unbiased opinion of each member of the Board of Directors with respect to approval of related party transactions and holds the members of the Board of Directors personally responsible for making decisions on such issues. According to the analysis of voting on related party transactions, 24 transactions closed in 2021 are broken down by 11 approved unanimously by all members of the Board of Directors and the rest 13 of which: 4 transactions were approved by a majority of 10 votes with one abstained, 6 were approved by 9 of 10 members of the Board of Directors taking part and only 3 transactions were approved by the Board of Directors with 9 votes in favor and 3 votes against or abstained.</p> <p>From January 1, 2021 to June 8, 2021, only 4 directors of 11 members of the Board of Directors of the company were found dependent on the person controlling the Company. After the election of the new members of the Board of Directors on June 8, 2021, the number of dependent directors increased by 2 persons.</p> <p>According to the requirements of Federal Law "On Joint Stock Companies", PJSC Enel Russia provides all persons who have the right to</p>

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				participate in the General Shareholders' Meeting with a report on related party transactions closed in the reporting year that allows the shareholders to conclude on the amounts, terms and conditions of the transactions.

Annex 3. Information on specific transaction performed by the company and its controlled entities that are of significant importance to the company in 2021

Information about the related party transactions closed by the company

Agreement for the provision of services	
Significant terms and conditions	<p>Parties of the agreement: Enel Global Thermal Generation S.r.l. and PJSC Enel Russia.</p> <p>Subject of the agreement: Enel Global Thermal Generation S.r.l. shall perform in favour and for the benefit of PJSC Enel Russia the provision of services in the following areas: Health, Safety, Engineering Support (except for modernisation within tenders and support with pre-feasibility studies), People and Organization, Planning and Control, Legal Affairs, other staff functions, and PJSC Enel Russia shall undertake to pay Enel Global Thermal Generation S.r.l. for the above-mentioned services in line with the agreement.</p> <p>Period of services: January 1, 2021 – December 31, 2021.</p> <p>The agreement price: The price shall not exceed EUR three million (3 000 000) (VAT excluded).</p> <p>Duration of the agreement: The agreement shall come into force after its signature and shall be valid until full performance of the parties' obligations. The agreement will be enforced with respect to parties' relations arising since January 1, 2021.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be admitted as the entity having interest in transaction since PJSC Enel Russia and Enel Global Thermal Generation S.r.l. are under direct control of Enel S.p.A.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 12/21, dd September 30, 2021.

Agreement for the provision of services	
Significant terms and conditions	<p>Parties of the agreement: Enel Global Thermal Generation S.r.l. and PJSC Enel Russia.</p> <p>Subject of the agreement: Enel Global Thermal Generation S.r.l. shall perform in favour and for the benefit of PJSC Enel Russia the provision of services in the area of Procurement and related staff functions, and PJSC Enel Russia shall undertake to pay Enel Global Thermal Generation S.r.l. for the above-mentioned services in line with the agreement.</p> <p>Period of services: January 1, 2021 – December 31, 2021.</p> <p>The agreement price: The price shall not exceed EUR two hundred forty thousand (240 000) (VAT excluded).</p> <p>Duration of the agreement: The agreement shall come into force after its signature and shall be valid until full performance of the parties' obligations. The agreement will be enforced with respect to parties' relations arising since January 1, 2021.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be admitted as the entity having interest in transaction since PJSC Enel Russia and Enel Global Thermal Generation S.r.l. are under direct control of Enel S.p.A.

Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 12/21, dd September 30,2021.
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Agreement for the provision of services	
Significant terms and conditions	Parties of the agreement: Enel S.p.A. and PJSC Enel Russia. Subject of the agreement: Enel S.p.A. shall perform in favour and for the benefit of PJSC Enel Russia the provision of services in the following areas: Administration, Finance & Control, Communications, Innovation and Sustainability, People and Organization, Legal and Corporate Affairs, and PJSC Enel Russia shall undertake to pay Enel S.p.A. for the above-mentioned services in line with the agreement. Period of services: January 1, 2021 – December 31, 2021. The agreement price: The price shall not exceed EUR one million (1 000 000) (VAT excluded). Duration of the agreement: The agreement shall come into force after its signature and shall be valid until full performance of the parties' obligations. The agreement will be enforced with respect to parties' relations arising since January 1, 2021.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be admitted as the entity having interest in transaction since PJSC Enel Russia is under direct control of Enel.S.p.A.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 12/21, dd September 30, 2021.

