

APPROVED BY  
decision of the Board of  
Directors of PJSC Rosseti  
«14» April 2023  
(Minutes dated 17.04.2023 # 615)

Appendix # 6 to the decision  
of the Board of Directors  
of Rosseti Centre, PJSC  
(Minutes dated 26.12.2023 #  
57/23)

**THE SUSTAINABLE DEVELOPMENT  
POLICY  
OF PJSC ROSSETI**

**Moscow  
2023**

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## **1. General provisions**

### **1.1. Purpose and objectives of the document**

1.1.1. The sustainable development policy of Public Joint Stock Company “Federal Grid Company – Rosseti” (hereinafter referred to as the Policy, the Company) is the fundamental document defining the agenda for the sustainable development of the Company.

1.1.2. The purpose of the Policy is to define the Company’s unified principles and approaches to activities in the field of sustainable development.

The area of sustainable development of the Company is understood as the Company’s activities to maximize its contribution to the achievement of the UN Sustainable Development Goals (hereinafter referred to as the UN SDGs) in connection with national and global objectives in this direction.

1.1.3. The objectives of the Policy include:

- determination of the Company’s compliance obligations with the principles of sustainable development, supported practices, and areas of activity in the field of sustainable development;

- formation of a basis for preparation and updating of profile documents and business processes in accordance with the designated goals and objectives in the field of sustainable development;

- formation among stakeholders of a uniform understanding of the Company’s approach to conducting activities in the field of sustainable development.

### **1.2. Application area and end users**

1.2.1. This Policy applies to the Company.

The provisions of the Policy are mandatory for compliance by every employee of the Company, regardless of their position.

1.2.2. The Company’s controlled organizations are recommended to follow this Policy when conducting activities in the field of sustainable development.

1.2.3. The Policy is advisory in nature for partners, suppliers and contractors and other stakeholders of the Company.

1.2.4. The Policy is approved by a decision of the Company’s Board of Directors. All changes and additions to the Policy are made by a decision of the Board of Directors of the Company.

### **1.3. Compliance obligations**

1.3.1. The Policy has been developed in accordance with the legislation of the Russian Federation, internal documents of the Company, as well as taking into account national initiatives in the field of environmental protection, human rights, labour and health protection, energy efficiency, business ethics and provisions in the field of sustainable development of the United Nations Global Compact.

1.3.2. In preparing this Policy, the following regulatory legal acts and documents were used:

- National development goals of the Russian Federation for the period until 2030, approved by Decree of the President of the Russian Federation of 21 July 2020 No. 474;
- Energy strategy of the Russian Federation for the period until 2035, approved by Order of the Government of the Russian Federation of 9 June 2010 No. 1523-r;
- Strategy for the socio-economic development of the Russian Federation with low greenhouse gas emissions until 2050, approved by Order of the Government of the Russian Federation of 29 October 2021 No. 3052-r;
- Fundamentals of state policy in the field of environmental development of the Russian Federation for the period until 2030, approved by the President of the Russian Federation on 30 April 2012;
- Concept for the development of public non-financial reporting, approved by Order of the Government of the Russian Federation of 5 May 2017 No. 876-r;
- Goals and main directions of sustainable (including green) development of the Russian Federation, approved by Order of the Government of the Russian Federation of 14 July 2021 No. 1912-r;
- the Corporate Governance Code, approved by the Board of Directors of the Bank of Russia on 21 March 2014 and recommended for application by Letter of the Bank of Russia of 10 April 2014 No. 06-52/2463 “On the Corporate Governance Code”;
- recommendations for the disclosure by public joint stock companies of non-financial information related to the activities of such companies, provided for in the information letter of the Bank of Russia of 12 July 2021 No. IN-06-28/49;
- recommendations for taking into account by the board of directors of a public joint stock company ESG factors, as well as sustainable development issues, provided for in the information letter of the Bank of Russia of 16 December 2021 No. IN-06-28/96;
- National standard of the Russian Federation GOST R 54598.1-2015 Sustainable development management, approved by Order of the Federal Agency for Technical Regulation and Metrology of 18 November 2015 No. 1858-st;
- National standard of the Russian Federation GOST R ISO 9001-2015 Quality management systems (ISO 9001:2015 Quality management systems), approved by Order of the Federal Agency for Technical Regulation and Metrology of 28 September 2015 No. 1391-st;
- National standard of the Russian Federation GOST R ISO 26000-2012 Guidance on social responsibility (ISO 26000:2010 Guidance on social responsibility), approved by Order of the Federal Agency for Technical Regulation and Metrology of 29 November 2012 No. 1611-st;
- National standard of the Russian Federation GOST R ISO 14001-2016 Environmental management systems (ISO 14001:2015, Environmental management systems), approved by Order of the Federal Agency for Technical Regulation and Metrology of 29 April 2016 No. 285-st;

