

# 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

- 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

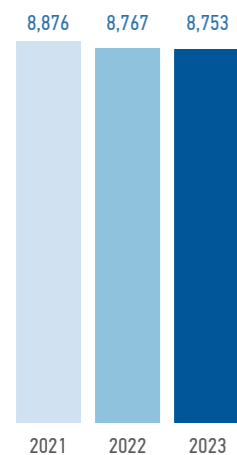
These key objectives of the Human Resources and Social Policy are met by implementing the range of measures in various aspects of the Company activities and achieving the targets set in the following areas:

- Organisational design
- Headcount management

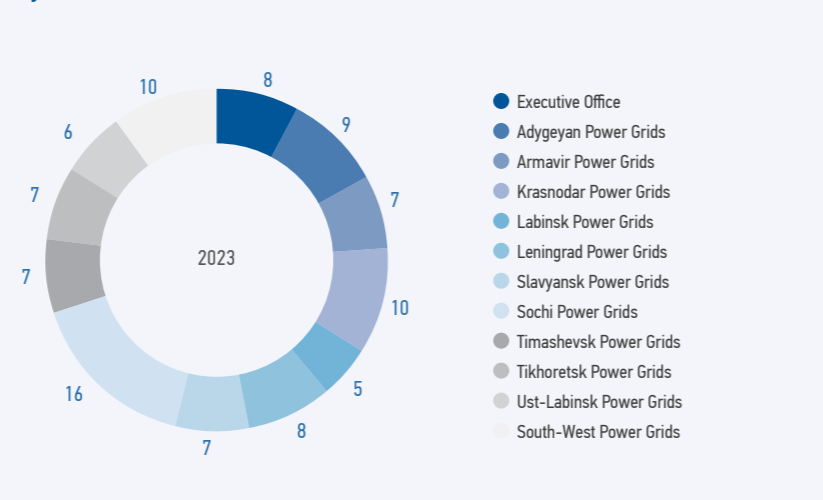
## Staff Headcount and Breakdown

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.

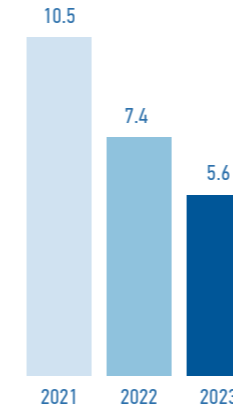
Average headcount of Rosseti Kuban, PJSC in 2021–2023 (persons)



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)

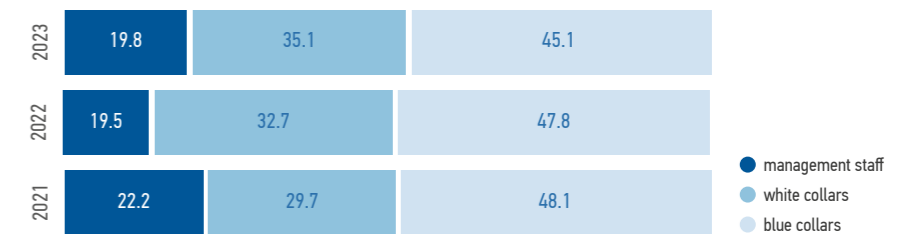
The employee breakdown by categories is representative of the power grid companies and has remained quite stable for the last three years: blue collars account for 45.1%, managers – for 19.8%, and white collars – for 35.1%.

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 (%)

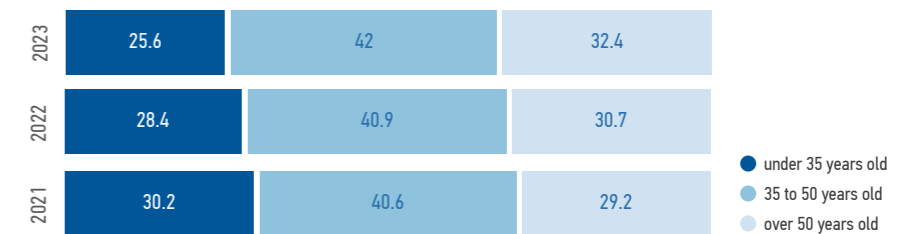
Voluntary turnover rate	2021	2022	2023	change 2022/2023, p.p.
<b>Total for the Company</b>	10.5	7.4	5.6	- 1.8
<b>By age group:</b>				
• under 35 years old	14.6	11.7	9.1	- 2.6
• 35 to 50 years old	10.2	7.1	5.2	- 1.9
• over 50 years old	6.5	3.9	3.2	- 0.7
<b>By gender:</b>				
• women	9.1	6.5	5.1	- 1.4
• men	10.9	7.8	5.7	- 2.1
<b>By region:</b>				
• 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

