

PERSONNEL MANAGEMENT

2023 Achievements

Key goals of the Company's HR policy focused to achieve strategic goals of the Company and power grids are:

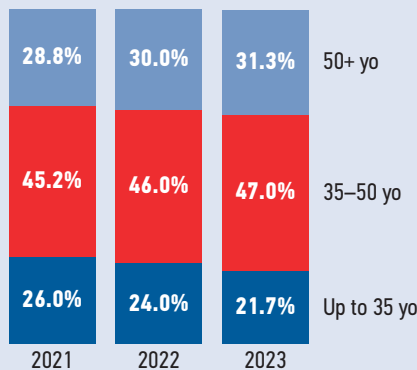
- Planning of recruitment needs: provision of reliable information about on-the-spot and forecast labor force needs of the Company to achieve the goals
- Well-planned and timely recruitment
- Securing of personnel efficiency and labor productivity growth

The average headcount of PAO Rosseti Ural in 2023 totaled 15,049 workers (+0.3% YoY). Increase of the average headcount was due to natural staff movements. The overall staffing as of 31.12.2023 totaled 95%, with staffing of production personnel reaching 95% (target – 95.0%). Active staff turnover was 6.0%.

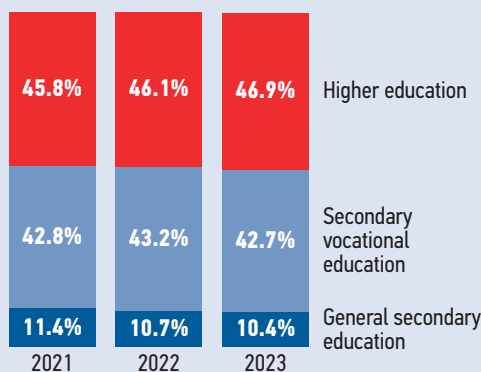
Average age in 2023 remained almost the same as in 2022 and totaled 43.0 yo. The share of “up-to-50yo” personnel contributes the most (68.7%) to the overall personnel structure. The staff is characterized by a considerably high qualification level: 89.6% of employees have professional education. The metrics remain stable for the last 3 years (+1 percentage point). Analysis of personnel education structure shows that the share of personnel without professional education gradually goes downwards from 11.4% in 2021 to 10.4% in 2023 (-1 percentage point).

The employee gender structure is similar to the gender structure of grid companies. As of 31 December 2023, the share of men is 73.8%, the share of women reaching 26.2%. Category analysis in 2021-2023 is shown on the graphs.

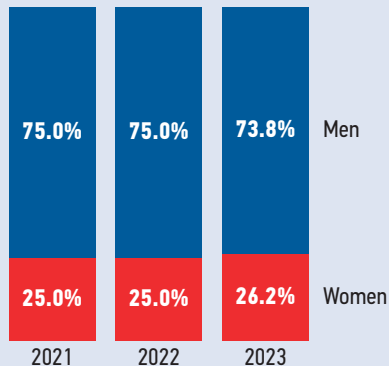
Personnel age structure in 2021-2023



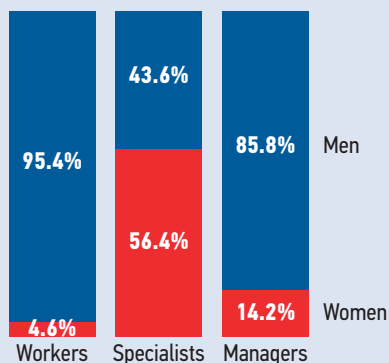
Personnel education structure in 2021-2023



Personnel gender structure in 2021-2023



Personnel gender structure by categories in 2023





Drilling and further training of the personnel

The share of employees that underwent drilling in the total average headcount is 70.7% or 10,643 workers. It exceeds the target indicator of 30%, stipulated in the HR and social policy (+2,138 workers YoY). Production personnel has the largest share among employees that underwent training – 94.7% or 10,075 workers (incl. 680 supporting workers). In 2023, the corporate educational facility (Educational Center of IDGC of Urals) has trained, drilled and retrained 7,869 workers (73.9% of the average headcount, +6.5% YoY).

2023 actual training expenses totaled RUB 103,644.8 thousand, with RUB 73,993.1 thousand or 71.4% spent on personnel training at the corporate educational center. 2022 actual training expenses totaled RUB 100,426.7 thousand, with RUB 66,388.59 thousand or 66.1% spent on personnel training at the corporate educational center. Expenses on personnel training ensure mandatory training and training, stipulated by occupational standards.

Educational Center of IDGC of Urals is one of the core educational partners offering over 300 licensed programs for drilling, training and retraining in various spheres to satisfy Company's requirements in drilling of workers, clerks and divisional managers. In 2023, 40 programs used distance learning technologies. Besides Educational Center of IDGC of Urals, the Company's key educational partners are Urals Federal University named after the First President of Russia B.N. Yeltsyn, Urals Center of Technical Education, GAOU SPO SO "Yekaterinburg Energy College", FBU "Training and Methodological Center of Rostekhnadzor", FGAOU DPO "St. Petersburg Energy Institute of Advanced Training", UrMF FGBU "VNII of Labor of Russian Ministry of Labor, ANO DPO Center of Technical Certification and Training, ANO DPO Educational Center "Perspektiva".