– National standard of the Russian Federation GOST R ISO 14064-1-2021 Greenhouse gases (ISO 14054-1:2018 Greenhouse gases), approved by Order of the Federal Agency for Technical Regulation and Metrology of 30 September 2021 No. 1029-st;

– National standard of the Russian Federation GOST R ISO 45001-2020 Occupational health and safety management systems (ISO 45001:2018, Occupational health and safety management), approved by Order of the Federal Agency for Technical Regulation and Metrology of 28 August 2020 No. 581-st;

– National standard of the Russian Federation GOST R ISO 50001-2012 Energy management systems (ISO 50001:2011 Energy management systems) approved by Order of the Federal Agency for Technical Regulation and Metrology of 26 October 2012 No. 568-st;

– Principles and goals for sustainable development of the United Nations Global Compact;

– Resolutions of the UN General Assembly in the field of sustainable development;

– AccountAbility AA1000 Series of Standards;

– Standards of the Global Reporting Initiatives (Global Reporting Initiatives, GRI);

– Long-term development program of PJSC FGC UES for the period of 2020-2024 and forecast until 2030, approved by the decision of the Board of Directors of the Company (Minutes No. 526 of 30 December 2020).

1.3.3. When carrying out operating activities, the Company takes into account, among other things, the applicable requirements of social and environmental legislation.

#### **1.4. Approaches to managing sustainable development**

1.4.1. The executive bodies (the Management Board and General Director) of the Company manage the current activities in the field of sustainable development of the Company.

1.4.2. At the level of the Company's controlled organizations, it is recommended that management of current activities in the field of sustainable development be entrusted to the sole executive body of the relevant company.

1.4.3. The main participants in the Company's sustainable development activities are:

– the Board of Directors of the Company;

– the executive bodies (the Management Board and General Director of the Company);

– Deputy General Directors of the Company in functional areas;

– structural divisions of the Company;

– a structural division of the Company that discloses information in the field of sustainable development.

## **2. Terms and definitions**

The following terms and definitions are used in this document:

<b>Terms</b>	<b>Definitions</b>
<b>Interested parties (stakeholders)</b>	<p>Stakeholders - government bodies, local governments, public legal entities, legal entities and individuals who may be interested in the results of the Company's activities and value creation and (or) may have a significant impact on activities, products and services of the Company, or whose decisions or actions may affect the Company's ability to create value, successfully implement its strategies and achieve its goals, as well as individuals and legal entities affected by the Company's activities.</p> <p><i>(Source: Information letter of the Bank of Russia of 12 July 2021 No. IN-06-28/49 "On recommendations for the disclosure by public joint stock companies of non-financial information related to activities of such companies" (hereinafter referred to as Information letter of the Bank of Russia No. IN-06-28/49))</i></p>
<b>Biodiversity (biological diversity)</b>	<p>The variability of living organisms from all sources, including, but not limited to, terrestrial, marine and other aquatic ecosystems, and the ecological complexes of which they are part; this concept includes diversity within species, between species and ecosystem diversity</p> <p><i>(Source: the UN Convention on Biological Diversity)</i></p>
<b>Impact</b>	<p>The impact that an organization has on the economy, environment and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development</p> <p><i>(Source: Global Reporting Initiative (GRI))</i></p>
<b>UN Global Compact</b>	<p>An international initiative for businesses in the field of corporate social responsibility and sustainable development. Created in 2000, the UNGC has become an important tool for involving business in the formation and promotion of the concept of sustainable development</p> <p><i>(Source: UN Global Compact (UN Global Compact Network Russia))</i></p>
<b>Inclusivity</b>	<p>Principle of organization of life in society, reflecting a culture of acceptance and non-discrimination, allowing the inclusion of all people in the area of interaction, regardless of race, gender, disability and other discriminatory characteristics</p> <p><i>(Source: Global Diversity Practice)</i></p>
<b>Indigenous peoples of the Russian Federation</b>	<p>Peoples living in the territories of the traditional settlement of their ancestors, preserving traditional lifestyles, economic activities and crafts, numbering less than 50 thousand people in the Russian Federation and recognizing themselves as independent ethnic communities</p> <p><i>(Source: Federal Law of 30 April 1999 No. 82-FZ "On guarantees of the rights of indigenous peoples of the Russian Federation")</i></p>