Agreement for the provision of services	
Significant terms and conditions	Parties of the agreement: Enel Global Trading S.p.A. and PJSC Enel Russia. Subject of the agreement: Enel Global Trading S.p.A. shall perform in favour and for the benefit of PJSC Enel Russia the provision of services in the following areas: Planning and Control, Audit, People and Organization and Global Trading Innovability, and PJSC Enel Russia shall undertake to pay Enel Global Trading S.p.A. for the above-mentioned services in line with the agreement. Period of services: 01.01.2021 – 31.12.2021. The agreement price: The price shall not exceed EUR 216 000 (VAT excluded). Duration of the agreement: The agreement shall come into force after its signature and shall be valid until full performance of the parties' obligations. The agreement will be enforced with respect to parties' relations arising since 01.01.2021.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be admitted as the entity having interest in transaction since it is the controlling entity of PJSC Enel Russia owing its shares in direct possession and it is also the controlling entity of Enel Global Trading S.p.A., owing its participations in direct possession.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 8/21, dd. May 28,2021

Secondment agreement	
Significant terms and conditions	Parties of the contract: Enel Global Thermal Generation S.r.l. - "Home company"; PJSC Enel Russia - "Host company". Subject of the Contract Enel Global Thermal Generation S.r.l. temporarily provides PJSC Enel Russia with specialized personnel for project management in thermal generation in the amount of no more than 1 (one) person, and PJSC Enel Russia shall undertake to pay in favor of Enel Global Thermal Generation S.r.l. the secondment service for defined period. Price of the contract: Shall not exceed 240 000 Euro per year, net of VAT RF. Term of services: From January 01, 2020 till December 31, 2020.

	Term of the contract: The contract shall come into force after its signature and shall be enforced with respect to the parties' relations arising since January 01, 2020.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since it is the direct controlling entity of PJSC Enel Russia and Enel Global Thermal Generation S.r.l.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 8/20 dd. June 29,2021

Additional agreement to secondment agreement

Significant terms and conditions	<p>Parties of the additional agreement: Enel Global Thermal Generation S.r.l. - "Home company"; PJSC Enel Russia - "Host company".</p> <p>Subject of the additional agreement: Enel Global Thermal Generation S.r.l. temporarily provides PJSC Enel Russia with specialized personnel for project management in thermal generation in the amount of no more than 1 (one) person, and PJSC Enel Russia shall undertake to pay in favor of Enel Global Thermal Generation S.r.l. the secondment service for defined period.</p> <p>Price of the additional agreement Shall not exceed 240 000 Euro, net of VAT RF.</p> <p>Term of services: From January 01, 2021 till December 31, 2021.</p> <p>Term of the additional agreement: The additional agreement shall come into force after its signature and shall be enforced with respect to the Parties' relations arising since January 01, 2021.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since it is the direct controlling entity of PJSC Enel Russia and Enel Global Thermal Generation S.r.l.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 14/20 dd. November 26, 2020

Agreement for the provision of services

Significant terms and conditions	<p>Parties of the contract: Enel Global Trading S.p.A. (Enel Global Trading or the Provider), PJSC Enel Russia (Enel Russia or the Client).</p> <p>Subject of the contract</p> <ul style="list-style-type: none"> • corrective maintenance for Allegro system, • operation services of Data Center. <p>Value cap of the contract: will not exceed 33 838 Euro excluding VAT.</p> <p>Period of the contract: January 01, 2021 - December 31, 2021</p> <p>Price of the contract services: Value of one or more contract items, which are indicated above may be insignificantly change (not more than 5%), but the total contract amount will not be exceeded.</p> <p>Term of the contract: The contract will enter into force on signing by the Parties and shall be valid until complete performance of the parties' obligations. It shall be applicable to the relations of the parties starting from January 01, 2021.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the direct controlling entity of PJSC Enel Russia and Enel Global Trading S.p.A.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 6/12 dd. April 23,2021

Agreement for the provision of services

Significant terms and conditions	<p>Parties of the contract: Enel S.p.A. (Enel SPA or the Provider), PJSC Enel Russia (Enel Russia or the Client).</p> <p>Subject of the Contract</p> <ul style="list-style-type: none"> • development for SAP system, • implementation of GECM system, • implementation of MUREX system, • implementation of Tax monitoring system, • development for Suite Ufficio Legale system, • operation services for GoSign system, • global support of Applications, Mobile solutions and API ecosystem, • service for General Data Protection. • Service Now and IT Service Management improvement. <p>Value cap of the contract: will not exceed 1 064 079 Euro excluding VAT. Period of the contract: January 01, 2021 - December 31, 2021 Price of the contract services: Value of one or more contract items, which are indicated above may be insignificantly change (not more than 5%), but the total contract amount will not be exceeded. Term of the contract: The contract will enter into force on signing by the Parties and shall be valid until complete performance of the Parties' obligations. It shall be applicable to the relations of the Parties starting from January 01, 2021 2021.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the direct controlling entity of PJSC Enel Russia
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 6/12 dd. April 23,2021 Board of Directors of PJSC Enel Russia, Minutes № 8/21 dd. May 28,2021

