

Appendix # 1
to the decision of the Board of Directors
of IDGC of Centre, JSC
(Minutes # 30/14 dated 30.12.2014)

**The Anti-corruption Policy
of JSC «Russian Grids» and SDCs of JSC «Russian Grids»**

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Introduction

The basic standard legal act in fighting against corruption is Federal Law from December, 25th, 2008 N 273-FZ «About corruption counteraction» (hereinafter – the Law on corruption counteraction).

According to article 13.3 of the Law on corruption counteraction since January, 1st, 2013 JSC «Russian Grids» and its affiliated and dependent companies (SDCs) of JSC «Russian Grids» have the obligation assigned to develop and accept measures under prevention and counteraction of corruption which should include:

- determination of divisions responsible for prevention of corruption and other offences;
- cooperation with law enforcement bodies;
- development and introduction in practice of standards and procedures directed on provision of diligent work;
- accepting of the code of ethics and office behaviour of employees;
- prevention and settlement of the conflict of interest;
- non-admission of drawing up informal reporting and use of forged documents.

Decree of the President of the Russian Federation from 11.04.2014 № 226 approved the National plan of counteraction of corruption for 2014 – 2015 (hereinafter – the National plan of counteraction of corruption), put tasks for next years which are necessary for solving with a view of corruption counteraction, and the basic events directed to solve specified tasks in the organisations.

The National plan of counteraction of corruption determines as the primary goal realisation of requirements of article 13.3 of the Law on counteraction of the corruption, concerning the obligation of JSC «Russian Grids» and its SDCs (organisations) to take measures under the corruption prevention and counteraction, provides forming of a system of the state control of realisation of the anticorruption policy in the non-state sector.

For today the activity for the corruption prevention is based not only on norms of the right, but also on instructions and requirements of authorities and management officials of the state – management decisions.

So, the National plan of counteraction of corruption specifies the necessity of execution previously given out orders – subparagraph “b” of paragraph 6 of the National strategy of counteraction of the corruption confirmed by Decree of the President of the Russian Federation from April, 13th, 2010 № 460 «About the National strategy of counteraction of corruption and the National plan of counteraction of corruption for 2010 – 2011». The Decree of the President put tasks to organisations to execute acts and management decisions in the field of counteraction of corruption, creation of conditions complicating possibility of corruption behaviour and providing decrease of level of corruption.

For the purpose of forming of the uniform approach to work provision under the corruption prevention and counteraction in the organisations by the Ministry of Labour and Social Protection of the Russian Federation the Methodical

recommendations were developed about development and accepting by the organisations of measures about the prevention and the corruption counteraction, confirmed on November, 8th, 2013 (hereinafter – the Methodical recommendations). The Methodical recommendations provide direct reporting of the structural division responsible for counteraction of corruption, to the organisation management, assigning it with powers, sufficient for carrying out of anticorruption events, including, concerning the persons occupying executive positions in the organisation, and also provision with necessary personnel and technical resources.

Necessity of creation in the organisations of «divisions responsible *for prevention of corruption and other offences*» is provided by paragraph 1 of part 2 of article 13.3 of the Law on corruption counteraction. The Methodical recommendations of the Ministry of Labour cover the functions of «the divisions responsible for ***counteraction of corruption***»: the corruption prevention, including revealing and subsequent elimination of the reasons of corruption (early corruption prevention); identification, prevention, suppression, disclosing and investigation of corruption offences (fight against corruption); minimisation and (or) liquidation of consequences of corruption offences.

Thus article 13.3. of the Law on corruption counteraction specifies, what exactly such divisions are responsible for in counteraction of corruption regarding ***prevention of corruption offences***.

With a view of more complete reflection of the essence of functions of structural divisions, further as the text goes they are determined as «the divisions responsible for prevention of corruption offences and counteraction of corruption».

The Methodical recommendations provide work carrying out on prevention of corruption and other offences for any organisations, irrespective of patterns of ownership, organizational and legal forms, industry and other circumstances, and also provide for the mandatory requirement on development and accepting of the uniform document with the same name «**Anticorruption policy**» which includes a complex of the interconnected principles, procedures and concrete events, and also other local regulations and methodical materials directed on prevention and counteraction to corruption offences in an organization activity.

The Anticorruption policy includes:

- concepts and determinations used in the Anticorruption policy;
- the purpose, measures, tasks and principles of the Anticorruption policy;
- scope of the Anticorruption policy and the circle of persons, falling under its action;
- legal education and forming of bases of legislative behaviour of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- directions of the Anticorruption policy;
- obligations of employees connected with the prevention and counteraction of corruption;
- responsibility;
- accepting, analysis of application and revision of the Anticorruption policy.

Enhancement and development of the Anticorruption policy in JSC «Russian Grids» began in June, 2013. At the first stage of its realisation events in the field of enhancement of legal regulation of anticorruption activity of the Company were carried out, a number of organizational-administrative documents in the field of corruption counteraction was developed. JSC «Russian Grids» and its SDCs had working uniform mechanisms to check of the information on a chain of proprietors of counterparts of JSC «Russian Grids» and SDCs of JSC «Russian Grids», including beneficiaries (including final), work with personal data at disclosing of the information on a chain of proprietors of counterparts, anticorruption standards of purchasing activity, registration of land-legal relations at realisation of construction (reconstruction) of power facilities in SDCs of JSC «Russian Grids», a system to manage the conflict of interest.

A number of events for interaction with legal and physical persons was conducted: the interactive channel of interaction with applicants by means of a corporate Internet site was created, the Commission on observance of norms of corporate ethics and settlement of the conflict of interest in JSC «Russian Grids» was formed, there work began on corruption prevention, legal education and forming of bases of legislative behaviour of employees of the electric grid complex, many other anticorruption procedures were started.

The scale legislative changes which occurred in regulation of anticorruption activity of the organisations, and the organizational-structural changes which occurred in the electric grid complex, led to necessity of creation of the Uniform strategic document – the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» which would specify measures under the prevention and counteraction of corruption and control of their realisation, observance of norms of the anticorruption legislation of the Russian Federation, the advanced international experience.

All it imposes special obligations on forming of the uniform vertically-integrated system of realisation of the anticorruption policy in JSC «Russian Grids» Group of companies, the controlling shareholder of which is the state.

This Anticorruption policy reflects adherence of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to high ethical standards of making open and fair business for enhancement of corporate culture, following the best practices of corporate management and maintenance of business reputation of enterprises of the electric grid complex up to the mark.

Concepts and determinations

Article 13.3 of the Law on corruption counteraction	Article 13.3 of Federal law from 25.12.2008 № 273-FZ «About corruption counteraction» provides an obligation of organisations to take measures under the corruption prevention and counteraction.
The Anticorruption endorsement	Section of contracts, agreements, amendments of JSC «Russian Grids» and SDCs of JSC «Russian Grids», declaring carrying out of JSC «Russian Grids» and SDCs of JSC «Russian Grids» of the Anticorruption policy and not allowing to commit corruption and other offences.
The Anticorruption policy	The uniform basic document containing a complex of interconnected principles, procedures and concrete events directed on prevention and counteraction of corruption in JSC «Russian Grids» and SDCs of JSC «Russian Grids».
Anticorruption obligations	The consent of a participant of purchasing procedures of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to observe and execute principles, requirements of the Anticorruption policy, including an obligation not to make corruption and other offences, to present complete and trustworthy information about a chain of proprietors, including beneficiaries, including final ones, and also about members of executive bodies with attachment of supporting documents.
Anticorruption monitoring	Monitoring of implemented in JSC «Russian Grids» and SDCs of JSC «Russian Grids» measures in the field of the corruption prevention and counteraction, performed for the purpose of provision of performance evaluation of the specified measures, estimation and forecast of corruption factors and signals; analysis and estimation of the data received as a result of supervision; development of forecasts of future state and tendencies of development of adequate measures.
The Civil Code	The Civil Code of the Russian Federation.
Bribery (article 291 of the Criminal Code of the Russian Federation)	Bribery to an office holder, a foreign office holder or an office holder of a public international organisation personally or through an intermediary. The foreign office holder is understood as any appointed or elected person, holding any post in legislative, executive, administrative or judicial body of a foreign state, and any person who carries out any public

	function for the foreign state, including for a public department or a public enterprise; the office holder of a public international organisation is understood as an international civil servant or any person who is authorised by such organisation to act on its behalf.
Department on counteraction (prevention) of corruption, compliance control	The structural division responsible for prevention of corruption offences and counteraction of corruption, realisation of principles and requirements of the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids».
SDCs	Subsidiaries and dependent companies.
The law on personal data protection	Federal law from July, 27th, 2006 № 152-FZ «About personal data».
Abusing powers (article 201 of the Criminal Code of the Russian Federation)	Use by the person, who carries out administrative functions in commercial or other organisation, of the powers contrary to legitimate interests of this organisation and with a view of extraction of benefits and advantages to himself or other persons or doing harm to other persons if this act has entailed causing material damage to the rights and legitimate interests of citizens or the organisations or protected by the law interests of the society or the state.
Foreign public officials and office holders of public international organisations	Persons to whom it is assigned or was assigned earlier to execute important state functions (less than 1 year has passed from the moment of termination of powers), namely: heads of states (including ruling royal dynasties) or governments, ministers, their deputies and assistants, higher government officials, office holders of judicial authorities of "ultimate authority" (the Supreme Court, the Constitutional Court) whose decisions have no appeal, the state public prosecutor and its assistants, higher military officials, heads and members of Boards of Directors of National Banks, ambassadors, heads of state corporations, members of the Parliament or other legislative bodies. Persons authorized with public trust, in particular: heads, deputy heads of the international organisations (the United Nations, the OECD, the OPEC, the Olympic Committee, the World Bank etc.), members of the European Parliament, heads and members of the international judicial organisations (the Human Rights Court, the Hague Tribunal, etc.)