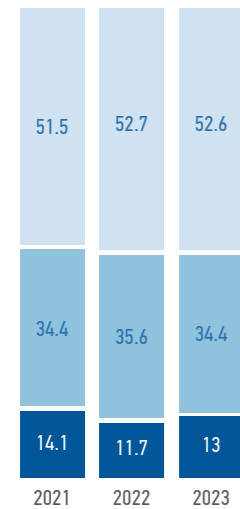
The employees of the Company have a decent level of education; 87% of them have a professional background, and nine of them have a candidate's degree.

The gender composition of the Company's employees also fits the typical profile of power grid companies. As of 31 December 2023, the share of men working in the Company was 70.9% and that of women was 29.1%.

**87%**  
of employees have vocational education

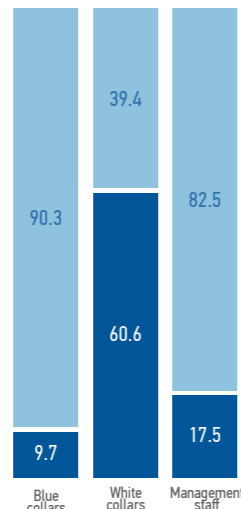
**9** employees  
hold a candidate degree

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



● Basic / secondary general  
● Primary / secondary vocational  
● Higher vocational

Staff structure by gender in 2023 (%)



● Women  
● Men



## Staff Training and Development

Employee training is one of the priorities of the Company's human resources and social policies; it is regulated by the following documents:

- Rules for Personnel Management in the Electric Power Industry of the Russian Federation approved by Order No. 796 of the Ministry of Energy of the Russian Federation dated 22 September 2020

- Personnel Management Procedure of Rosseti Kuban, PJSC approved by the Company's Order No. 300-od dated 3 May 2023
- Regulations on Personnel Training at Rosseti Kuban, PJSC, approved by Company Order No. 681-od dated 26 November 2020
- Other regulatory documents and prescriptions and recommendations of the supervisory authorities

The Company's main provider of educational services is the in-house training centre, the Energy Institute for Continuing Education of Kubanenergo (hereinafter referred to as the Institute). In the reporting year, the share of the Institute's trainees was 94% of the total number of the Company's employees trained.

### Training of Rosseti Kuban personnel in 2021–2023

Indicator	UoM	2021	2022	2023	Change 2023/2022 (%)
Number of employees who participated in off-the-job training programmes / ratio to average staffing number	people / %	8,530/96	12,609/144	10,319/118	-18.2 / -26 p.p.
• including occupational health and safety / ratio to average staffing number	people / %	1,095/12.33	6,657/76	5,526/62.25	-17.0 / -13.75 p.p.
• including employees trained at in-house training centres / ratio to the total number of employees who received off-the-job training	people / %	7,695/90	11,485/91	9,720/94	-15.4 / +3 p.p.
Number of production personnel who received off-the-job training	people	7,328	10,433	9,510	-8.8
• including hosted by the Institute	people	6,963	10,039	9,116	-9.2
Distribution of the employees who took part in off-the-job training programmes by category (executives, white collars, blue collars)	%	Executives — 40.8% White collars — 18.7% Blue collars — 40.5%	Executives — 52.1% White collars — 20.7% Blue collars — 27.2%	Executives — 43.0% White collars — 16.2% Blue collars — 40.8%	Management staff: -9.1 p.p. White collars: -4.5 p.p. Blue collars: +13.6 p.p.
Number of employees who participated in educational programmes delivered through distance learning	people	2,821	2,894	1,872	-35.3
Average number of training hours per employee by gender	man/hour	Women — 36 Men — 76	Women — 40 Men — 75	Women — 36 Men — 84	Women: + 11.1 Men: -10.7

With the existing ratio of the off-the-job trainees in 2023 to the average headcount, the key indicator (30%) of the Company's Human Resources and Social Policy is achieved.

In 2023, the number of training programmes delivered by the Institute through distance learning decreased due to changes in legislation, which

necessitated training exclusively in the format of face-to-face learning (both theoretical and practical).