

HUMAN RESOURCES MANAGEMENT

Results of the HR Policy

The below are the key objectives of Human Resources and Social Policy of the Company intended to meet the targets of the Russian Power Grid Industry Development Strategy:

- Planning the workforce requirements — availability of accurate information on current and forecast labour demand, both quantitative and qualitative, as necessary and sufficient to achieve the Company's objectives
- Recruiting necessary skills when needed
- Improving the performance and increasing labour efficiency across the Company

These key objectives of the Human Resources and Social Policy are met by implementing the range of measures in various aspects of the Company activities and achieving the targets set in the following areas:

- Organisational design
- Headcount management

- Human resourcing and personnel development
- Personnel performance management (personnel motivation)
- Social benefits and social protection
- Occupational safety and work culture

The following actions were taken and put into effect in order to maintain a high level of social protection for Rosseti Kuban employees, to offer workers guarantees and compensations, and to reduce the number of diseases among employees of the Company in 2023:

- Making important amendments and additions to the collective bargaining agreement between the employer and employees of Rosseti Kuban, PJSC for 2023–2025 regarding remuneration, internal labour regulations, and the expansion of benefits, guarantees, and compensations for the Company's employees

- Medical examinations of personnel working in harmful and hazardous labour conditions in all branches of the Company
- Active training of workers to reduce work-related accidents and upgrade staff skills
- Non-recurrent financial assistance to employees and veterans
- Health improvement and recreation of employees and their children
- Fitness and recreational activities, and promoting mass sports in the corporate environment

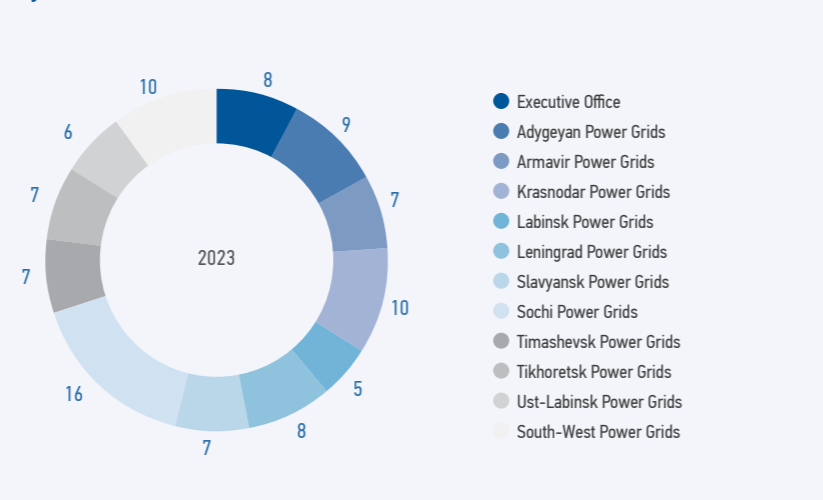
Staff Headcount and Breakdown

The average headcount of Rosseti Kuban, PJSC in 2023 was 8,753, which is 0.2% lower than in 2022. This slight decrease in the average headcount was caused by the natural movement of employees.

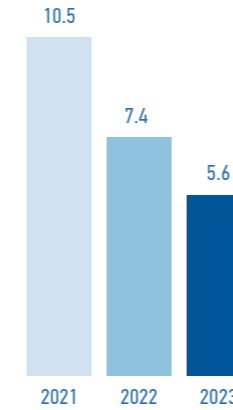
Average headcount of Rosseti Kuban, PJSC in 2021–2023 (persons)



Breakdown of average headcount of Rosseti Kuban, PJSC by branches in 2023 (%)



Changes in active staff turnover rate (%)



5.6%
active staff turnover rate
(–1.8 p.p. vs. 2022)

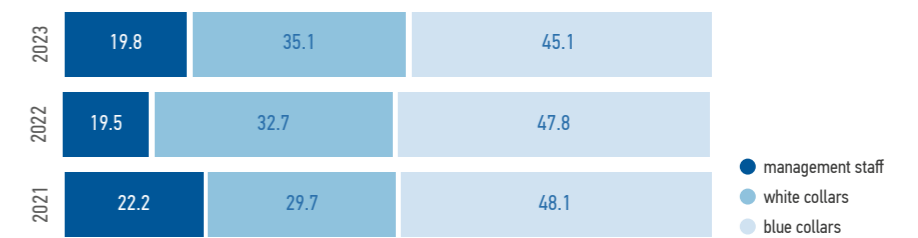
The employee breakdown by categories is representative of the power grid companies and has remained quite stable for the last three years: blue collars account for 45.1%, managers – for 19.8%, and white collars – for 35.1%.

In 2023, the Company's staffing level was 91.6%, the production staffing level was 90.7%, and the active turnover rate was 5.6%. In 2023, the Company hired 973 employees, including 836 production workers and engineers (85.9%) and 50 employees (5.1%) for auxiliary positions.

Analysis of voluntary turnover in the Company in 2021–2023 (%)

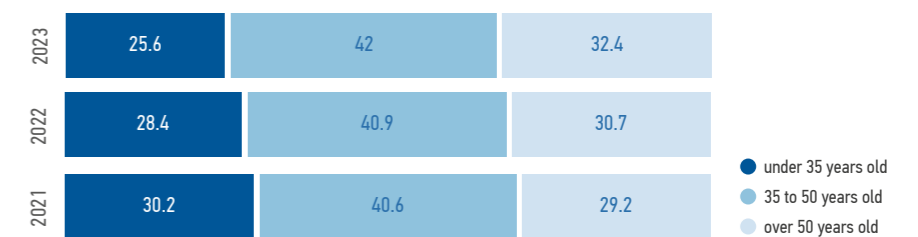
Voluntary turnover rate	2021	2022	2023	change 2022/2023, p.p.
Total for the Company	10.5	7.4	5.6	- 1.8
By age group:				
• under 35 years old	14.6	11.7	9.1	- 2.6
• 35 to 50 years old	10.2	7.1	5.2	- 1.9
• over 50 years old	6.5	3.9	3.2	- 0.7
By gender:				
• women	9.1	6.5	5.1	- 1.4
• men	10.9	7.8	5.7	- 2.1
By region:				
• Republic of Adygeya	13.9	6.7	6.8	- 0.1
• Krasnodar Territory	10.2	7.5	5.4	- 2.1

Structure of personnel by category in 2021–2023 (%)



The average age of the Company's employees in 2023 is 43.7 years (the same as in 2022). Over the past three years, there has been an increase in the share of employees aged 35 to 50 (+1.4 p.p.) against a decrease in the share of employees under 35 (–4.6 p.p.) and the larger share of employees aged over 50 (+3.2 p.p.).

Structure of personnel by age in 2021–2023 (%)



43.7 years
average age of the Company's employees in 2023