Agreement for the provision of services	
Significant terms and conditions	<p>Parties of the contract: Enel Global Thermal Generation S.r.l. (Enel GTG or the Provider), PJSC Enel Russia (Enel Russia or the Client).</p> <p>Subject of the Contract: The Provider shall render following ICT services for the Client during 2021:</p> <ul style="list-style-type: none"> • operation services of Data Center and Telecommunication, • development for Global SAP system, • corrective maintenance for Global SAP system, • Global SAP technical support, • Cyber Security services for the Enel Global Information systems, • OSI Soft technical support, • development and corrective maintenance for HSEQ system. <p>Value cap of the contract will not exceed 1 196 310 Euro excluding VAT. Period of the contract January 01, 2021 - December 31, 2021</p> <p>The Provider shall render following ICT services for the Client during 2021:</p> <ul style="list-style-type: none"> • development and corrective maintenance for DGWORLD system. <p>Value cap of the contract: The price of the additional service included to the contract will not exceed 904 529 Euro excluding VAT. The total amount of the contract will not exceed 2 100 839 Euro excluding VAT. Payment time limit: Fees for services provided to be charged within 2022. Period of the contract January 01, 2021 – March 31, 2022 Price of the contract services: Value of one or more contract items, which are indicated above may be insignificantly change (not more than 5%), but the total contract amount will not be exceeded. Term of the contract: The contract will enter into force on signing by the Parties and shall be valid until complete performance of the Parties' obligations. It shall be applicable to the relations of the Parties starting from January 01, 2021.</p>
The persons having interest in transaction and the bases on which	Enel S.p.A shall be considered as the entity having interest in transaction since PJSC Enel Russia and Enel Global Thermal Generation S.r.l. are under direct control of Enel S.p.A.

persons having interest in transaction are as follows	
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 6/12 dd. April, 23,2021 Board of Directors of PJSC Enel Russia, Minutes № 8/21 dd. May 28,2021

Loan agreement	
Significant terms and conditions	Parties of the Agreement: Creditor – PJSC Enel Russia, Borrower – LLC Enel Rus Finance Subject of the Agreement: Loan provision to the Borrower by the Creditor. Approved loan purpose: The loan is provided to the Borrower solely to finance certain activities of the Borrower related to mandatory operating expenses. Maximum loan amount: 4 500 000 RUB Rate: 0 % Maturity date: The final maturity date for each separate tranche is not later than three years from the date of signing of each drawdown application. Other terms and conditions: The amount, the maturity date, repayment schedule, and other terms and conditions to be defined in each specific drawdown application within the above limits.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since LLC Enel Rus Finance is under indirect control of Enel S.p.A. and PJSC Enel Russia is under direct control of Enel S.p.A.
Management body that approved the transaction; No. and date of the Minutes	In accordance with the Charter of PJSC Enel Russia no resolution to approve the transaction was taken.

Addendum to the special purpose loan agreement	
Significant terms and conditions	Parties of the addendum: Lender – PJSC Enel Russia; Borrower – LLC Enel Rus Wind Azov. Special purpose loan under the addendum: Loan is provided for financing the development of the project for the construction of a wind generating facility with an estimated capacity of 90,09 MW in Rostov region. Loan Amount under the addendum: shall not exceed one billion seven hundred fifty million (1 750 000 000) RUB. Total Loan Amount under the loan agreement, including this addendum: Shall not exceed three billion eight hundred fifty million (3 850 000 000) RUB. Rate: 0% (zero percent) Maturity: Final maturity of each separate tranche will not exceed 20 (twenty) years from the date of signing of each drawdown notice. Other terms and conditions: Amount, final maturity, repayment schedule, and other terms and conditions to be defined in each specific drawdown notice within the above limits.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the indirect controlling entity of LLC Enel Rus Wind Azov and the direct controlling entity of PJSC Enel Russia, as well. Related party's interest in the authorized (joint-stock) capital (shares held by the related party) of PJSC Enel Russia: 56.43%. Related party's interest in the authorized (joint-stock) capital of LLC Enel Rus Wind Azov: 0%, the share of PJSC Enel Russia in the authorized capital of LLC Enel Rus Wind Azov.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 2/21 dd. 25.02.2021

