

# SUSTAINABLE DEVELOPMENT

The Company's understanding of sustainable development is consistent with the UN definition: "Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

**~90** RUB mln

staff training costs  
(+2.7% vs. 2022)

**59.0** RUB mln

social package for Company  
employees, their family members  
and retirees (+41% vs. 2022)

**422.7** RUB mln

total Company expenditures on  
occupational health and safety  
(+16.4% vs. 2022)

**-0.8%**

reduction of gross air  
emissions vs. 2022



Rosseti Kuban PJSC is responsible for reliable, high-quality, and affordable electricity supply to consumers in the regions where it operates and understands the significance of its impact on the environment, society, and the sustainable development of the Krasnodar Territory, the Republic of Adygeya, and their economies.

On 29 December 2023 (Minutes No. 543/2023 dated 29 December 2023), the Company's Board of Directors approved the Sustainable Development Policy of Rosseti, PJSC and the Climate Change Policy of Rosseti, PJSC as the Company's internal documents<sup>1</sup>.



The Company's main objective in the area of sustainable development is to maximise its operational pursuits' contribution to the UN SDGs and to generate added value for stakeholders in the context of relevant national and international goals.

**-9.2%**

reduction in water consumption vs. 2022

### Guiding principles for the Company's sustainable development initiatives

Principles	Description
<b>Safety of operations</b>	Electric power assets are classified as high-risk infrastructural facilities. The life and health of employees and the population of the regions where the Company operates is the key priority of the Company. The Company takes all necessary measures to ensure safe operations and prevent electrical injuries among social groups at risk
<b>Conservation of the environment</b>	The Company assumes responsibility for the economic, social and environmental consequences of its activities and strives to minimise their negative environmental impact
<b>Accommodation of stakeholders' expectations and interests</b>	The Company recognises its stakeholders and incorporates their expectations and interests when setting strategic goals and priorities, as well as when conducting operational activities. The Company works to keep all stakeholders' interests in balance and to create welcoming environments that facilitate productive communication
<b>Consistency and transparency</b>	The Company understands the value of having a transparent and constant communication with stakeholders, which involves disclosing information on performance and sustainability plans on a regular basis in compliance with legal requirements. The Company publishes only trustworthy information about the outcomes of its operations, including in the annual report, and guarantees that all stakeholders have access to such information
<b>Mutual respect as the foundation for ethical business practices</b>	A fundamental element of the Company's corporate culture is its dedication to ethical business practices and cultivating respectful relationships. The Company seeks to honour its commitments at all times and in all circumstances. The Company has zero tolerance for corruption and bribery and endeavours to prevent their occurrence. The Company supports and encourages fair competition, in particular, it ensures transparency of the procurement process and does not restrict competition in procurement procedures
<b>Risk management</b>	The Company continuously identifies, assesses, monitors and mitigates risks. It also creates and enhances the risk management process in compliance with industry best practices

<sup>1</sup> Published on the Company's website in the [About the Company / Constitutive and Internal Documents](#) section.

## Sustainable development areas of the Company



**Ensuring the economic growth of the Company and the regions where it operates**



**Environmental protection**



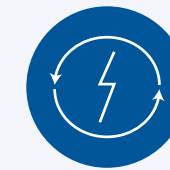
**Care for the public**

## Material topics related to the Company's activities disclosed in the present Annual Report



1

**Environmental aspects of activities**



2

**Energy saving and energy efficiency**



3

**Social aspects and employee relations issues**



4

**Occupational health and safety**



5

**Consumer relations**



6

**Fight with corruption, influence peddling and bribery of foreign officials**