The Administrative Code	The Administrative Offences Code of the Russian Federation.
Commercial payoff (article 204 of the Criminal Code of the Russian Federation)	Illegal transfer to a person, who carries out administrative functions in commercial or other organisation, money, securities, other property, rendering to him services of property character, granting other property rights for fulfilment of actions (failure to act) in interests giving in connection with the occupied by this person office position. Illegal receipt by the person, who carries out administrative functions in commercial or other organisation, money, securities, other property, and equally illegal using services of property character or other property rights for fulfilment of actions (failure to act) in interests giving in connection with the occupied by this person office position.
Compliance	Compliance of the organization activities to the requirements imposed on it by the Russian and foreign legislation, local regulations, other obligatory for execution regulating documents.
The counterpart	Any Russian or foreign legal or physical person with whom the organisation enters into contractual relations with establishment of various volume of the rights and obligations (except for employee relations) and which are not united by a common purpose.
The conflict of interest	The situation at which personal interest (direct or indirect) of an employee of JSC «Russian Grids», including SDCs of JSC «Russian Grids», influences or can affect proper execution of the labour (official) obligations by him and at which arises or there can be a contradiction between personal interest of the employee of JSC «Russian Grids» and SDCs of JSC «Russian Grids» and the rights and legitimate interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids», which can result in damaging interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids».
Corruption offence	Illegal guilty act (action or failure to act), possessing corruption signs for which disciplinary, criminal, civil-law or managerial responsibility is established by the law.
Corruption	Bribery, abusing powers, commercial payoff or other

(In commercial organisations)	illegal use by employees of the position contrary to legitimate interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids» with a view of receipt of benefit in the form of money, values, other property or services of property character, other property rights for himself or for the third parties or illegal granting of such benefit to the specified person by other physical persons, and also fulfilment of the specified acts on behalf of or in interests of the legal entity.
Personal benefit	Interest of an employee of JSC «Russian Grids» and SDCs of JSC «Russian Grids», his near relatives, the spouse, the adoptive father, adopted to receive non-material benefits and other non-material advantages. Promotion and gratitude expression are not personal benefits.
Material benefit	Economic gain in the monetary or natural form which can be estimated and specified as the income according to tax laws of the Russian Federation.
Methodical recommendations of the Ministry of Labour	Methodical recommendations about development and accepting by organisations of measures about the corruption prevention and counteraction, developed by the Ministry of Labour and Social Protection of the Russian Federation, confirmed on November, 8th, 2013 (in edition from April, 16th, 2014)
The National plan of counteraction of corruption for 2014-2015	The National plan of counteraction of corruption for 2014-2015, confirmed by Decree of the President of the Russian Federation from April, 11th, 2014 № 266.
Illegal compensation on behalf of the legal entity (article 19.28 of the Administrative Code)	Illegal transfer, offer or promise on behalf of or in interests of the legal entity to the office holder, the person who carries out administrative functions in a commercial or other organisation, the foreign office holder or the office holder of a public international organisation of money, securities, other property, rendering to him services of property character, granting of property rights for fulfilment in interests of the given legal entity by the office holder, the person who carries out administrative functions in the commercial or other organisation, the foreign office holder or the office holder of the public international organisation of the action (failure to act) connected with the office position occupied with them.
Illegal attraction to labour activity or to accomplishment of work	Attraction by JSC «Russian Grids» and SDCs of JSC «Russian Grids» to labour activity on the terms of an employment contract or to accomplishment of work or

or rendering services of a state or municipal servant or a former state or municipal employee (article 19.29 of the Administrative Code)	rendering services on the terms of a civil-law agreement of a state or municipal employee displacing a post, included in the list established by standard legal acts, or a former state or municipal employee displacing such post, with infringement of the requirements provided by the Law on counteraction of corruption.
JSC «Russian Grids» and SDCs of JSC «Russian Grids»	Open Joint Stock Company «Russian Grids» and its subsidiaries and affiliated and dependent companies
Organisation	The legal entity irrespective of its pattern of ownership, organizational and legal form and industry.
Partner	Any Russian or foreign legal or physical person with whom the organisation enters into contractual relations directed on achievement of common purpose.
Intermediary in bribery (article 291.1 of the Criminal Code of the Russian Federation)	Direct transfer of a bribe under instruction of the briber or the bribetaker or other contribution to the briber and (or) to the bribetaker in achievement or realisation of agreement between them about receipt and bribery in some considerable size. Promise or offer to be the intermediary in bribery.
Preconflict situation	Situation, at which employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids», and also the Customer/Organizer of purchases or his representatives, at realisation by them office or professional activity arises personal interest which can lead to the conflict of interest.
Corruption prevention	Activity of an organisation directed on introduction of elements of corporate culture, organizational structure, rules and procedures regulated by internal local acts, providing non-admission of corruption offences.
Corruption counteraction	Activity of organisations within their powers (paragraph 2 of article 13.3 of the Law on corruption counteraction): a) to prevent corruption, including to reveal and subsequently eliminate reasons of corruption (corruption prevention); b) to reveal, prevent, suppress, identify and investigate corruption offences (fight against corruption); c) to minimize and (or) remove consequences of corruption offences.
Early corruption prevention	Activity of an organisation to reveal and subsequently eliminate reasons of corruption.
Strategy of development	Strategy of development of the electric grid complex of

of the electric grid complex of the Russian Federation	the Russian Federation, confirmed by Order of the Government of the Russian Federation from April, 3rd, 2014 № 511-r.
The Labour Code of the RF	The Labour Code of the Russian Federation.
Management decisions	Instructions and requirements of authorities and management officials of the state regulating activity under the prevention of corruption (an order, an explanation, minutes of meetings and others).
A participant of purchase	Any legal entity or some legal entities acting on the party of one participant of purchase, irrespective of the organisational and legal form, pattern of ownership, or any physical person or some physical persons acting on the party of one participant of purchase, including an individual businessman or some individual businessmen acting on the party of one participant of purchase who conform to the requirements established by the customer according to a regulation on the purchase.

1. General provisions

1.1. The legal basis of the Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids»

This «Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» (hereinafter – the Anticorruption policy) is a uniform basic document containing a set of interconnected principles, procedures and concrete events directed on prevention and counteraction and corruption in JSC «Russian Grids» (hereinafter – the Company) and SDCs of JSC «Russian Grids», which confirmed this Anticorruption policy as an internal document with carrying out of necessary corporate procedures.

The Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» is developed according to:

1. International legal standards:

- the United Nations Convention against Corruption, accepted by General Assembly of the United Nations at the 51st plenary session on the 31st of October 2003 (Federal Law from 08.03.2006 № 40-FZ «About ratification of the United Nations Convention against corruption»);

- the Criminal Law Convention on Corruption, concluded in Strasbourg on 27.01.1999 (Federal Law from 25.07.2006 № 125-FZ «About Ratification of the Criminal Law Convention on Corruption»);

- the Convention for Combating Bribery of Foreign Public Officials in International Business Transactions, concluded 21.11.1997 within the Council of Europe (Federal Law from 01.02.2012 № 3-FZ «About joining of the Russian Federation to the Convention for Combating Bribery of Foreign Public Officials in International Business Transactions »);

- the Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions, accepted by the OECD working group from 26.11.2009;

- Good Practice Guidance on Internal Controls, Ethics, and Compliance, accepted by the OECD working group from 18.02.2010 (Appendix to the Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions);

- Other international legal standards in the field of the corruption prevention and counteraction.

2. Standard legal acts of the Russian Federation:

- The Constitution of the Russian Federation from December, 12th, 1993;

- Federal Law from 25.12.2008 № 273-FZ «About corruption counteraction»;

- Federal Law from 27.07.2010 № 224-FZ «About counteraction to misuse of insider information and manipulation of the market and about modification of separate acts of the Russian Federation»;

- the National strategy of counteraction of corruption, and the National plan of counteraction of corruption for 2010 – 2011, confirmed by Decree of the President of the Russian Federation from 13.04. 2010 № 460;

- the National plan of counteraction of corruption for 2012-2013, confirmed by Decree of the President of the Russian Federation from 13.03.2012 № 297;
 - The National plan of counteraction of corruption for 2014-2015, confirmed by Decree of the President of the Russian Federation from 11.04. 2014 № 226;
 - Decree of the President of the Russian Federation from 02.04.2013 № 309 «About measures on realisation of separate provisions of the Federal Law «About corruption counteraction»;
 - Decree of the President of the Russian Federation from 08.07.2013 № 613 «Issues of counteraction of corruption»; «Order of placing of data on incomes, expenses, about property and obligations of property character of separate categories of persons and members of their families on official sites of federal state structures, public authorities of subjects of the Russian Federation and organisations and presenting these data to the All-Russian mass media for publication»;
 - Order of the Government of the Russian Federation from 22.07.2013 № 613 «About presentation by citizens applying for replacement of posts in organisations, created for tasks accomplishment put to the Government of the Russian Federation, and employees displacing posts in these organisations, of data on incomes, expenses, on property and obligations of property character, check of reliability and completeness of presented data and observance by employees of requirements to office behaviour» (edition from August, 6th, 2014);
 - Order of the Government of the Russian Federation from 09.01.2014 № 10 «About the procedure to disclose by separate categories of persons gift receipt in connection with their official capacity or execution office (official) obligations by them, delivery and estimations of a gift, sale (redemption) and transfer of the funds obtained from its realisation»;
 - Order of the Government of the Russian Federation from 05.07.2013 № 568 «About extension on separate categories of citizens of restrictions, prohibitions and obligations established by the Federal Law «About corruption counteraction» and other federal laws with a view of corruption counteraction»;
 - the Strategy of development of the electric grid complex of the Russian Federation confirmed by Order of the Government of the Russian Federation from 3.04.2014 № 511-r;
 - other regulatory legal acts in the field of the corruption prevention and counteraction.
3. Management decisions of public authorities of the Russian Federation:
- Minutes of the Commission under the President of the Russian Federation concerning strategy of development of the fuel and energy complex and ecological safety from July, 10th, 2013 № A-60-26-8;
 - Orders of the Government of the Russian Federation from December, 28th, 2011 № BP-P13-9308 and from March, 5th, 2012 № BP-P24-1269 on disclosing of the information on structure of proprietors of counterparts, on data representation about incomes, property and obligations of property character of senior managers, under the prevention and revealing of the conflict of interest and other abusings connected with occupied posts in JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- Order of the Government of the Russian Federation from May, 05th, 2014 № DM-P17-3229 about realisation of Decree of the President of the Russian Federation from April, 11th, 2014 № 226 «About the national plan of counteraction of corruption for 2014-2015»;

- Order of the Government of the Russian Federation from 01.10.2014 № RD-P17-7398 about development and accepting of standard legal acts by the Pension Fund of the Russian Federation, the Social Insurance Fund of the Russian Federation, Federal Obligatory Medical Insurance Fund, the state corporations (companies), the organisations created on the basis of Federal Laws, other organisations included in the list of the organisations, established to accomplish the tasks put to the Government of the Russian Federation;

- other management decisions.

4. The act of official interpretation of article 13.3 of Federal Law from 25.12.2008 № 273-FZ «About corruption counteraction» Methodical recommendations about development and accepting of measures by the organisations to prevent and counteract corruption, developed by the Ministry of Labour and Social Protection of Russia, confirmed 08.11.2013 (in the edition from April, 16th, 2014).