Loan agreement	
Significant terms and conditions	<p>Parties of the loan agreement: PJSC Enel Russia – the Creditor, LLC Enel Rus Finance – the Borrower.</p> <p>Subject of the loan agreement: Loan provision to the Borrower by the Creditor.</p> <p>Approved loan purpose: The loan is provided to the Borrower to finance purchase of ordinary shares of PJSC Enel Russia (ENRU) under the LTIP management agreement, as well as to finance activities of the Borrower related to mandatory operating expenses.</p> <p>Maximum loan amount: ninety-four million five hundred thousand (94 500 000) RUB.</p> <p>Rate: 0 %</p> <p>Maturity date: The final maturity date for each tranche is no later than three (3) years from the date the Drawdown Application signing.</p> <p>Other terms: The amount, the maturity date, the repayment schedule and other conditions shall be determined in the Drawdown Application within the limits mentioned above.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the controlling entity of LLC Enel Rus Finance owing its shares in authorized capital in indirect possession and the controlling entity of PJSC Enel Russia owing its shares in direct possession.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 10/21 dd. 28.07.2021

Addendum to the loan agreement	
Significant terms and conditions	<p>Parties of the addendum: Lender – PJSC Enel Russia, Borrower – LLC Enel Rus Wind Kola.</p> <p>Special purpose loan under the addendum: Loans are provided for financing the development of the project for the construction of a wind generating facility with an estimated capacity of 200,97 MW in Murmansk region including the payment under related party transactions of the Borrower and for financing of operating and financial expenses.</p> <p>Loan amount under the addendum: shall not exceed one billion five hundred million (1 500 000 000) RUB.</p> <p>Max loan amount under the loan agreement, including this addendum: Shall not exceed seven billion (7 000 000 000) RUB.</p> <p>Maturity: Final maturity of each separate tranche will not exceed 20 (twenty) years from the date of signing of each drawdown notice.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the indirect controlling entity of LLC Enel Rus Wind Kola and the direct controlling entity of PJSC Enel Russia, as well.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 10/21 dd. 28.07.2021

Contributions to the assets	
Significant terms and conditions	<p>Parties PJSC Enel Russia – the Sole Participant, LLC Enel Rus Wind Kola – the Company.</p> <p>Purpose: Contributions are provided for financing the activities connected with the construction of a wind farm of an estimated capacity of 200,97 MW in Murmansk region. The total amount of the contributions: one billion three hundred million (1 300 000 000) RUB.</p>

	Additional terms and conditions The contributions to the Company's assets shall not be a contribution to the Company's authorized capital and shall not change the size and the nominal value of the shares of the Company's participants in the Company's authorized capital.
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is the indirect controlling entity of LLC Enel Rus Wind Kola and the direct controlling entity of PJSC Enel Russia, as well.
Management body that approved the transaction; No. and date of the Minutes	Board of Directors of PJSC Enel Russia, Minutes № 10/21 dd. 28.07.2021

Liability insurance contract	
Significant terms and conditions	<p>Parties to the Contracts: Policyholder – PJSC Enel Russia, Insurer – JSC AIG</p> <p>Subject of the Contracts: In case of an insured event, Insurer shall pay the insurance indemnity according to the terms and conditions of the contracts and applicable law of the Russian Federation.</p> <p>Insurance Object: Insured Party's and/or insured individuals' property interests in connection with the liability according to the applicable law to compensate losses of third parties in case of an insured event.</p> <p>All Coverages: Cover A (Side A) Insured Person Liability The insurer shall pay the loss of each insured person resulting from a claim against the insured person except for and to the extent that the company has indemnified the insured person.</p> <p>Cover B (Side B) Company Reimbursement The insurer shall pay the loss of the company resulting from a claim against the insured person but only when and to the extent that the company has indemnified the insured person for the loss.</p> <p>Cover C – Global program Subsidiaries Directors Liability The insurer shall pay the loss of the subsidiaries directors resulting from a claim against the director.</p> <p>Cover D – Global program Representation at Investigations and Examinations The insurer shall pay the investigations costs.</p> <p>Cover E – Global program Special Excess Protection for Non-Executive Directors The insurer shall pay the loss of each non-executive director resulting from a claim against the non-executive director.</p> <p>Cover F (Side C) Company Liability for Securities Claims The insurer shall pay the loss of the company resulting from a claim against the company for any wrongful act committed by such company arising from a securities claims.</p> <p>Insured Persons: (Beneficiaries) • Including but not limited to:</p> <ul style="list-style-type: none"> • - members of board of directors, members of executive board, general director, of the Policyholder and its subsidiaries; • - executive directors, heads of departments (functional directors) of the Policyholder and its subsidiaries; • - statutory auditor, General Counsel or Risk Manager (or equivalent position) of the Policyholder and its subsidiaries. <p>Full list of insured persons is as per schedule and policy conditions of Directors & Officers Liability Insurance Policy.</p> <p>Annual insurance Premium: EUR 37 500.</p>