<b>Local communities</b>	Individuals or groups of individuals living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by the organization's activities <i>(Source: Global Reporting Initiative (GRI))</i>
<b>Transparency principle</b>	The principle in which a company provides all stakeholders with the information they need to make rational decisions in a clear, obvious and understandable form that does not cause doubt or ambiguity <i>(Source: Transparency principle as an evolving principle of EU law)</i>
<b>Diversity</b>	Demographic and other characteristics of the workforce (age, sex, gender identity, race, colour, national origin, ethnic origin, religion), as well as characteristics related to socioeconomic context <i>(Source: International Organization for Standardization ISO 30415)</i>
<b>Disclosure of information</b>	Ensuring the availability of information to all persons interested in this, regardless of the purpose of obtaining this information, according to a procedure that guarantees its location and receipt <i>(Source: Federal Law of 22 April 1996 No. 39-FZ "On the Securities Market")</i>
<b>Social responsibility</b>	Social responsibility An organization's responsibility for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that a) promotes sustainable development, including the health and welfare of society; b) takes into account the expectations of stakeholders; c) complies with applicable law and is consistent with international standards of conduct; d) integrated into the activities of the entire organization and applied in its relationships <i>(Source: International Organization for Standardization ISO 26000)</i>
<b>Global Reporting Initiative (GRI) Standard</b>	International standards that improve global comparability and enable organizations to be transparent and accountable. They help organizations unlock their impact in a way that meets the needs of stakeholders. The standards are important to many other groups, including investors, policymakers, capital markets and civil society <i>(Source: Global Reporting Initiative (GRI))</i>
<b>Sustainable development</b>	Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. A conceptual three-dimensional development model that ensures the simultaneous development of the world system in three key areas: economic, social and environmental <i>(Source: Information letter of the Bank of Russia No. IN-06-28/49)</i>

<b>United Nations Sustainable Development Goals (UN SDGs)</b>	17 global goals adopted by the UN General Assembly as part of the 2030 Agenda for Sustainable Development, aimed at strengthening global peace in an environment of greater freedom, ensuring a balance between all three components of sustainable development: economic, social and environmental, and serving as a guide for decision-making by the international community for 15 years (from 2016 to 2030) <i>(Source: 2030 Agenda for Sustainable Development, 2015)</i>
<b>Vision Zero</b>	The concept of zero injuries is a new approach to organizing prevention, combining three areas - safety, occupational health and well-being of workers at all levels of production. The goals of the Vision Zero concept are to reduce and prevent general occupational injuries, as well as fatal occupational injuries, reduce occupational morbidity and reduce the proportion of workers employed in work with harmful and/or dangerous working conditions.
<b>AccountAbility Series of Standards (AA1000)</b>	Developed by the UK Institute for Social and Ethical Accountability, a series of standards aimed at improving the quality of non-financial reporting, transparency, accountability and business sustainability by maximizing the involvement of stakeholders' groups and taking their views into account in the analysis of the company's activities.