5. The Anti-Corruption Charter of Russian Business, confirmed 21.09.2012 by the Commercial and Industrial Chamber of the Russian Federation, the Russian union of industrialists and businessmen, the All-Russian public organisation «Business Russia» and the All-Russian public organisation «OPORA of Russia» (Certificate of JSC «Russian Grids» from 23.09.2014 № 496).

6. Local regulations of JSC «Russian Grids» and organizational-administrative documents of JSC «Russian Grids»:

- The Articles of Association of JSC «Russian Grids» confirmed by the decision of the Annual Shareholders General Meeting of JSC «Russian Grids» on June, 30th, 2014 (Minutes from 01.07.2014);

- other local regulations and organizational-administrative documents of JSC «Russian Grids».

1.2. The purpose, measures, tasks and principles of the Anticorruption policy

1.2.1. **The purpose of the Anticorruption policy** – forming of the uniform approach to realisation of requirements of article 13.3. of the Law on counteraction of the corruption, concerning to the obligation of JSC «Russian Grids» and SDCs of JSC «Russian Grids» on development and accepting of measures under the corruption prevention and counteraction: revealing and subsequent elimination of reasons of corruption (corruption prevention); revealing, prevention and suppression of corruption and other offences; minimisation and (or) liquidation of consequences of corruption and other offences, including, as provided by article 19.28 of the Administrative Code of the Russian Federation.

This Anticorruption policy is the basic document of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in the field of counteraction of corruption and contains a set of interconnected principles and procedures provided by article 13.3 of the Law on counteraction of corruption, concrete events provided by the act of official interpretation – the Methodical recommendations of the Ministry of Labour (Appendix 1 – the List of anticorruption events in JSC «Russian Grids» and SDCs of JSC «Russian Grids»).

1.2.2. Measures under the corruption prevention and counteraction in JSC «Russian Grids» and SDCs of JSC «Russian Grids»:

- determination of the structural divisions responsible for prevention of corruption and other offences;
- cooperation with law enforcement bodies in sphere of counteraction of corruption;
- development and introduction in practice of standards and procedures directed on provision of diligent work;
- accepting of the code of ethics and office behaviour of employees;
- prevention and settlement of the conflict of interest;
- non-admission of drawing up of informal reporting and use of forged documents.

1.2.3. Tasks of the Anticorruption policy:

- realisation of requirements of article 13.3. of the Law on corruption counteraction;
- compliance-control realisation, including the anticorruption compliance-control;
- creation of an effective legal mechanism on corruption prevention and counteraction;
- creation of an effective practical mechanism of realisation of measures on corruption prevention and counteraction (including approval of a program of anticorruption events);
- enhancement of standard-legal base in the field of counteraction of

corruption and interaction with state structures whose competence includes questions of counteraction of corruption;

- prevention of corruption and other offences, provision of responsibility for corruption and other offences;
- forming at shareholders, partners, counterparts, members of management bodies and control, employees uniform understanding of the position of JSC «Russian Grids» and SDCs of JSC «Russian Grids» about aversion of corruption in any forms and displays;
- minimisation of risk of involving JSC «Russian Grids» and SDCs of JSC «Russian Grids» in corruption activity;
- forming anticorruption corporate consciousness.

1.2.4. Principles of the Anticorruption policy:

- conformity of the Anticorruption policy to the current legislation and the standard norms;
- observance of legitimate rights and interests, protection of business reputation of employees, partners, counterparts and other persons, observance of commercial secret operation at realisation of anticorruption events;
- personal example of the management at forming culture of intolerance to corruption and creation of an intraorganizational system of the corruption prevention (early prevention) and counteraction;
- involvement of employees: knowledge of employees of the organisation of provisions of the anticorruption legislation and their active participation in forming and realisation of anticorruption standards and procedures;
- harmony of anticorruption procedures to risk of corruption taking into account corruption risks existing in the activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- efficiency of anticorruption procedures: carrying out of anticorruption events which provide simplicity of realisation and bring significant result;
- responsibility and inevitability of punishment for employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» without dependence from a post, a length of service and other conditions in case of commitment of corruption offences by them in connection with execution of labour obligations by them;
- business dealing openness: informing partners, counterparts, and the public about accepted in JSC «Russian Grids» and SDCs of JSC «Russian Grids» anticorruption standards of business dealing;
- constant control and regular monitoring of efficiency of the implemented anticorruption standards and procedures, and also the control over their execution.

1.3. Scope and circle of persons falling under action of the Anticorruption policy

The basic circle of persons falling under action of the Anticorruption policy are employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids», without

dependence from a post and carried out functions, and also partners and counterparts of JSC «Russian Grids» and SDCs of JSC «Russian Grids», other persons owing to mutual liabilities between them and JSC «Russian Grids» and SDCs of JSC «Russian Grids», including, the Anticorruption obligations and other anticorruption agreements.

2. Legal education and forming bases of legislative behaviour of employees

2.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» perform information-educational events for employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» for the purpose of corruption prevention:

- they create and improve the sections «Anticorruption policy» and «Anti-Corruption Charter of Russian Business» on official sites of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- place information on events for realisation of this Anticorruption policy in the corporate newspaper, in all mass media with public access;

- organise anticorruption events and social campaigns;

- stimulate employees for providing confirmed information on corruption and other offences in JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- warrant that any employee will not suffer neither in career, nor financially if he or she refuses corruption actions even if such refusal will lead to losses for JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- practise responsibility of employees, without fail signing the agreement on observance of principles and requirements of the Anticorruption policy and norms of the anticorruption legislation at conclusion of an employment agreement or a supplementary agreement to the employment contract in case the employee has been employed before introducing the corresponding requirement;

- declare necessity of development of mechanisms of corporate influence for committing corruption and other offences.

2.2. Observance by employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» of principles and requirements of the Anticorruption policy is considered at forming personnel for promotion to higher posts.

3. Directions of the Anticorruption policy

3.1. Determination of divisions and office holders responsible for prevention of corruption offences and counteraction of corruption

The Board of Directors of JSC «Russian Grids» and boards of directors SDCs of JSC «Russian Grids», General Director of JSC «Russian Grids» and chief executive officers of SDCs of JSC «Russian Grids», Department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» and structural divisions on counteraction (prevention) of corruption, compliance control in SDCs of JSC «Russian Grids», provide observance of the basic principles, tasks

and requirements, realisation of directions of this Anticorruption policy in JSC «Russian Grids» and SDCs of JSC «Russian Grids» and perform the control over effective realisation of the Anticorruption policy.

3.1.1. The Board of Directors of JSC «Russian Grids» and boards of directors of SDCs of JSC «Russian Grids»:

- determine key strategic directions of the Anticorruption policy;
- approve the internal document of the Company (SDCs) – the Anticorruption policy;
- approve changes and additions to the Anticorruption policy of the Company (SDCs);
- supervise general results of introduction and application of the Anticorruption policy.

3.1.2. General Director of JSC «Russian Grids» and chief executive officers of SDCs of JSC «Russian Grids»:

- are responsible for the organisation of all events directed on realisation of principles and requirements of the Anticorruption policy, including appointment of persons responsible for development of anticorruption procedures, their introduction and control;
- bring a report on observance of this Anticorruption policy to consideration of the Board of Directors of JSC «Russian Grids» and boards of directors of SDCs of JSC «Russian Grids».

3.1.3. The department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» is the structural division of the Company responsible for prevention of corruption offences and counteraction of corruption (article 13.3 of the Law on corruption counteraction), directly reports to General Director of JSC «Russian Grids», is assigned with powers sufficient for carrying out of anticorruption events, including, concerning persons occupying executive positions in JSC «Russian Grids», and also provided with necessary personnel and technical resources.

The department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» within the limits of execution of one of the purposes of article 3 of the Articles of Association of the Company is determined by the centre of coordination and control of the activity of SDCs of JSC «Russian Grids» in the field of the corruption prevention and counteraction.

3.1.4. Departments on counteraction (prevention) of corruption, compliance control of SDCs of JSC «Russian Grids» are structural divisions of SDCs of JSC «Russian Grids» responsible for prevention of corruption offences and counteraction of corruption (article 13.3 of the Law on corruption counteraction), directly report to chief executive officers of SDCs of JSC «Russian Grids», are assigned with powers sufficient for carrying out of anticorruption events, including, concerning persons occupying executive positions in SDCs of JSC «Russian Grids», and also provided with necessary personnel and technical resources.

3.1.5. The department on counteraction (prevention) of corruption, compliance control and structural divisions on counteraction (prevention) of corruption, compliance control of SDCs of JSC «Russian Grids»:

- carry out events directed on realisation of principles and requirements of the Anticorruption policy;
- develop the program of anticorruption events;
- perform compliance control of the activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- carry out control events directed on revealing corruption and other offences;
- organise carrying out of estimation of corruption risks;
- consider messages of cases of declination of employees to committing corruption and other offences in interests or on behalf of another organisation, and also about possible facts of commitment of corruption and other offences by employees, partners, counterparts of JSC «Russian Grids» and SDCs of JSC «Russian Grids» or other persons;
- organise filling in and consideration of declarations on the conflict of interest;
- organise training events for corruption prevention and counteraction and individual consultation of employees;
- assist authorised representatives control-supervising and law enforcement bodies at carrying out of inspection checks of the activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids» by them concerning the corruption prevention and counteraction;
- assist authorised representatives of law enforcement bodies at carrying out of events for suppression or investigation of corruption crimes, including investigative operations;
- conduct estimation of results of anticorruption work and preparation of corresponding reporting materials to an organisation's management;
- perform activity under the prevention and counteraction to corruption and other offences, the conflict of interest;
- develop anticorruption standards and render the methodical help in realisation of events for counteraction and prevention of corruption and legal education of employees;
- co-ordinate activity of structural divisions in the field of realisation of the Anticorruption policy;
- take part in carrying out of summits, scientifically-practical seminars, conferences of the Russian and international level in sphere of corruption counteraction and prevention;
- perform interaction with public authorities and local governments, scientific, educational organisations and organisations in sphere of corruption counteraction and prevention;
- will organise and perform monitoring of the Russian, applicable foreign and international anticorruption legislation and trace changes made to them, and also relevant judiciary practice;
- conduct planned and unscheduled inspections of observance of principles of this Anticorruption policy, constitute reports by results of the conducted checks;
- develop documents in sphere of counteraction and prevention of corruption

and initiate actualisation of documents in connection with change of the anticorruption legislation of the Russian Federation.