	<p>Limit of Liability: EUR 15 000 000 aggregate for all insured events, covers, extensions for the policy (contract) period.</p> <p>Additional liability limit (special excess): EUR 1 000 000 for each independent (non-executive) director.</p> <p>Period of the Contract November 10, 2020 to November 09, 2021</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	Members of the Board of Directors of PJSC Enel Russia, members of the Executive Board of PJSC Enel Russia, General Director of PJSC Enel Russia. The bases on which persons having interest in transaction are as follows: members of the Board of Directors of PJSC Enel Russia, members of the Executive Board of PJSC Enel Russia, General Director of PJSC Enel Russia are the beneficiaries under the transactions
Management body that approved the transaction; No. and date of the Minutes	Annual General Shareholders' Meeting, Minutes № 1/19 dd June 18, 2019.

Information about major transactions closed by the company

The company did not make major transactions in 2021.

Information on the most material transactions performed by the controlled entities that are of significant importance to the company

Addendum to the Special purpose loan agreement	
Significant terms and conditions	<p>Parties of the addendum: Lender – PJSC Enel Russia; Borrower – LLC Enel Rus Wind Azov.</p> <p>Special purpose loan under the addendum: Loan is provided for financing the development of the project for the construction of a wind generating facility with an estimated capacity of 90,09 MW in Rostov region.</p> <p>Loan amount under the addendum: No more than one billion seven hundred fifty million (1 750 000 000) RUB.</p> <p>Total Loan amount under the Loan agreement, including this addendum: Shall not exceed three billion eight hundred fifty million (3 850 000 000) RUB.</p> <p>Rate 0% (zero percent)</p> <p>Maturity: Final maturity of each separate tranche will not exceed 20 (twenty) years from the date of signing of each drawdown notice.</p> <p>Other terms and conditions: Amount, final maturity, repayment schedule, and other terms and conditions to be defined in each specific drawdown notice within the above limits.</p>
The persons having interest in transaction and the bases on which persons having interest in transaction are as follows	<p>Enel S.p.A. shall be considered as the entity having interest in transaction since Enel S.p.A. is (i) the indirect controlling entity of LLC Enel Rus Wind Azov and (ii) the direct controlling entity of PJSC Enel Russia, as well.</p> <p>Related party's interest in the authorized (joint-stock) capital (shares held by the related party) of PJSC Enel Russia: 56.43%.</p> <p>Related party's interest in the authorized (joint-stock) capital of LLC Enel Rus Wind Azov: 0%, the share of PJSC Enel Russia in the authorized capital of LLC Enel Rus Wind Azov.</p>
Management body that approved the transaction; No. and date of the Minutes	The sole participant of Limited Liability Company Enel Rus Wind Azov, Resolution No.02/21 dd February 26, 2021

Annex 4. Key Performance Indicators

Key performance indicators of the General Director for 2021

	Objective description	Weight
1.	Ordinary Net income of PJSC Enel Russia	25%
2.	OPEX of PJSC Enel Russia	20%

3.	FFO of PJSC Enel Russia (change in Net debt before dividends paid, extraordinary items, Gross Capex and FX on Net debt)	15%
4.	Business objectives: They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Deputy General Director - Head of Generation for 2021

Objective description		Weight
1.	EBIT Thermal Generation of PJSC Enel Russia	25%
2.	OPEX Thermal Generation of PJSC Enel Russia	20%
3.	FFO of PJSC Enel Russia (change in Net debt before dividends paid, extraordinary items, Gross Capex and FX on Net debt)	15%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Deputy General Director - Head of Administration, Finance and Control for 2021

Objective description		Weight
1.	Ordinary Net income of PJSC Enel Russia	25%
2.	OPEX of PJSC Enel Russia	20%
3.	FFO of PJSC Enel Russia (change in Net debt before dividends paid, extraordinary items, Gross Capex and FX on Net debt)	15%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Deputy General Director - Head of HR and Organization for 2021