The key vectors of personnel training in 2023 were, primarily, mandatory fields of study for production personnel, energy-related activities, industrial and labor safety, environment and fire safety, industry-wide professions, etc. The Company continued implementing occupational standards, programs for employees, inconsistent with education or training-related requirements, stipulated by occupational standards as well as programs on development of managerial competencies for managers at all levels.

The Company constantly participates in corporate championships, compliant with standards of the Agency on development of professions and skills by competencies. Educational Center of IDGC of Urals hosted preliminary rounds of the corporate championship (skills: Exploitation of cable power lines, Maintenance of Substations, Maintenance and Repairs of PRA Equipment, Smart Metering). In September 2023, Educational Center of IDGC of Urals hosted the International High Tech Championship. 5 workers of the Company became the winners in the "Smart Metering" category.

The Company actively participates in career planning of its employees with a view to replace and occupy positions with qualified workers, to provide staff with new practices and maintain their interest and drive. Regular training of employees, development of their professional and management competence, required for target positions, is a part of labor pool activities. Pursuant to the bylaw on labor pool activities, the Company has two types of labor pools – administrative and

youth labor pool reserves, to be formed both on branch and HQ levels. In 2023, we have revised the headcount of our administrative and youth labor pool reserves. In 2023, the administrative labor pool reserves consisted of 626 best-in-class employees. The staffing level of the administrative labor pool reserve is 80% of all administrative positions. The youth labor pool reserve totaled 132 employees. As a part of administrative pool promotion, the Company engaged succession pool members in activities fostering competences required for target positions, sent them to competence-developing educational programs. In 2023, 76% of senior positions (307 out of 402 positions) were in-house staffed.

Personnel remuneration system

The Company implements the principle of remuneration for work in terms of employee's skill, complexity and quality of work. Employee remuneration procedure is governed by the Single Compensations and Benefits Policy, in strict compliance with the laws of Russia on compensations and benefits, and uses the following principles as a basis:

- Equal pay for work of equal value
- Reasonable wage levels for various types of employees, depending on complexity and qualification;
- Creation of equal opportunities for wage growth for all worker categories

Social policy

PAO Rosseti Ural's collective agreement regulates social and labor relations. The Company's social policy is based on the principle of social partnership. The parties of the social partnership, on parity basis, deliver joint projects for the benefit of the employer and employees and share a joint control over implementation of the collective agreement. Primary goals of Company's social policy are: veteran, employee and employee family care; preserving of socially responsible corporate image to attract and retain highly-qualified staff; preserving of benevolent working environment; securing of post-retirement decent living.

The social program of the Company determines vital social projects, implementation steps and funding. The program includes the following aspects:

Health treatment of employees and their children

During 2023, 631 employees and 606 children underwent health treatment in year-round children sanatoriums and resort facilities.

Private health insurance scheme

The Insurance Coverage Regulations, adopted by the Company's Board of Directors, state that each employee of the Company is provided with private health insurance scheme and personal accident and sickness insurance at the expense of the employer. Insurance coverage of the personnel is based on the integral private health insurance scheme, guaranteeing timely and high-quality medical and other related





services. Corporate programs include a wide range of medical services provided by the best state, institutional and commercial medical institutions operating in Russia. Personal accident and sickness insurance is active 24/7/365 all over the world. Personal accident and sickness insurance guarantees insurance payouts to employees (relatives) due to loss of productivity, medical condition or death as a result of any accident.

Non-state pension schemes

The Company promotes non-state pension schemes under a contract with AO NPF Otrkytie and NPS program, approved by the Board of Directors every year. The NPS program was designed to secure post-retirement decent living of employees, to promote efficient HR solutions related to hiring, retention and motivation of employees. 2,163 retirees collect non-state pension from the Company in addition to their state one.

State, industry and corporate awards

1,762 employees were awarded for best performance and contribution to the development and improvement of the Urals grid facilities: state awards (2 employees), ministry awards (59 employees), ERA of Russia awards (72 employees), corporate awards (1,629 employees).

Corporate support in employee housing improvement

In 2023, 294 employees obtained corporate support in housing improvement (compensation of mortgage interest) under the bylaw on corporate support in employee housing improvement.

Veteran activities

A special attention was paid to the veterans of the Company. The Company has the Veteran Coordination Council to oversee and administer branch veteran councils. The Veteran Coordination Council covers over 5,767 retirees of the Company. In 2023, the Company continued its health support activities for veterans and retirees. After removal of pandemic restrictions retirees actively participated in sports competitions (skiing, athletics, mini-football, volleyball, basketball, and chess).

Privileges, guarantees and compensations, paid to employees in line with the collective agreement

Death gratuity payment, disability benefits, compensations paid to children of the perished workers, etc.