3.1.6. SDCs of JSC «Russian Grids» assist JSC «Russian Grids» in the course of realisation of measures under the corruption prevention and counteraction.

3.1.7. The Central Commission on observance of norms of corporate ethics and settlement of the conflict of interest – a collegiate body of JSC «Russian Grids»:

- considers questions connected with settlement before/conflict of interest in JSC «Russian Grids», with observance of provisions of the Anticorruption policy, the Code of Conduct and the Code of Corporate Governance;

- is the supreme body in relation to commissions on observance of norms of corporate ethics and settlement of the conflict of interest in SDCs of JSC «Russian Grids», considers questions which have been brought by the commission on observance of norms of corporate ethics and settlement of the conflict of interest of SDCs of JSC «Russian Grids».

3.1.8. The commissions on observance of norms of corporate ethics and settlement of the conflict of interest – collegiate bodies of SDCs of JSC «Russian Grids»: perform consideration of questions connected with settlement before/conflict of interest in SDCs of JSC «Russian Grids», with observance of provisions of the Anticorruption policy, codes of conduct and codes of corporate governance of SDCs of JSC «Russian Grids».

3.2. Estimation of corruption risks

3.2.1. Estimation of corruption risks is conducted for the purpose of determination of concrete business processes and business operations in the activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids» at which realisation the probability of fulfilment by employees of corruption offences, both with a view of personal benefit, and with a view of receipt of benefit of JSC «Russian Grids» and SDCs of JSC «Russian Grids», is the highest.

3.2.2. The estimation of corruption risks is performed both at a stage of development of the Anticorruption policy, and after its approval on a regular basis.

3.2.3. The following order of carrying out of estimation of corruption risks is established:

- representation of the activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in the form of separate business processes;

- allocation of «critical points» and posts – elements (subprocesses) are determined for each business process at which realisation origin of corruption and other offences is the most probable;

- description of possible corruption offences: the characteristic of benefit or advantage which can be received at fulfilment of a corruption offence, probable forms of realisation of corruption payments;

- preparation of the sheet of corruption risks of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- forming of a list of posts connected with high corruption risk;

- establishment of special anticorruption procedures and requirements,

including regular filling in a declaration on the conflict of interest;

- development of a series of measures on elimination and minimisation of corruption risks.

3.3. Revealing and settlement of the conflict of interest

For the purpose of restriction of influence of private interests, personal interest of employees on the labour functions implemented by them, made business decisions, JSC «Russian Grids» and SDCs of JSC «Russian Grids» perform measures on revealing, prevention and settlement of the conflict of interest:

3.3.1. Develop and accept internal documents establishing an order of revealing and settlement of situations before/conflict of interest, arising at employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» during the course of performance of labour obligations by them.

3.3.2. Bring to the notice of all employees about accepting of specified documents and on compulsion of accomplishment by them of requirements contained in them.

3.3.3. Are guided by the following principles at work performance on management of the conflict of interest:

- compulsion of disclosing data on a real or potential conflict of interest;
- individual consideration and estimation of reputational risks at revealing of each conflict of interest and its settlement;
- confidentiality of process of disclosing data on the conflict of interest and process of its settlement;
- observance of the balance of interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids» and their employees at settlement of the conflict of interest;
- protection of an employee against prosecution in connection with a message of the conflict of interest.

3.3.4. Establish obligations for employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids»:

- at decision making on business matters and accomplishment of the labour obligations to be guided by interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- to avoid situations and circumstances which can lead to the conflict of interest;
- to reveal an arisen (real) or potential conflict of interest, including, to report about origin of the conflict of interest and to fill in declarations on the conflict of interest;
- to promote settlement of the arisen conflict of interest.

3.3.5. Establish various kinds of disclosing of the conflict of interest: at employment, at appointment to a new post, in process of origin of situations of the conflict of interest, during carrying out of annual certifications on observance of ethical standards of business dealing.

3.3.6. Provide obligatory filling in declarations on the conflict of interest with a certain circle of persons.

3.3.7. Determine persons responsible for acceptance of data on arising conflicts of interests.

3.3.8. Establish a prohibition on the conclusion of contracts with persons in which relation availability of the conflict of interest, affiliation and other abusings is established.

3.3.9. Establish methods of resolution of the conflict of interest.

3.3.10. Determine sample situations of before/conflict of interest.

3.3.11. Provide functioning of the commissions on observance of norms of corporate ethics and settlement of the conflict of interest (item 3.1.7, item 3.1.8 of the Anticorruption policy).

3.4. Development and introduction in practice of standards and procedures directed on provision of diligent work

JSC «Russian Grids» and SDCs of JSC «Russian Grids» provide introduction of anticorruption standards of behaviour of employees into the corporate culture of JSC «Russian Grids» and SDCs of JSC «Russian Grids» and thereupon:

3.4.1. Develop and accept codes of ethics and office behaviour of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids», which determine:

- common values and principles of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- concrete rules and standards of behaviour of employees, mentioning general ethics of business relations and aimed at forming ethic, diligent behaviour of employees.

3.4.2. Perform check of data on incomes and expenses, about property and obligations of property character, concerning citizens applying for replacement of posts, and employees displacing posts in JSC «Russian Grids» and SDCs of JSC «Russian Grids», and their near relations, for the purpose of revealing of the conflict of interest, facts of affiliation and other abusings.

3.4.3. Are guided by principles of honesty and objectivity at forming staff (including, senior) composition:

- employees are appointed or transferred to higher posts only proceeding from business qualities;

- prohibition on employment of relatives on the terms of direct subordination to each other is established;

- obligation of employees to provide the data specified in item 3.4.2 of the Anticorruption policy is established.

3.4.4. Recognise an exchange of gifts with business partners as an integral part of business ethics if the given actions have open character and correspond to norms of the applicable legislation of the Russian Federation and local regulations of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.4.5. Establish an obligation for employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to report about their receipt of a gift costing over three thousand rubles in connection with their official capacity or in connection with execution of labour (official) obligations of their direct head.

3.4.6. Perform charitable and sponsor's activity independently or through employees on the basis of a transparency principle, without pursuing the aim of receipt or preservation of an advantage in the business activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.4.7. Take measures on counteraction to misuse of the insider information and the market manipulation in JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.5. Consideration and permission of the information on possible facts of corruption

3.5.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» perform acceptance of messages of employees of JSC «Russian Grids»/SDCs of JSC «Russian Grids», partners, counterparts and others (physical and legal) persons about possible facts of corruption with use of an interactive channel of interaction with informers, «hot line» phone line, and also by means of mail and at personal reception.

3.5.2. JSC «Russian Grids»/SDCs of JSC «Russian Grids» aspire to creation of a set of effective measures to check information on possible facts of corruption, and in case of their confirmation to elimination (minimisation) of their consequences and reasons, making them.

3.6. Consultation and training of employees of the organisation

JSC «Russian Grids» and SDCs of JSC «Russian Grids» carry out training of employees in various forms concerning corruption prevention and counteraction:

3.6.1. Carry out educational events (briefings, trainings, seminars, questioning and testing of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids») and explain:

- the concept of corruption in the state and private sector;
- responsibility for commitment of corruption offences;
- requirements of the legislation and internal documents of JSC «Russian Grids» and SDCs of JSC «Russian Grids» concerning the prevention of corruption and the order of their application;
- the order of revealing and resolution of the conflict of interest at accomplishment of labour obligations by employees;
- behaviour in situations of corruption risk, in particular, in cases of extortion of a bribe from office holders of the state and municipal organisations;
- the order of interaction with law enforcement bodies concerning corruption prevention and counteraction.

3.6.2. Conduct individual consultation of employees concerning the corruption prevention and counteraction in a confidential manner.

3.7. The internal control and audit

For the purpose of provision of reliability and accuracy of the financial (accounting) reporting, provision of conformity to requirements of standard legal acts and local regulations, prevention and revealing of corruption offences, JSC «Russian Grids» and SDCs of JSC «Russian Grids»:

3.7.1. Perform internal control over economic operations, financial screening, including, regarding non-admission of the following actions: creation of informal (double) reporting, absence of primary registration documents, carrying out of not accounted or incorrectly accounted operations, conducting accounting of nonexistent expenses, recording obligations which object is incorrectly identified, use of forged documents, intended destruction of documents and statements before the terms provided by the legislation.

3.7.2. Conduct internal audit.

3.7.3. Involve independent external auditors, and also establish for them requirements to report about signs of corruption revealed by results of carrying out of checks.

3.7.4. At carrying out of the internal control and audit consider requirements of the Anticorruption policy:

- check of observance of organizational procedures and rules of the activity which are significant from the point of view of work on corruption early identification and prevention;

- check of economic validity of performed operations in spheres of corruption risk concerning an exchange of business gifts, entertainment expenses, charitable donations, compensations to agents, advisers, intermediaries, external consultants, and also observance of the payment procedure of such compensation established by the legislation.

3.7.5. Carry out events for counteraction of laundering monetary funds received by an illegal method.

3.8. Accepting of measures on corruption counteraction and prevention at interaction with partners and counterparts

JSC «Russian Grids» and SDCs of JSC «Russian Grids» are focused on establishment and preserving of business relations with partners and counterparts, who:

- support the Anticorruption policy;
- lead business relations in a diligent and fair manner;
- care of own reputation;
- show support to high ethical standards;
- implement own measures on corruption counteraction;
- participate in joint anticorruption initiatives.

3.8.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» inform partners and counterparts on programs, behaviour standards, procedures and rules directed on prevention and counteraction of corruption.

3.8.2. JSC «Russian Grids» and SDCs of JSC «Russian Grids» inform partners and counterparts on joining the Anti-Corruption Charter of Russian

Business, and also about JSC «Russian Grids» inclusion in «the Register of reliable partners» (application for entering into «the Register of reliable partners» from 07.10.2014 № OB-3100).

3.8.3. JSC «Russian Grids» and SDCs of JSC «Russian Grids» implement requirements of the uniform Anticorruption standard at carrying out of the anticorruption control in the purchasing activity.

The Anticorruption standard includes check of purchasing documentation and participants of purchases/counterparts with a view of estimation of a level of their reliability and conscientiousness, settlement of the conflict of interest, avoidance of affiliation and other abusings connected with occupied in JSC «Russian Grids» and SDCs posts.

3.8.4. Within the check of the purchasing documentation the control is performed at 3 stages: preliminary – check of a draft of the Annual Integrated Purchasing Program; current – check of analytical and explanatory notes confirming validity of a planned transaction; subsequent – check of explanatory notes proving the conclusion of supplementary agreements, and also consideration of complaints and messages of counterparts and other physical and legal entities about possible facts of corruption.