Objective description		Weight
1.	Ordinary Net income of PJSC Enel Russia	30%
2.	Average personnel cost of PJSC Enel Russia	25%

3.	Business objectives They are determined based on the tasks assigned to the key manager	25%
4.	Safety of PJSC Enel Russia	15%
5.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Energy Management for 2021

	Objective description	Weight
1.	Gross Margin of PJSC Enel Russia	25%
2.	Business objectives They are determined based on the tasks assigned to the key manager	20%
3.	FFO of PJSC Enel Russia (change in Net debt before dividends paid, extraordinary items, Gross Capex and FX on Net debt)	15%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Internal Audit for 2021

	Objective description	Weight
1.	Audit Plan of PJSC Enel Russia	30%
2.	Timing of the Audit Plan of PJSC Enel Russia	30%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Safety of PJSC Enel Russia	15%
5.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Digital Solutions for 2021

	Objective description	Weight
1.	Ordinary Net income of PJSC Enel Russia	20%
2.	Digital Solutions Cash Cost plus BD CAPEX of PJSC Enel Russia (Fixed Cost + Gross Capex (Maintenance + BD)), without intercompany in OPEX and CAPEX	20%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%

	Total:	100%
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Key performance indicators of the Head of Legal & Corporate Affairs for 2021

	Objective description	Weight
1.	Ordinary Net income of PJSC Enel Russia	20%
2.	OPEX of PJSC Enel Russia	20%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Procurement for 2021

	Objective description	Weight
1.	EBIT Thermal Generation of PJSC Enel Russia	20%
2.	Business objectives They are determined based on the tasks assigned to the key manager	20%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Regulatory and Institutional Affairs for 2021

	Objective description	Weight
1.	OPEX of PJSC Enel Russia	20%
2.	FFO of PJSC Enel Russia (change in Net debt before dividends paid, extraordinary items, Gross Capex and FX on Net debt)	20%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators of the Head of Communications for 2021

	Objective description	Weight
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1.	Ordinary Net income of PJSC Enel Russia	20%
2.	Communication function Cash cost of PJSC Enel Russia including External Costs (both Institutional and Commercial) and Personnel Costs	20%
3.	Business objectives They are determined based on the tasks assigned to the key manager	20%
4.	Business objectives They are determined based on the tasks assigned to the key manager	20%
5.	Safety of PJSC Enel Russia	15%
6.	Absence of fatal accidents of employees of PJSC Enel Russia and contractors	5%
	Total:	100%

Key performance indicators established by the Long-Term Incentive Plan at PJSC Enel Russia
for 2018-2020, for 2019-2021, for 2020-2022, for 2021-2023.

No	Key Performance Indicator (KPI)	Indicator weight
1.	Total shareholders return of PJSC Enel Russia shareholders as compared to the benchmarking group (TSR*)	60 %
2.	3Y average EBITDA margin of PJSC Enel Russia by EBITDA for the period of the Program	40 %
	Total:	100%

* "Total shareholders return" indicator is calculated as:

$$= \frac{\text{Share price at the end of the period} - \text{Share price at the beginning of the period} + \sum \text{Dividends for the period of the plan} / \text{Number of shares}}{\text{Share price at the beginning of the period}}$$

Contacts

Direction	Contact persons
Corporate governance	Oxana Ryabchinskaya Oxana.Ryabchinskaya@enel.com
Investor relations	Ilya Kalinin Ilya.Kalinin@enel.com
Media Office	Nikolay Schennikov EnelRussiaPressOffice@enel.com

Company

Full name: Public Joint-Stock Company Enel Russia

Short name: PJSC Enel Russia

Previous names: Open Joint-stock Company Fifth Generation Company of the Wholesale Electricity Market (OJSC OGK-5); Open Joint-Stock Company Enel OGK-5 (OJSC Enel OGK-5); Open Joint Stock Company Enel Russia (OJSC Enel Russia)

Location of the company: Yekaterinburg

Company address: 10 Khokhryakova Str., Yekaterinburg 620014, Sverdlovsk Region, Russian Federation

Postal address: 7 Pavlovskaya Str., bldg. 1, Moscow 115093, Russia
Phone: +7 (495) 539-31-31
Fax: +7 (495) 539-31-48
E-mail address: office.russia@enel.com
Web site where information about the company is presented: <https://www.enelrussia.ru>