### **3. Goal and objectives in the field of sustainable development**

3.1. The Company bears responsibility for reliable, high-quality and affordable power supply to consumers in the territory of presence and understands the significance of its impact on the environment, society, as well as sustainable and economic development of both individual regions and the country as a whole.

3.2. The key goal of the Company in the field of sustainable development (hereinafter referred to as the key goal) is to maximize the contribution to achieving the UN SDGs in the implementation of its activities and create additional value for stakeholders in connection with national and global objectives in this direction.

3.3. Achieving the key goal is made through the implementation of the following tasks:

- determination and acceptance of obligations in the field of sustainable development recognized by the Company's stakeholders;
- formation of an effective, consistent and transparent system of interaction with stakeholders, including the disclosure of information in the field of sustainable development in accordance with recognized national and international rules;
- increasing the value of the Company for stakeholders;
- respect for the interests and protection of the rights of stakeholders;
- compliance with requirements in the field of environmental protection, including carrying out measures to preserve and restore the natural environment,



rational use of natural resources, ensuring environmental safety, preventing negative impacts on the environment and climate;

- promoting the socio-economic development of the regions of presence;
- creating safe conditions for the Company’s activities for consumers and regions of presence;
- creating safe working conditions, preserving the life and health of workers;
- promoting professional and personal growth of staff;
- increasing efficiency, using the best available innovative and digital technologies that ensure sustainable development;
- implementation of the best environmental practices, corporate social responsibility, corporate governance and business ethics;
- combating corruption and fraud.

#### **4. Principles of the Company’s activities in the field of sustainable development**

**4.1. Operational safety.** Electric power assets are classified as high-risk infrastructure facilities. The life and health of employees and the population of the regions of presence is the main value of the Company. The Company takes all necessary measures to ensure the safe conduct of activities and to prevent cases of electrical injuries among social groups at risk.

**4.2. Respect for the environment.** The Company accepts responsibility for the economic, social and environmental consequences of its activities. The Company strives to minimize the negative impact on the environment.

**4.3. Taking into account the expectations and interests of stakeholders.** The Company identifies its stakeholders and takes into account the expectations and interests of stakeholders when forming strategic goals and priorities, as well as within the framework of operating activities. The Company strives to maintain a balance of interests and provide comfortable conditions for effective interaction with all stakeholders.

**4.4. Consistency and transparency.** The Company recognizes the importance of an open and consistent dialogue with stakeholders, including through regular disclosure of information, including information on performance and plans for sustainable development, in accordance with legal requirements and best Russian and international practices in the field of information disclosure. The Company publishes only reliable information about the results of its activities, including in the format of annual reports on social responsibility and corporate sustainable development, and ensures its availability to all stakeholders, and also strives to constantly improve reporting practices.

**4.5. Ethical business conduct based on the principle of mutual respect.** An integral component of the Company’s corporate culture is a commitment to ethical business conduct and building relationships based on respect. The Company strives to fulfill its obligations always and in any circumstances. The Company has zero tolerance for corruption and bribery and strives to prevent their occurrence. The

Company supports and encourages fair competition, including ensuring transparency of the procurement process and in no way restricting competition during procurement procedures.

**4.6. Management of risks.** As part of its activities, the Company on an ongoing basis carries out identification, assessment, monitoring of risks and implementation of measures to minimize risks. The Company constantly develops measures to enhance and improve the risk management process in accordance with best practices.

## **5. Directions of the Company's activities in the field of sustainable development**

### **5.1. Ensuring economic growth**

#### **5.1.1. Financial sustainability of activities**

5.1.1.1. The principles of ensuring economic growth and financial sustainability of activities are laid down in the approved Long-term Development Program of PJSC FGC UES for the period 2020-2024 and forecast until 2030 (hereinafter referred to as the LDR).

An integral part of the LDR is a balanced long-term financial model of the Company until 2030, which includes scenarios for implementation of the Company's initiatives while maintaining a high level of financial indicators.