3.8.5. Within the check of participants of purchases/counterparts, estimation of a level of their reliability and conscientiousness the work on disclosing of structure of proprietors of counterparts is conducted, including beneficiaries, including final ones, and also about members of executive powers; on check of their reputation and duration of activity in the market, participation in corruption scandals, etc.; on settlement of the conflict of interest, avoidance of affiliation and other abusings connected with occupied in JSC «Russian Grids» and SDCs posts.

Within the check the following requirements are established for participants of purchases/counterparts:

- signing of the Anticorruption obligations – the consent of the participant of purchasing procedures of JSC «Russian Grids» and SDCs of JSC «Russian Grids» on observance and execution of principles, requirements of the Anticorruption policy, including an obligation not to make corruption and other offences, to present complete and trustworthy information about a chain of proprietors, including beneficiaries, including final, and also about members of executive powers with attachment of supporting documents;

- granting of the inquiry on availability of the conflict of interest and-or connections of affiliation character with employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- granting of the information concerning all chain of proprietors, including beneficiaries (including final), and also data on the structure of executive powers;

- provision of the consent to handling personal data;

- signing of the Anticorruption waiver to an agreement, declaring carrying out by JSC «Russian Grids» and SDCs of JSC «Russian Grids» of the Anticorruption policy and not allowing commitment of corruption and other offences.

3.8.6. The requirements of the uniform Anticorruption standard are obligatory

for all participants of purchasing procedures and are an integral part of the documentation about the purchase confirmed by local regulations, regulating the purchasing activity of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.8.7. At a stage of execution of the agreement the control of observance of requirements of the Anticorruption reservation and modification of a chain of proprietors of the counterpart is performed, in case of non-observance of the specified requirements termination of contractual relations is provided in an order established by JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.8.8. JSC «Russian Grids» and SDCs of JSC «Russian Grids» refuse stimulating somehow employees of counterparts, including, by granting of sums of money, gifts, non-paid accomplishment in their address of works (services) and other methods not named here, putting the employee of the counterpart in certain dependence and directed on provision of accomplishment by this employee of any actions for benefit of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

3.9. Counteraction to bribery for foreign public officials and office holders of public international organisations

3.9.1. JSC «Russian Grids» takes measures on counteraction to bribery for foreign public officials or office holders of public international organisations according to international standards, regulatory legal acts of the Russian Federation, item 12 of the Anti-Corruption Charter of Russian Business.

3.9.2. Payoff of foreign public officials and office holders of public international organisations – a deliberate offer, promise or granting by any person directly or through intermediaries any wrongful property or other advantages to the foreign office holder, for benefit of such office holder or the third party so that this office holder will have to make action or failure to act at accomplishment of the job responsibilities for receipt or preserving of commercial or other wrongful advantage in connection with realisation of an international commercial transaction, partnership, including instigation, assistance and complicity, as well as authorisation of actions on bribery for the foreign office holder, attempt at payoff or collusion to the purpose of bribery for the foreign office holder (article 16 of the Convention of the United Nations Organization against corruption, articles 1,2,4,5,6,9 of the Convention on criminal liability for corruption, article 1 of the Convention on struggle against bribery for foreign office holders at realisation of international commercial transactions, item 12. of the Anti-Corruption Charter of Russian Business).

3.9.3. The Russian legislation provides a criminal liability of physical persons for bribery for foreign public officials and office holders of public international organisations: article 291 of the Criminal Code of the Russian Federation (Bribery), article 291.1 of the Criminal Code of the Russian Federation (Intermediary in bribery, promise or offer of intermediary in bribery).

3.9.4. According to part 2 of article 3 of the Convention on struggle against bribery for foreign office holders at realisation of international commercial transactions, for legal entities for bribery for foreign public officials the criminal

liability is provided. In a case if the criminal liability of legal entities is not provided by the country's legal system, other kinds of responsibility, including financial sanctions can be applied to legal entities.

3.9.5. The Russian legislation provides for managerial responsibility of legal entities for bribery for foreign public officials and office holders of public international organisations: article 19.28 of the Administrative Code of the Russian Federation (Illegal compensation on behalf of the legal entity).

3.9.6. JSC «Russian Grids» and SDCs of JSC «Russian Grids» take the following measures on counteraction to bribery for foreign public officials or office holders of public international organisations:

- inform the Investigative Committee of the Russian Federation on facts of payoff to office holders;

- at realisation of activity outside of the Russian Federation in case of need address for consultation and support to diplomatic and trade missions of the Russian Federation abroad;

- perform control over observance by employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» of the requirement to abstain from promises, offers or granting to a foreign public official or an office holder of a public international organisation, personally or through intermediaries, any wrongful advantage to the office holder or another physical or legal entity so that this office holder will have to make any action or failure to act at accomplishment of the job responsibilities for receipt, preserving of commercial or other wrongful advantage;

- keep recording of foreign public officials and office holders of public international organisations with whom interaction of JSC «Russian Grids» and SDCs of JSC «Russian Grids» within the limits of contractual and non-contractual relations, and also recording of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» which participate in such interaction;

- provide functioning of internal mechanisms of the control and audit regarding anticorruption regulation;

- report to law enforcement bodies about revealed facts of bribery for foreign public officials and office holders of public international organisations and perform subsequent interaction (item 3.11 of the Anticorruption policy);

- publish data about accepted measures in JSC «Russian Grids» and SDCs of JSC «Russian Grids», directed on prevention of bribery for foreign public officials and office holders of public international organisations, in annual social reports (item 1.4 of the Anticorruption policy);

- perform interaction with representatives of public authorities and law enforcement bodies (item 3.10, item 3.11 of the Anticorruption policy), international and other organisations with a view of development and enhancement of measures on counteraction to bribery for foreign public officials and office holders of public international organisations in JSC «Russian Grids» and SDCs of JSC «Russian Grids»;

- perform monitoring of efficiency of accepted measures on counteraction to bribery for foreign public officials and office holders of public international organisations (item 7 of the Anticorruption policy).

3.10. Interaction with the state structures performing control-supervising functions

JSC «Russian Grids» and SDCs of JSC «Russian Grids» give particular attention to questions of interaction of employees with public job holders in view of arising high corruption risks:

3.10.1. Establish obligations of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to abstain from any offers which accepting can put the public job holder in a situation of the conflict of interest.

3.10.2. Take the measures directed on non-admission of bringing JSC «Russian Grids» and SDCs of JSC «Russian Grids» to managerial responsibility under article 19.28 of the Administrative Code, including, establishing prohibition on:

- transfer, offer or promise on behalf of and in interests of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to the state or civil servant of money, securities, other property, rendering to him or her services of property character, granting of property rights for fulfilment in interests of the given servant of an action (failure to act) connected with the position occupied by him or her;

- offer and attempts to transfer any gifts (including, which cost constitutes less than three thousand roubles) to a supervising state and civil servant.

3.10.3. Establish the order of informing law enforcement bodies about facts of infringement of requirements to office behaviour of state and civil servants at realisation of control-supervising events in JSC «Russian Grids» and SDCs of JSC «Russian Grids», and also the pre-judicial order of appeal of their actions.

3.11. Cooperation with law enforcement bodies in sphere of counteraction of corruption

Cooperation with law enforcement bodies is an important indicator of the valid adherence of JSC «Russian Grids» and SDCs of JSC «Russian Grids» to declared anticorruption standards of behaviour.

3.11.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» undertake on the public obligation:

- to report to corresponding law enforcement bodies about cases of commitment of corruption and other offences, which JSC «Russian Grids» and SDCs of JSC «Russian Grids» have become aware of;

- to abstain from any sanctions concerning the employees who have reported to law enforcement bodies the information on preparation or commitment of corruption and other offence which they have become aware of during the course of performance of labour (official) obligations;

- to prevent wrongful intervention of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» into the activity of law enforcement bodies at carrying out anticorruption events.

3.11.2. JSC «Russian Grids» and SDCs of JSC «Russian Grids» support in revealing and investigation by law enforcement bodies of facts of corruption, undertake necessary measures to preserve and transfer documents and information containing the data about corruption offences to law enforcement bodies, cooperate with law enforcement bodies by rendering assistance to authorised representatives of law enforcement bodies:

- at carrying out of their inspection checks of the organization activity concerning the corruption prevention and counteraction;
- at carrying out of events for suppression or investigation of corruption crimes, including investigative operations.

3.12. Participation in joint initiatives on corruption counteraction and prevention

3.12.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» not only independently implement measures under the corruption prevention and counteraction, but also take part in joint anticorruption initiatives.

3.12.2. JSC «Russian Grids» and SDCs of JSC «Russian Grids» take part:

- in carrying out of events for realisation of provisions of the Anti-Corruption Charter of Russian Business according to the Regulation about the conditions and procedure of realisation of the provisions of the Anti-Corruption Charter of Russian Business (the Road map) (Appendix 2);
- in using standard anticorruption reservations in joint contracts;
- in refusing business activity publicly with organisations which have been implicated in corruption crimes;
- in organizing and carrying out co-education concerning corruption prevention and counteraction;
- in participation of specialists of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in international and other anticorruption events.

4. The obligations of employees connected with the prevention and counteraction of corruption

The following obligations were established for employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids», in particular:

- to abstain from commitment and-or participation in corruption and other offences in the interests or on behalf of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- to abstain from behaviour which can be interpreted by surrounding people as readiness to make or participate in commitment of corruption and other offences in the interests or on behalf of JSC «Russian Grids» and SDCs of JSC «Russian Grids»;
- immediately to inform the Department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» and structural divisions on counteraction (prevention) of corruption, compliance control of SDCs of JSC

«Russian Grids» on cases of declination of the employee to commitment of corruption and other offences;

- immediately to inform the Department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» and structural divisions on counteraction (prevention) of corruption, compliance control of SDCs of JSC «Russian Grids» on the information the employee became aware on cases of commitment of corruption and other offences by other employees, partners, counterparts or other persons;

- to report to the Department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» and structural divisions on counteraction (prevention) of corruption, compliance control of SDCs of JSC «Russian Grids» about possibility of origin of the conflict of interest or which has arisen at the employee (the declaration of the conflict of interest).

5. Realisation of provisions of the Anti-Corruption Charter of Russian Business

5.1. In connection with joining of JSC «Russian Grids» to the Anti-Corruption Charter of Russian Business (Certificate from 23.09.2014 № 496), JSC «Russian Grids» adapted provisions of the Anti-Corruption Charter of Russian Business in this Anticorruption policy in the following points:

5.1.1. Section «Management in the companies on the basis of anticorruption programs» of the Anticorruption charter: in item 1.2.3 of the Anticorruption policy the task of the Anticorruption policy is determined as follows – creation of an effective practical mechanism of realisation of measures on corruption prevention and counteraction (including approval of a program of anticorruption events).