Power plants of PJSC Enel Russia

Headquarters, 7 Pavlovskaya Street, bldg 1, Moscow, 115093, Russian Federation
Konakovskaya GRES power plant, 12 Promyshlennaya Street, Konakovo 171252, Tver region, Russian Federation
Nevinnomysskaya GRES power plant, 2 Energetikov Str., Nevinnomyssk 357107, Stavropol Territory, Russian Federation
Sredneuralskaya GRES power plant, 2 Lenina Street, Sredneuralsk 624070, Sverdlovsk Region, Russian Federation,

Depository bank

Title: The bank of New York Mellon
Location: One Wall Street, New York, New York 10286, USA
Website; www.bnymellon.com

Registrar

Full name: Joint Stock Company Independent Registrar Company R.O.S.T.
Short name: JSC IRC-R.O.S.T.
Location: 18 Stromynka Street, building 5B, premises IX, Moscow 107076, Moscow
Phone: +7 (495) 989-76-50, +7(495) 780-73-63
Website; <http://rrost.ru/>

Auditor

Information about the company's auditor
Full company name: Joint Stock Company KPMG
Abbreviated company name: JSC KPMG
Location: 10 Presnenskaya Embankment, tower of BC Tower on the Embankment, block C, Moscow, 123112 Russia
TIN: 7702019950
OGRN: 1027700125628
Phone: 8 (495) 937-4477
Fax: 8 (495) 937-4499
E-mail address moscow@kpmg.ru
Data on the auditor's membership in self-regulating organizations of auditors:
Full name: Self-regulating organization of auditors Association "Sodruzhestvo" (SRO AAS)
Location: 21 Michurinsky Avenue, bldg 4, Moscow, 119192 Russia.

Glossary

OGK-5 JSC, OJSC Enel OGK-5, OJSC Enel Russia, PJSC Enel Russia, company, Issuer — Public Joint-Stock Company Enel Russia
Group, group of company, group of PJSC Enel Russia - PJSC Enel Russia, JSC Teploprogress, LLC Enel Rus Wind Azov, LLC Enel Rus Wind Cola, LLC Enel Rus Wind Stavropolye, LLC Enel Rus Finance
Azovskaya WPP, Azovskaya wind farm - Azovskaya wind farm
Kolskaya WPP, Kolskaya wind farm, - Kolskaya wind farm
Headquarters (HQ) — Headquarters, PJSC Enel Russia
Konakovskaya GRES (KGRES) — Konakovskaya GRES power plant of PJSC Enel Russia
Nevinnomysskaya GRES (NGRES) — Nevinnomysskaya GRES power plant of PJSC Enel Russia
Reftinskaya GRES (RGRES) - depending on the context, Reftinskaya GRES power plant of PJSC Enel Russia, or the property constituting Reftinskaya GRES, in its respect the sales transaction was completed
Sredneuralskaya GRES (SUGRES) — Sredneuralskaya GRES power plant of PJSC Enel Russia
Charter – Charter of PJSC Enel Russia, approved by decision of the annual General Shareholders Meeting, minutes No. 1/20 dated 19.06.20 (unless otherwise specified in the context of this report).

Regulation on the order of preparation and holding the General Shareholders' Meeting - Regulation on the order of preparation and holding the General Shareholders' Meeting of PJSC Enel Russia, approved by decision of the annual General Shareholders Meeting, minutes No. 1/21 dated 08.06.21.

Regulation on the procedure for convening and holding of meetings of the company's Board of Directors - Regulation on the procedure for convening and holding of meetings of the company's Board of Directors, approved by decision of the annual General Shareholders Meeting of PJSC Enel Russia, minutes No. 1/20 dated 19.06.2020.

Regulation on the Committees of the Board of Directors - Regulation on the Committees of the Board of Directors of PJSC Enel Russia, approved by decision of the Board of Directors, minutes No. 10/19 dated 26.06.19.

Regulation on Corporate Secretary - Regulation on Corporate Secretary of PJSC Enel Russia, approved by decision of the Board of Directors, minutes No. 8/16 dated 29.09.2016

Regulation on the Executive Board – Regulation on the Executive Board of PJSC Enel Russia, approved by decision of the General Shareholders Meeting of PJSC Enel Russia, minutes No. №1/20 dated 19.06.2020

Internal Control and Risk Management Policy - Internal Control and Risk Management Policy, approved by decision of the Board of Directors of PJSC Enel Russia, minutes No. 14/18 dated 21.12.18.