Activities for employees and their families

In 2023, the Company continued its “Bright deeds of bright people” corporate project, focusing on employees’ consolidation in terms of common human values, concern for other peoples’ hardships and problems. To engage personnel to active and

regular sports activities and to promote healthy life-style the Company arranged group activities in several sports. In May 2023, the Company held an interregional sports contest in 5 sports (swimming, volleyball, basketball, mini football and athletics). The Company also arranged online chess qualifying competitions to form a Company team. The winners of the qualifying competitions represented the Company at the XI online/off-line open chess tournament in the memory of M.M. Botvinnik. Due to good sports traditions, employees showed good results and won regional competitions in all three regions of the Company's presence. The Company also actively promotes the "Ready for Labor and Defense" movement. In 2023, 400+ employees passed physical training standards, obtaining gold and silver badges of merits.

Charitable programs

Promotion of volunteer services among employees traditionally occupies a special place in the charity practices. In 2023, employees conducted the traditional large-scale socially-oriented project "Blood donations save lives" (blood donations) as well as local projects on collection of clothing, hygiene, toys. The events took place in the Sverdlovsk, Chelyabinsk and Perm regions. To provide social support and protect citizens, PAO Rosseti Ural also provided charitable assistance to "So-edinenie" Fund (support of deaf-blind people) to implement a program aimed at the development and preclinical studies of neuro-implants for restoring vision and hearing to blind and deaf people.

Youth Policy

PAO Rosseti Ural is actively involved in the following youth outreach activities:

- schoolchildren: Bright Generation project (early integration into profession and engagement of schoolchildren to going to energy-related colleges) implemented in 3 districts of the Sverdlovsk region; excursions to energy facilities, Museum of the Urals Energy Sector; career guidance computer diagnostics; Rosseti's All-Russia Schoolchildren Olympiad (Urals region)
- students: to foster internship training of young professionals the Company collaborates with higher and secondary professional educational institutions; Company's participation in the Professionalism Federal Project in 2 regions (Chelyabinsk and Perm regions)
- Professional and social adaptation of young specialists is an important direction of youth policy, carried out on the principles of partnership. The Company's Young Professionals Council supports moral, professional, intellectual, physical and creative development of young professionals; helps adapt newly hired young professionals; participates in social projects and strengthening of corporate culture and traditions of the Company

Activities for young professionals included involvement of the Company's employees in:

- Forsazh International Forum for Young Power Engineers and Industrialists
- Case in Championship





Labor Protection and Industrial Safety

The Company's labor protection management system functions in line with the Regulations on the System Managing Labor Protection, Industrial Safety, In-process Oversight over Labor Protection and Industrial Safety²⁶, regulating provision of safe labor conditions on all stages of production process, creation of conditions preventing the injury risks. The Regulations also stipulates the evaluation of the system and remedial action procedures that help enhance the efficiency of labor protection activities. In 2023, the Company conducted identification of dangers and evaluation of risks of every work place in line with the Methodology²⁷. Hazards with an "unacceptable" risk level have not been identified.

Key types of industrial injuries in 2021-2023 are: electrocution (6 cases), road accidents (5 cases), elevation difference falls (1 case). In 2023, the level of industrial injuries increased by 67% on 2022 (3 accidents in 2022 and 5 accidents in 2023), but only one accident was due to employees' fault. The number of fatal accidents in 2023 decreased by 3 times on 2022 (3 fatal accidents in 2022 and 1 fatal accident in 2023). In 2023, 8 workers had industrial injuries, 1 fatal accident due to electrocution, 6 injuries due to road accidents caused by the third parties (minor injuries), 1 injury due to electrocution as a result of violations of the Occupational Safety Rules for Operations of Electrical Installations by contractor's personnel (minor injury). Key factors of industrial injuries through an employee's fault in 2023 were: recklessness, carelessness and haste (expressed in violation of clause 3.3 of the OSROEI), as well as failures to ensure control by managers and specialists over compliance with workplace discipline. No work-related deceases were registered among the Company's employees.

Expenses on industrial safety in 2023 totaled RUB 13,298.99 thousand

Indicator	2021	2022	2023	2023/2022, %
Labor protection expenses, RUB million	451,0	680,0	701,5	+3.2%
Industrial injuries (Employees)				
Number of persons injured in fatal accidents / number of fatal incidents, pers./case	2/2	3/3**	1/1	-67%
Number of persons with heavy injuries / number of heavy injuries, pers./case	1/1	1/1**	0/0	-100%
Industrial injuries (Persons who are not employees but their work or workplace is controlled by the Company)				
Number of persons injured in fatal accidents / number of fatal incidents, pers./case	0	0	0	-
Number of persons with heavy injuries / number of heavy injuries, pers./case	1/1 (28.09.2021 – injury of a contractor in ChGES)	0	0	-
Work-related deceases and works associated with increased danger (Employees)				
Number of work-related deceases ended in employee's death, case	0	0	0	-
Number of employees recognized as disabled as a results of work-related decease, pers.	0	0	0	-
Number of persons with registered work-related decease, pers.	0	0	0	-

* In 2022, there were 3 fatal injuries, incl. one group accident with 2 injured, 1 fatal injury and 1 heavy injury.