5.1.2. Section «Monitoring and estimation of realisation of anticorruption programs» of the Anticorruption charter: regarding determination of management bodies and the control over realisation of anticorruption programs - in items 3.1.1.-3.1.2 of the Anticorruption policy the competence of the Board of Directors of JSC «Russian Grids» and SDCs of JSC «Russian Grids», General Director of JSC «Russian Grids» and the Department on counteraction (prevention) of corruption, compliance control is specified; in terms of priority of a management example at accomplishment of anticorruption programs – in item 1.2.4. of the Anticorruption policy the principle of a personal example of the management is established at forming the culture of intolerance to corruption and creation of an internal organizational system of the prevention (early identification) and counteraction of corruption; regarding monitoring and estimation of results of accomplishment of programs and their recording in the social reporting – in item 7 of the Anticorruption policy the procedure for accepting, analysis of application and revision of the Anticorruption policy is established.

5.2. Section «Effective financial screening» of the Anticorruption charter regarding establishment and maintenance of the internal control and financial screening – in item 3.7 of the Anticorruption policy the main principles of realisation of the internal control (including financial) and audit regarding

anticorruption regulation are established.

5.2.1. Section «Personnel training and control of the personnel» of the Anticorruption charter regarding training of employees and provision of their active involvement in realisation of anticorruption programs, - in item 2 of the Anticorruption policy measures on legal education and forming of bases of legislative behaviour of employees are established, in item 3.6 of the Anticorruption policy training and consultation of employees is provided; regarding responsibility of employees for commitment of a corruption offence – in item 5 of the Anticorruption policy responsibility for commitment of corruption offences by employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» is established.

5.2.2. Section «Joint efforts and publicity of anticorruption measures» of the Anticorruption charter regarding publicity of anticorruption measures – in item 2 of the Anticorruption policy measures on informing on the conducted anticorruption policy in JSC «Russian Grids» and SDCs of JSC «Russian Grids» are determined; regarding provision of conditions of free message by employees about lacks of anticorruption programs and about suspicious circumstances – in item 7 of the Anticorruption policy possibility of employees to point out defects of realisation of the Anticorruption policy is provided, and also to make offers on its enhancement, item 3.5 of the Anticorruption policy determines consideration and permission of information on possible facts of corruption as a measure under the corruption prevention and counteraction.

5.2.3. Section «Refusal of illegal receipt of advantages» of the Anticorruption charter regarding refusal of offer or receipt of gifts, realisation of sponsorship and donations: in item 3.4 of the Anticorruption policy introduction in practice of standards and procedures directed on provision of diligent work (including concerning donation and receipt of gifts and charity realisation) is provided, in item 3.8 of the Anticorruption policy one of measures on corruption counteraction and prevention at interaction with partners and counterparts refusal of stimulation of employees of counterparts to make any actions for the purpose of receipt of advantages to JSC «Russian Grids» and SDCs of JSC «Russian Grids» is determined.

5.2.4. Section «Mutual relations with partners and counterparts taking into account principles of the anticorruption policy» of the Anticorruption charter regarding estimation of a level of reliability of counterparts – in item 3.8 of the Anticorruption policy priority criteria at determination of reliability of counterparts are defined; regarding control of validity of compensation to agents, advisers and other intermediaries – in item 3.7 of the Anticorruption policy carrying out of check of economic validity of compensations to agents, advisers, intermediaries, external consultants is provided.

5.2.5. Section «Transparent and open procedures of purchases» of the Anticorruption charter regarding realisation of purchases of goods, works and services on the basis of principles of transparency, competition and objective criterions while taking decisions: in item 3.8 of the Anticorruption policy the specified principle is established.

5.2.6. Section «Informational counteraction of corruption» regarding

consideration of messages about corruption facts – item 3.5 of the Anticorruption policy determines consideration and permission of information on possible facts of corruption as a measure under the corruption prevention and counteraction; regarding contribution to exposure of companies and criminal schemes – item 3.11 of the Anticorruption policy discloses cooperation principles with law enforcement bodies in sphere of counteraction of corruption; regarding observance of prohibitions at informing on carrying out of anticorruption events – in item 1.2.4 of the Anticorruption policy principles of observance of legitimate rights and interests, protection of business reputation of employees, partners, counterparts and other persons, observance of commercial secret at realisation of anticorruption events are established.

5.2.7. Sections «Cooperation with the state», «Assistance to realisation of justice and observance of laws» of the Anticorruption charter – in item 3.10 of the Anticorruption policy interaction with the state structures performing control-supervising functions is provided, in item 3.11 of the Anticorruption policy cooperation with law enforcement bodies in sphere of counteraction of corruption is provided.

5.2.8. Section «Counteraction to bribery for foreign public officials and office holders of public international organisations»: in item 3.9 of the Anticorruption policy measures on counteraction to bribery for foreign public officials or office holders of the public international organisation are provided.

5.3. JSC «Russian Grids» determines events for realisation of provisions of the Anti-Corruption Charter of Russian Business in the Program of realisation of measures under the corruption prevention in JSC «Russian Grids» and SDCs of JSC «Russian Grids» for 2014-2015.

6. Responsibility

6.1. JSC «Russian Grids» and SDCs of JSC «Russian Grids» refer to the following measures of responsibility for corruption and other offences: measures of disciplinary, administrative and criminal liability according to the legislation of the Russian Federation, and measures of corporate influence according to local regulations of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

6.2. JSC «Russian Grids» and SDCs of JSC «Russian Grids» perform checks on each reasonable suspicion of corruption or established fact within the allowed framework of the legislation of the Russian Federation.

7. Accepting, analysis of application and revision of the Anticorruption policy

7.1. The Anticorruption policy in JSC «Russian Grids» and SDCs of JSC «Russian Grids» is accepted according to regulatory legal acts of the Russian Federation, the Articles of Association of JSC «Russian Grids» and SDCs of JSC «Russian Grids» and item 3.1.1 of the Anticorruption policy.

7.2. JSC «Russian Grids» and SDCs of JSC «Russian Grids» perform regular monitoring of a course of efficiency of realisation of the Anticorruption policy both

with their own workforce, and with attraction of other persons within the limits of the competence.

7.3. JSC «Russian Grids» and SDCs of JSC «Russian Grids» provide conditions in which employees and other persons can point freely out defects to realisation of the Anticorruption policy, and also make offers on its enhancement.

7.4. Results of accomplishment of the anticorruption program are reflected in the social reporting of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

7.5. Development and realisation of the action plan on actualisation of the Anticorruption policy in JSC «Russian Grids» and SDCs of JSC «Russian Grids» is performed according to part 1 of item 3.1.2 of the Anticorruption policy.

7.6. The Department on counteraction (prevention) of corruption, compliance control of JSC «Russian Grids» and structural divisions on counteraction (prevention) of corruption, compliance control of SDCs of JSC «Russian Grids» give reports to General Director of JSC «Russian Grids» and chief executive officers of SDCs of JSC «Russian Grids» with a view of the purposes, specified in part 2 of item 3.1.2 of the Anticorruption policy.

7.7. Modification of the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» is performed in conformity with item 3.1.1 of the Anticorruption policy and in cases:

- of necessity of bringing the provisions of the Anticorruption policy into conformity with changes in the Russian, applicable international anticorruption legislation;

- of enhancement of measures on realisation of the Anticorruption policy.

7.8. Changes of this Anticorruption policy are placed on an official web-site of JSC «Russian Grids» and are obligatory for application by SDCs of JSC «Russian Grids».

Data on the document

Put into effect	By the Minutes of the Board of Directors
Recurring examination	Performed by the head of the Department of anticorruption compliance procedures
Target subsystem of management	Growth and transformations
Business-process/business service	BP 1. Corporate management
Responsible person	The head of the Department of anticorruption compliance procedures
Version	№ 3; № 2 – put into effect by the decision of the Board of Directors (Minutes from 03.03.2014 № 03/14); № 1 – put into effect by the decision of the Board of Directors (Minutes from March 1, 2013 № 03/13) as Appendix № 1 to the Code of Conduct
Modification	On the basis of changes of external environment
Developed	On the basis of the decision of the Board of Directors of JSC «Russian Grids»
Justification of a new version of the document	On the basis of a decision of the Board of Directors of JSC «Russian Grids»
Placing and storage	In a paper form – at the corporate secretary, in an electronic form – a network folder of the corporate secretary, a corporate site of the Company, Library of By-laws
Identification number	P BP 1/01-03/2014
Appendices	Appendix № 1. The list of anticorruption events in JSC «Russian Grids» and SDCs of JSC «Russian Grids» Appendix № 2. The memorandum «About joining of Open Joint Stock Company «Russian Grids» to the Anti-Corruption Charter of Russian Business»

Appendix 1
to the Anticorruption policy
of JSC «Russian Grids» and SDCs of JSC «Russian Grids»

The list of anticorruption events
in JSC «Russian Grids» and SDCs of JSC «Russian Grids»

Directions of the Anticorruption policy
of JSC «Russian Grids» and SDCs of JSC «Russian Grids»/Anticorruption events

1. Determination of divisions or office holders responsible for prevention of corruption offences and counteraction of corruption (item 3.1)

1.1. Bringing the organizational structure of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in conformity with requirements of the legislation in the field of prevention and counteraction of corruption with establishment of direct submission to chief executive officers and assignment with powers, sufficient for carrying out of anticorruption events, and also provision with necessary technical resources.

1.2. Development and approval of the local regulation (hereinafter - the LR), determining tasks, functions, obligations and powers of a structural division or office holders responsible for prevention of corruption offences and counteraction of corruption.

2. Estimation of corruption risks (item 3.2)

2.1. Development and accepting of a methodology of analysis (including identifications and estimations) of inherent corruption

risk.
2.2. Development and accepting of a card of corruption risks of JSC «Russian Grids» and SDCs of JSC «Russian Grids».
3. Revealing and settlement of the conflict of interest (item 3.3)
3.1. Actualisation of the LR about adjustment of the conflict of interest in JSC «Russian Grids» and SDCs of JSC «Russian Grids» (including an order of informing by employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» about origin of the conflict of interest and settlement of the revealed conflict of interest, fixing obligations and responsibility of employees, sample situations of before/ the conflict of interest etc.), declarations on the conflict of interest.
3.2. Actualisation of the LR about an operating procedure of the Central commission on observance of norms of corporate ethics and settlement of the conflict of interest in JSC «Russian Grids» and commissions in SDCs of JSC «Russian Grids».
3.3. Communicating employees about accepted LRs on settlement of the conflict of interest and compulsion of observance of requirements contained in them.
3.4. Organisation and provision of work on settlement of the conflict of interest.
3.5. Annual declaring of the conflict of interest.
4. Development and introduction in practice of standards and procedures directed on provision of diligent work (item 3.4)
4.1. Actualisation of the Code of Conduct of JSC «Russian Grids» (including, regarding fixing provisions about promotion to a higher post only proceeding from business qualities of the employee, prohibition for relatives to work at an organisation on the condition of their direct subordination each other etc.).