Regulation on Internal Audit Department - Regulation on the Internal Audit Department of PJSC Enel Russia, approved by decision of the Board of Directors of PJSC Enel Russia, minutes No. 8/16 dated 29.09.16

Regulation on payment of remunerations and compensations to the members of the Board of Directors and Committees of the Board of Directors - Regulation on payment of remunerations and compensations to the members of the Board of Directors and Committees of the Board of Directors approved by the annual General Shareholders' Meeting of PJSC Enel Russia, minutes No. 1/19 dated 18.06.2019

The policy for remuneration and reimbursement of expenses (compensation) of the members of executive bodies and other key executives - Policy on remuneration and reimbursement of expenses (compensations) of the members of the executive bodies and other key managers of Public Joint Stock Company Enel Russia approved by the Board of Directors of PJSC Enel Russia, minutes No. 13/20 dated 29.10.20

Regulation on Dividend Policy - Regulation on Dividend Policy approved by the decision of the Board of Directors of PJSC Enel Russia. minutes No. 12/21 dated 30.09.21

Regulation on the Information Policy - Regulation on information policy of PJSC Enel Russia approved by the decision of the Board of Directors, minutes No. 14/20 dated 26.11.20

BM - balancing market

CDS - system "Corporate data storage"

CCGT - combined cycle gas turbine unit

CHPP combined heat and power plant

Corporate Governance Code — The Corporate Governance Code recommended for application by letter of the Bank of Russia No. 06-52/2463 dated April 10, 2014

COSO - The Committee of Sponsoring Organizations of the Treadway Commission

CSA - Capacity Supply Agreements

DAM - day ahead market

Efficiency - efficiency factor

ESG - Ecology, Social Responsibility and Corporate Governance

FZ - Federal law

GMM - system "Generation Management and Market"

GRES - state regional power plant

GRI - Global Reporting Initiative

HPP - hydro-electric power plant

HV line - high voltage power transmission line

HSEQ - Health, Safety, Environment and Quality

IDO - Interregional Dispatching Office

IFRS - international financial reporting standards

I-REC Certificate is a documented entry by an accredited institution in the I-REC register on the fact of power generation by certain RES.

IPS - Interconnected Power System

JSC SPIMEX - Saint Petersburg International Mercantile Exchange

KOMMod is capacity auction in the wholesale market that was introduced by Decree of the Government of the Russian Federation No. 43 "On selection of projects for modernization of generating facilities of thermal power plants" dated January 25, 2019, a new mechanism for trading capacity was introduced in the wholesale market stimulating investment in the modernization of generating facilities of thermal power plants.

KPI - key performance indicators

Media - mass media

NPP - nuclear power plant

PC – personal computer

RAS - Russian Accounting Standards

RC - regulated contracts

RES - renewable energy sources

RF - Russian Federation, Russia

RCP – remote control panel

SCGEO - Selection of composition of generating equipment in operation

SDG - Sustainable Development Goals

TPP - thermal power plant

UES - Unified Energy System

UN - United Nations

WT - wind turbine

WF, WPP - Wind Farm

WECM - wholesale electricity and capacity market

EBITDA – analytical indicator calculated as «Operating profit» plus «Depreciation and amortisation of property, plant and equipment and intangible assets», «Allowance for expected credit losses of trade and other receivables» (all data taken from audited IFRS financial statements)

Ordinary EBIT – analytical indicator calculated as «Operating profit» adjusted for operations that are considered as not ordinary for the company in the period. In this report, for 2020 and 2021 operating profit the following adjustments were used: Provision related to the risks of penalties for the delay in the commissioning of wind farms due to a number of "force majeure" circumstances, caused by the spread of the coronavirus pandemic, as well as impairment loss of property, plant and equipment are excluded from operating income.

Ordinary net income – analytical indicator calculated as «Profit for the year» adjusted for operations that are considered as not ordinary for the company in the period. In this report, for the profit for 2020 and 2021 the following adjustments were used: Provision related to the risks of penalties for the delay in the commissioning of wind farms due to a number of "force majeure" circumstances, caused by the spread of the coronavirus pandemic, as well as impairment loss of property, plant and equipment are excluded from operating income, both after effective tax rate being applied.

Measurement Units:

kWh (kilowatt·hour), MWh (megawatt·hour), GWh (gigawatt·hour), TWh (terawatt·hour) - generated power measurement unit

kW (kilowatt), MW (megawatt), GW (gigawatt) - capacity measurement unit

Gcal (gigacalorie) - heat measurement unit

Gcal/h (gigacalorie/hour) - heat output measurement unit