

The Company is committed to sustainable development through improved consumer energy supply reliability, social responsibility, and innovative development of the power grid complex.



The preservation of the lives and health of its workers while they perform production duties has always been and will always be a top priority for Rosseti Kuban. To achieve this goal, we apply advanced technological solutions, high quality protective equipment, and implement a range of organisational measures.

Occupational health and safety is a system for preserving the life and health of workers in the course of their work activities, including legal, socio-economic, organisational and technical, sanitary and hygienic, therapeutic and preventive, rehabilitative and other measures.

Creating a safe and comfortable working environment and eliminating the risk of occupational accidents is one of the prerequisites for the reliable and efficient operation of a company.

Every manager at all levels is responsible for occupational health and safety within the limits of his/her competence and job responsibilities. The responsibilities of the employer, managers

and employees with regard to occupational health and safety are laid down in the Labour Code of the Russian Federation.

In order to improve the culture of work, safety, priority of occupational safety and to implement a risk-oriented approach in the occupational safety system, the Company has the Zero Accident programme in place. The management of the Company is well-aware that the Zero Accident Concept is a fundamentally new way to organise the Company's whole occupational health and safety system, with a focus on prevention above all else. At the heart of the Zero Accident Concept is a conscious effort by everyone involved in the production process, from the General Director to the employees, to prevent any accidents at work.

The Company's management understands that a safety culture is based on the conscious and wilful engagement of all those involved in the production process, from the General Director to the employees.

The company works to meet the requirements of environmental legislation, to improve the level of industrial and environmental safety and to ensure an effective reduction of the negative impact of production activities on the environment.

Power engineers always excel in professionalism, solidarity, mutual assistance, awareness of their importance and sense of responsibility.

Material topics related to the Company's activities disclosed in the Report:

- Environmental aspects of activities
- Energy saving and energy efficiency
- Social aspects and employee relations issues
- Occupational health and safety
- Consumer relations
- Fight with corruption, influence peddling and bribery of foreign officials

ENGAGEMENT WITH STAKEHOLDERS

The Company's stakeholders are state bodies, local authorities, public legal entities, shareholders and investors, other legal entities and individuals who may have an interest in the Company's performance and (or) may have a significant impact on the Company's activities and services.

KEY STAKEHOLDERS OF THE COMPANY

Stakeholders	Stakeholder relations
INTERNAL STAKEHOLDERS	
Company's S&As	<p>These parties are interested in disseminating the best corporate governance practices to them and maintaining their image as part of Rosseti Group. Interaction is effected through the management and control bodies of S&As in accordance with the applicable laws of the Russian Federation and local regulations, joint activities, as well as interaction on current issues within the framework of standard business processes, including reporting</p> <p>For more details, please see Appendix No. 3 to the Report.</p>
Company personnel. Social partners (trade unions, employers' associations)	<p>These parties are interested in an attractive business culture, competitive wages, social and health benefits, opportunities for personal, professional development and work safety. The interaction ways:</p> <ul style="list-style-type: none"> • Implementation of the Collective Agreement, a succession pool programme and targeted human resources assessment and development projects • Staff training and qualification improvement • Meetings between management representatives and the personnel, professional competitions, cultural and sporting events • Council of Young Professionals and participation in the All-Russian Electrical Trade Union • Adaptation and mentoring for new employees and support for veterans <p>For more details, please see the Human Resources Management subsection of the Sustainable Development section.</p>
OPERATING ENVIRONMENT	
Investment community (shareholders and investors)	<p>These parties have an interest in the growth of total shareholder return, including dividend yield and capitalisation of the Company, its development, consideration of the interests of all shareholder groups, information transparency and openness of the Company, efficiency of production activities for sustainable development, and a high level of corporate governance. Interaction is through General Meetings of Shareholders, representation in management and control bodies, as well as through the disclosure of information about the Company</p>





Stakeholders	Stakeholder relations
Consumers of electricity and grid connection services, territorial grid organisations	Interaction is through customer service centres, the power grid services portal of Rosseti Group at www.noptan-trn.ph , and the contact centre with unified federal numbers 8-800-100-15-52 and 8-800-220-0-220. Individuals can also send messages (claims, complaints, applications, requests) through the online reception desk on Rosseti Kuban's official website at: https://rosseti-kuban.ru
For more details, please see the Customer relations subsection of the Sustainable Development section.	
Partners (suppliers, contractors, business partners, professional and industry associations, including international ones)	These parties are interested in mutually beneficial and long-term cooperation, stable financial condition of the Company, timely and accurate fulfilment of contractual obligations, transparency in procurement and rejection of corruption. Interaction is through procurement procedures, negotiations, participation in topic-related forums, seminars and conferences with media participation, and through the corporate website
For more details, please see the Sustainable Development section.	
State (federal, regional and local authorities)	This party is interested in ensuring the reliable and sustainable functioning of the energy system, discussing and reviewing government projects and decisions related to industry regulation, cooperating on planning and implementing territorial development programmes in the region of operation, participating in the Energy Strategy of Russia and the Strategy for Development of the Power Grid Complex of the Russian Federation, meeting medium-term and long-term demand for electricity, attracting additional investment to the region, creating new jobs, and increasing tax payments. Interaction is carried out by setting tariffs for regulated activities, approval of investment programmes and reports on their implementation, participation in working groups to develop the electric power industry perspective development roadmap, conclusion of cooperation agreements, reporting to authorities and information disclosure in accordance with Russian legislation, transfer of tax payments, expert discussions, conferences, forums, working meetings and joint events with representatives of the authorities
SOCIAL ENVIRONMENT	
Society (public, social, charitable and environmental organisations, scientific and educational institutions, non-consumers, media)	The said party is interested in reliable energy supply, employment, development of regions of presence, environmental protection, energy efficiency, implementation of social and charitable programmes, development of science and education, introduction of advanced scientific developments and technologies, demand for young promising personnel, full information about the Company's activities. Interaction is through participation in charity projects, publications in the media and on the corporate website, press conferences, PR events, topic-related seminars, forums, competitions, meetings and topic-related events with veterans, students, schoolchildren, etc., application of measures to prevent electrical accidents with the population, participation in research and educational projects
For more details, please see the Sustainable Development section.	

CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

UN SUSTAINABLE DEVELOPMENT GOALS



Given the nature of its business, the Company contributes to the achievement of eight of the 17 UN sustainable development goals.

UN Sustainable Development Goals with description	Contribution of the Company to the achievement of the goals
 <p>Goal 3: Good Health and Well-Being (ensure healthy lives and promote well-being for all at all ages)</p>	<p>The principles of Rosseti Kuban's occupational safety and social policy are to recognise and prioritise the life and health of employees over the Company's operating results, to provide comfortable working and leisure conditions for employees, to improve their social security, and to improve labour and social relations in the workforce.</p> <p>Rosseti Kuban provides for:</p> <ul style="list-style-type: none"> • Creation of a healthy and safe working environment • Consistent and continuous reduction of work-related injuries and ill health • High level of corporate safety culture • Social security for employees, including voluntary medical insurance, health resort treatment, financial support for employees and retirees • Safety of power facilities for third parties <p>For more details on the Company's results and achievements in the reporting year, please see the Sustainable Development section.</p>
 <p>Goal 4: Quality Education (ensure inclusive and equitable quality education and promote lifelong learning opportunities for all)</p>	<p>Employee training is one of the priorities of the Company's human resources and social policies. In the reporting year, the ratio of employees who participated in off-the-job training was 144% of the average headcount.</p> <p>For more details on the Company's results and achievements in the reporting year, please see the Sustainable Development section.</p>