4.2. Development and accepting of rules regulating questions of exchange by business gifts and signs of business hospitality.

4.3. Entering of anticorruption provisions in employment contracts.

4.4. Actualisation of the LR about an order of collection and check of data on incomes, expenses, about property and obligations of property character concerning citizens applying for replacement of posts, and employees filling posts in JSC «Russian Grids» and SDCs of JSC «Russian Grids», and their near relations, for the purpose of revealing of the conflict of interest, facts of affiliation and other abusings (including, regarding inclusion of an order of declaring expenses etc.), organisation and provision of the work.

4.5. Participation in potential employee screening for filling posts in JSC «Russian Grids» and SDCs of JSC «Russian Grids» for the purpose of non-admission of a corruption component.

4.6. Accepting of measures on non-admission of misuse of insider information and manipulation of the market (development of the LR, keeping a list of insiders, analysis of transactions in the market etc.).

5. Consideration and permission of the information on possible facts of corruption and other abusings (item 3.5)

1. Development and approval of the LR about an order of consideration of messages on possible facts of corruption in JSC «Russian Grids» and SDCs of JSC «Russian Grids» (a procedure of acceptance, consideration and permission of calls, consideration terms, an order of interaction with structural divisions, entering a procedure of informing by employees of the employer about cases of their declination to commitment of corruption infringements etc.).

2. Creation and functioning of accessible channels of information transfer, feedback mechanisms, telephone trust line, «hot line» etc.

3. Organisation and provision of the work on consideration of calls.
4. Entering of procedures of protection of employees who have reported about corruption offences from formal and informal sanctions.
6. Legal education and forming of bases of legislative behaviour of employees, consultation and training of employees (item 2, item 3.6)
6.1. Annual acquaintance of employees with standard legal acts and LR in the field of corruption prevention and counteraction against signature.
6.2. Development and issue of methodical and information-explanatory materials about anticorruption standards of behaviour.
6.3. Placing of the information on events for realisation of the Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» (hereinafter - the Anticorruption policy) on corporate sites of JSC «Russian Grids» and SDCs of JSC «Russian Grids», in the corporate newspaper, mass-media and other sources.
6.4. Carrying out of training events for corruption prevention and counteraction (trainings, seminars, conferences, forums, round tables etc.).
6.5. Organisation of individual consultation of employees concerning application (observance) of anticorruption standards and procedures.
7. The internal control and audit (item 3.7)

7.1. Check of realisation of organizational procedures and rules, significant from the point of view of work on corruption prevention and counteraction.

7.2. The control of documenting of operations of economic activities (non-admission of creation of informal (double) reporting, revealing of conducted not accounted or incorrectly accounted operations, accounting of nonexistent expenses, display of obligations the object of which is incorrectly identified, intended destruction of accounting and other documentation before the terms provided by the legislation etc.).

7.3. The regular control of economic validity of expenses in spheres with high corruption risk (exchange of business gifts, entertainment expenses, charitable donations, compensations to external consultants, etc.).

7.4. The regular control of accounting data, availability and reliability of primary documents of the business accounting.

7.5. Attraction of external independent experts at carrying out of audit of economic activities (periodic carrying out of external audit).

8. Accepting of measures under the corruption prevention at interaction with partners and counterparts (item 3.8)

8.1. Introduction of special procedures of check of counterparts with a view of decrease in risk of involving of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in corruption activity and other unfair practices (introduction of the uniform automated system of the analysis and information gathering about beneficiaries of counterparts (AS «ASIB»)), providing check of level of reliability and financial soundness of suppliers and contractors (absence of unfair suppliers in the register, presence of negative information background etc.)).

8.2. Development and introduction in JSC «Russian Grids» and SDCs of JSC «Russian Grids» of the uniform mechanism of the anticorruption control over purchasing activity (the Anticorruption standard).

8.3.Actualisation of the LR about the work organisation on disclosing of information on a chain of proprietors of participants of purchase and counterparts of JSC «Russian Grids» and SDCs of JSC «Russian Grids».

8.4.Distribution among counterparts and partners of programs, policies, standards of behaviour, procedures and rules directed on prevention and counteraction of corruption which are applied in JSC «Russian Grids» and SDCs of JSC «Russian Grids» (anticorruption obligations, the anticorruption standard, the anticorruption reservation etc.).

8.5.Informing of the public on degree of introduction and successes in realisation of anticorruption measures (placing of corresponding data on official sites of JSC «Russian Grids» and SDCs of JSC «Russian Grids», mass-media and other sources).

9. Interaction with the state structures performing control-supervising functions, cooperation with law enforcement bodies in sphere of counteraction of corruption (item 3.9, 3.10)

Development and approval of the LR about the procedure of interaction of JSC «Russian Grids» with control-supervising and law enforcement bodies.

Interaction with federal state structures concerning practical application of provisions of the legislation in the field of prevention and counteraction of corruption, enhancement of the standard-legal base, including development of offers on modification of the existing standard legal acts of the Russian Federation in the field of corruption prevention and counteraction, participation in working (expert) groups at the State Office of Public Prosecutor of the Russian Federation, Federal Service for Fiscal Monitoring, Chamber of Commerce and Industry of the Russian Federation etc.

Rendering of assistance in revealing and investigation by law enforcement bodies of corruption offences (provision of non-admission of wrongful intervention of employees of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in their activity).

Assistance at carrying out of checks and not being an obstacle to the lawful activity of persons who check, informing of cases of commitment of corruption offences.

10. Participation in joint initiatives on counteraction and prevention of corruption (item 3.12)

10.1. Realisation of provisions of the Charter:

1. The organisation and work provision on interaction with representatives of the Russian business community: Chamber of Commerce and Industry of the Russian Federation, the All-Russian public organisations «Russian union of industrialists and businessmen», «Business Russia», «OPORA Russia» and other participants of the Charter (participation in working groups, co-education etc.).
2. Carrying out of events of JSC «Russian Grids» as a participant of the Charter, directed on corruption prevention and counteraction:
 - Provision of conformity of the requirements shown to JSC «Russian Grids» as to a participant of "the Register of reliable partners»;
 - Participation in the Expert group at the Incorporated Committee of the Chamber of Commerce and Industry of the Russian Federation.

Participation in other joint initiatives:

1. Use of standard anticorruption reservations in joint contracts.
2. Public refusal of joint business activity with organisations (persons) who have been involved in corruption crimes.
3. Participation of specialists of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in international and other anticorruption events.

11. Counteraction to bribery for foreign public officials and office holders of public international organisations (item 3.11)

- 11.1. Development and approval of the LR about measures on counteraction to bribery for public foreign office holders in JSC «Russian Grids» and SDCs of JSC «Russian Grids» (an order of reporting by employees about known facts which they have become aware of bribery for public foreign office holders, forwarding data to the Investigative Committee of the Russian

Federation, measures on counteraction to payoff).

11.2. Interaction with representatives of public authorities and law enforcement bodies of the Russian Federation, diplomatic and trade missions of the Russian Federation abroad, international and other organisations with a view of development and enhancement of measures on counteraction to bribery for foreign public officials and office holders of public international organisations in JSC «Russian Grids» and SDCs of JSC «Russian Grids».

11.3. Monitoring of efficiency of accepted measures on counteraction to bribery for foreign public officials and office holders of public international organisations.

12. Accepting, analysis of application and revision of the Anticorruption policy (item 7)

12.1. Monitoring of international standards, the anticorruption legislation of the Russian Federation, the LR of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in the field of corruption prevention and counteraction.

12.2. Estimation of a course and efficiency of realisation of the Anticorruption policy.

12.3. Revision and modification of the accepted Anticorruption policy.

Appendix 2
to the Anticorruption policy
of JSC «Russian Grids» and SDCs of JSC «Russian Grids»

The memorandum

About joining of JSC «Russian Grids» to the Anti-Corruption Charter of Russian Business

According to part 1 of item 3.11.2. of the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids», approved by the decision of the Board of Directors of JSC «Russian Grids» (confirmed 27.12.2013 Minutes of session of the Board of Directors of JSC «Russian Grids» № 142, in the edition confirmed by Minutes of session of the Board of Directors of JSC «Russian Grids» from 10.09.2014 № 164) (hereinafter - the Anticorruption policy), one of measures under the corruption prevention in JSC «Russian Grids» and SDCs of JSC «Russian Grids» is participation in joint initiatives on corruption counteraction and prevention. As an event for realisation of the specified measure joining of JSC «Russian Grids» to the Anti-Corruption Charter of Russian Business is provided.

Accepting of the Anti-Corruption Charter of Russian Business was preceded by the long historical process connected with the introduction of the Russian Federation in membership of the international organisations, ratification of the international contracts by the Russian Federation, and also the implementation of the norms of the international contracts providing accepting of anticorruption standards by representatives of the business community in the Russian legislation.

The Russian Federation is the United Nations Organization member state (hereinafter - the United Nations) since October, 24th, 1945, after signing and ratification of the UN Charter and the Council of Europe since February, 28th, 1996 on the basis of Opinion from 25.01.1996 № 93 of the Parliamentary Assembly of the Council of Europe, undertaking on the obligations contained in the Charter of the United Nations and the Council of Europe, and also is a part of a working group of the Organization for Economic Co-operation and Development (hereinafter - the OECD) since January, 11th, 2000 on the basis of Governmental order of the Russian Federation from 11.01.2000 № 25 «On the introduction of the Russian Federation into a working group of the Organization for Economic Co-operation and Development» according to what, the following conventions were signed and ratified:

1. «The United Nations Convention against Corruption», accepted by General Assembly of the United Nations at the 51st plenary session on October, 31st, 2003 (Federal Law from 08.03.2006 № 40-FZ «About ratification of the Convention of the United Nations Organization against Corruption»), *the state was assigned with an obligation on accepting of measures under the corruption prevention and*

counteraction (including in a private sector), and also the prohibition on fulfilment of some actions which are qualified as *corruption crimes* was established. From the financial and economic point of view the ratification of the given Convention creates conditions for returning of capital which has illegally appeared abroad (the Explanatory note of ratification of the United Nations Conventions against Corruption by the Russian Federation - Appendix 1).

2. «The Criminal Law Convention on Corruption», concluded in Strasbourg of 27.01.1999 (Federal Law from 7/25/2006 № 125-FZ «About ratification of the Criminal Law Convention on Corruption») provides the agreed qualification of offences in the form of corruption as penal acts, strengthening of cooperation with a view of prosecution for fulfilment of such offences among the states-participants.

3. «The Convention against Bribery for Foreign Public Officials in International Business Transactions», concluded 21.11.1997 within the Council of Europe (Federal Law from 01.02.2012 № 3-FZ «About joining of the Russian Federation to the Convention against Bribery for Foreign Public Officials in International Business Transactions»), providing struggle against bribery for foreign office holders at realisation of international commercial transactions.

With a view of realisation of the specified Convention the OECD accepted 26.11.2009 the recommendation about struggle against bribery for foreign office holders at realisation of commercial transactions (Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions) according to which the business community obligation was provided to develop internal *standards and compliance programs containing measures on prevention of bribery for foreign office holders*.

According to the Good Practice Guidance on Internal Controls, Ethics, and Compliance, being the appendix to the Recommendation for Combating Bribery of Foreign Public Officials, directions were specified which companies should take into consideration, in particular *accepting of programs and measures on ethics and observance of requirements of the corporate policy prohibiting bribery for foreign office holders, establishment of mechanisms of consultation, confidential acceptance of messages of infringement of the law or professional standards etc.*

Besides, according to the Good Practice Guidance on Internal Controls, Ethics, and Compliance it is specified that assistance to organisations in development of programs and measures on introduction of mechanisms of the internal control can be rendered by *business organisations and professional associations*.

On the basis of the ratified conventions Federal Law from 25.12.2008 № 273-FZ «About corruption counteraction» was accepted to execute which and according to the Recommendations of GRECO (the Russian Federation automatically became a member of the GRECO Group from the date of ratification of the Criminal Law Convention on Corruption) Decree of the President of the Russian Federation from 13.04.2010 № 460 «About National strategy of counteraction of corruption and the National plan of counteraction of corruption for 2010 - 2011» was issued, providing an obligation of the Public Chamber of the Russian Federation, the Chamber of

Commerce and Industry of the Russian Federation, the All-Russian public organisation «Association of lawyers of Russia», political parties, self regulating organisations, public organisations uniting industrialists and businessmen, other public consolidations to conduct work on forming in the society of the intolerant attitude to corruption behaviour.

With a view of forming the intolerant attitude to corruption by the above-stated organisations in the society Decree of the President of the Russian Federation from 13.03.2012 № 297 «About the National plan of counteraction of corruption for 2012-2013 and modification of some acts of the President of the Russian Federation concerning corruption counteraction», activization of work of business communities with public authorities in sphere of counteraction of corruption, including development *of the Anticorruption charter* was provided.

On the basis of the acts set forth above, Federal Law from 03.12.2012 № 231-FZ included article 13.3 into Federal Law from 25.12.2008 № 273-FZ «About corruption counteraction» providing *an obligation of organisations to take measures under the prevention of corruption*. With a view of its realisation Decree of the President of the Russian Federation from 02.04.2013 № 309 «About measures on realisation of separate provisions of the Federal Law «About corruption counteraction» provided for preparation of methodical recommendations about the questions, concerning prevention of corruption to the Ministry of Labour and Social Protection of the Russian Federation together with interested enforcement authorities, the Chamber of Commerce and Industry of the Russian Federation, the All-Russian public organisations «Russian union of industrialists and businessmen», «Business Russia» and «OPORA Russia».

In turn, the Methodical recommendations about development and accepting by organisations of measures about prevention and counteraction of corruption, approved on 08.11.2013 by the Ministry of Labour and Social Protection of the Russian Federation provide an obligation of organisations to participate in joint initiatives on corruption counteraction, in particular joining the Anti-Corruption Charter of Russian Business. And Decree of the President of the Russian Federation from 11.04.2014 № 226 «About the National plan of counteraction of corruption for 2014-2015» also provides for an obligation of the Government of the Russian Federation to give particular attention to realisation *of the Anti-Corruption Charter of Russian Business*.

To execute the above-stated regulatory legal acts, under the initiative of the Chamber of Commerce and Industry of the Russian Federation, the Russian union of industrialists and businessmen, the All-Russian public organisation «Business Russia» and the All-Russian public organisation «OPORA Russia» 21.09.2012 in Sochi at the XI International investment forum the Anti-Corruption Charter of Russian Business was accepted and during the period from 2012 to 2014 more than one thousand companies joined the Anti-Corruption Charter of Russian Business, among which there is: RusHydro, VTB Bank, Norilsk Nickel Group, Company "Megafon", Bank of Moscow and other large companies.

To execute article 13.3 of Federal Law from 25.12.2008 № 273-FZ «About

corruption counteraction» and the act of its official interpretation of the Methodical recommendations about development and accepting by organisations of measures under the prevention and counteraction of corruption of the Ministry of Labour and Social Protection of the Russian Federation from 08.11.2013 (in the edition from 16.04.2014), JSC «Russian Grids» specified as one of measures under the corruption prevention - *participation in joint initiatives by means of joining the Anti-Corruption Charter of Russian Business* (item 3.11.2 of the Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids», confirmed 27.12.2013 by Minutes of session of the Board of Directors JSC «Russian Grids» № 142, in the edition confirmed by Minutes of session of the Board of Directors of JSC «Russian Grids» from 10.09.2014 № 164).

With a view of realisation of item 3.11.2 of the Anticorruption policy JSC «Russian Grids» and SDCs of JSC «Russian Grids» an application was sent by JSC «Russian Grids» on joining the Anti-Corruption Charter of Russian Business addressed to President of the Chamber of Commerce and Industry of the Russian Federation S.N. Katyrin (letter of JSC «Russian Grids» from 23.09.2014 № OB-2936).

On the basis of the specified application, the decision was accepted to join JSC «Russian Grids» the Anti-Corruption Charter of Russian Business and include into the Summary register of participants of the Anti-Corruption Charter of Russian Business (according to the Provision about the Summary register of participants of the Anti-Corruption Charter of Russian Business, the Provision about conditions and the order of realisation of provisions of the Anti-Corruption Charter of Russian Business (Road map) in witness whereof JSC «Russian Grids» was granted Certificate from 23.09.2014 № 496.

For the companies-participants of the Anti-Corruption Charter of Russian Business a number of guarantees and advantages is provided, namely:

- the inclusion in «the Register of reliable partners» testifies for benefit of the company at decision making to choose this or that counterpart by foreign companies (the application for entering into «the Register of reliable partners» from 07.10.2014 № OB-3100);
- a mechanism of preferences is developed at participation in competitive procedures within the limits of purchases performed by large companies and governmental customers.

The Anti-Corruption Charter of Russian Business provides for introduction by the organisation into its corporate management practice the anticorruption program and other measures of the anticorruption and corporate policy directed on protection of interests of business, conducting fair and open business, namely:

- implementation in the corporate management practice of the anticorruption program and other measures of the anticorruption corporate policy;
- monitoring and estimation of results of accomplishment of the program on realisation of the Anti-Corruption Charter of Russian Business;

- realisation of effective financial screening;
- personnel training and control over the staff;
- teamwork and publicity of anticorruption measures;
- refusal of illegal receipt of advantages;
- forming of mutual relations with partners, counterparts and third parties according to anticorruption principles;
- realisation of purchases of goods, works and services on the basis of principles of transparency, competition and objective criteria to accept decisions;
- information counteraction of corruption;
- cooperation with the state, assistance to realisation of justice and to legality observance
- counteraction to bribery for foreign public officials of public international organisations.

With a view of successful realisation of provisions of the Anti-Corruption Charter of Russian Business in an entrepreneurial activity the Expert Group at the United Committee of the Chamber of Commerce and Industry of the Russian Federation was established for creation of organizational, methodical and information recommendations. JSC «Russian Grids», being a participant of the Anti-Corruption Charter of Russian Business, was included into the given group and takes active part in its work.

So, the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» now is confirmed by the decision of the Board of Directors of JSC «Russian Grids» (Minutes of session of the Board of Directors of JSC «Russian Grids» from 27.12.2013 № 142, in the edition confirmed by Minutes of session of the Board of Directors of JSC «Russian Grids» from 10.09.2014 № 164) and the Program of anticorruption events in JSC «Russian Grids» and SDCs of JSC «Russian Grids» was developed.

The joining the Anti-Corruption Charter of Russian Business testifies to conformity of JSC «Russian Grids» to anticorruption requirements of international legal standards, the Russian legislation, regarding development and accepting of measures under the corruption prevention, publicly confirms readiness of JSC «Russian Grids» for realisation of measures on corruption prevention and counteraction, creation of conditions for public condemnation and aversion of corruption displays at interaction with public authorities and in corporate relations that also forms the positive reputation image of JSC «Russian Grids».

That promotes strengthening of business relations actively developing now with partners of South East Asia, in particular with the People's Republic of China (being also a participant of the United Nations), which leads tough policy of checking potential projects and counterparts on conformity to requirements of the international legal standards and the national legislation in the field of corruption prevention and counteraction.

At the same time, joining the Anti-Corruption Charter of Russian Business provides for the requirement to the companies-participants, regarding public confirmation of accomplishment of its principles the non-observance of which results in suspension of membership and further exception from among participants, which is considerable reputation risk for JSC «Russian Grids».

In connection with the joining of JSC «Russian Grids» the Anti-Corruption Charter of Russian Business and for the purpose of bringing into conformity of the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» with the provisions of the Anticorruption Charter, the provisions of the Anti-Corruption Charter of Russian Business were adapted and included in the text of the Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» in a new edition.

The detailed analysis of application of the provisions of the Anticorruption Charter in the Anti-corruption Policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» is contained in item 5 of the Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» «Realization of the provisions of the Anti-Corruption Charter of Russian Business».

The Anticorruption policy of JSC «Russian Grids» and SDCs of JSC «Russian Grids» is approved by the Board of Directors of JSC «Russian Grids».

Realisation of the provisions of the Anticorruption policy of JSC «Russian Grids» and the Anti-Corruption Charter of Russian Business in JSC «Russian Grids» and SDCs of JSC «Russian Grids» is performed according to the Program of realisation of measures under the corruption prevention in JSC «Russian Grids» and SDCs of JSC «Russian Grids» for 2014-2015, which is approved by General Director of JSC «Russian Grids».