5.1.1.2. The main activity of the Company in the transmission of electricity and connection of consumers to electric grids is regulated by the state by establishing relevant tariffs and requirements for the level of quality of services provided by regulatory bodies. An important part of sustainable development is the constant improvement of the Company's operating efficiency, which, in turn, contributes to the fulfillment of government objectives to curb the growth of tariffs for electricity consumers.

5.1.1.3. The principles of financial stability are enshrined in the Company's Credit Policy. The Company strives to maintain high credit ratings and a moderate debt load, and to attract financial resources on optimal terms to ensure financing of its activities.

#### **5.1.2. Contribution to the economic development of the country**

The Company is the infrastructural basis of the Russian economy and the stable development of the country. The company makes the following contribution to the economic development of the country:

– **infrastructural basis of the economy.** Ensuring reliable, high-quality and affordable energy supply to consumers is a strategic goal of the Company. Not only the work of individual enterprises and social facilities, but also the successful development of other Russian infrastructure monopolies depends on the Company's activities. By improving the technological infrastructure and expanding mechanisms for interaction with consumers, the Company constantly improves the efficiency of its activities, the availability and quality of services provided, and strives for trouble-free operation of the energy system in its area of responsibility.

– **investments for infrastructure development in the interests of consumers.** The scale of the Company’s activities and the strategic importance of the grid complex imply assistance in solving priority government programs. The Company is implementing a large-scale investment program aimed at ensuring the development of the electric grid infrastructure, modernizing fixed assets, increasing the availability of the electric grid infrastructure, expanding the service area, and fulfilling tasks of national importance.

– **creation of jobs and tax revenues.** The Company is represented in most regions of Russia and is one of the largest employers in the country. The Company strives to create and provide comfortable and safe working conditions and competitive wages for its employees.

Being one of the largest taxpayers in the country, the Company makes a significant contribution to the economic development of the state and contributes to the development of the regions where it operates.

– **implementation of innovations and support of technological development.** The Company strives to introduce advanced technological and scientific developments. Digital transformation increases the reliability, quality and availability of services provided, ensures the protection of life and health of workers, safety and cybersecurity, and increases the efficiency of business processes.

– **support for domestic manufacturers.** The Company contributes to the creation and development of domestic production of electrical equipment and components, the development of industry innovation infrastructure, promotes the development and modernization of enterprises in the domestic electrical industry, and increases the level of localization of manufactured products/equipment. The Company strives to reduce the share of imports in the procurement structure and support local manufacturers and suppliers.

– **increasing share in the grid services market.** In order to create a single centre of responsibility for ensuring reliable, high-quality and affordable power supply, the Company is consolidating power grid assets used in the process of transmitting electrical energy on the territory of the Russian Federation. Unified management principles and technical policy requirements are aimed at ensuring reliable power supply to consumers and energy security of the country’s regions as a whole.

### **5.1.3. Contribution to the economic growth of counterparties**

The Company adheres to an ethical approach to doing business and strives to disseminate this approach among counterparties, as well as contribute to their economic development by implementing the following practices:

– **anti-corruption.** The Company adheres to the principle of zero tolerance towards any manifestations of corruption. The Company constantly develops its compliance system and implements comprehensive measures to prevent corruption, violation of generally accepted standards of business ethics, commercial bribery, abuse of power, fraud and prevention of possible conflicts of interest.

– **support for fair competition.** The Company adheres to the principles of fair competition and openness. When implementing procurement activities, the

Company strives to provide equal opportunities to all potential contractors and partners, as well as create favourable conditions for equal and fair competition, contributing to the formation of a competitive economy.

– **support for small and medium-sized businesses and entrepreneurship.**

The Company has created an effective and transparent system of interaction with suppliers, primarily with small and medium-sized businesses (SMEs). The Company provides support to SMEs during procurement procedures, helps increase the competence and level of awareness of SME suppliers and contractors in matters of organizing procurement activities, and ensures strict compliance with contractual obligations to SMEs.

**5.1.4. Development of responsible financing instruments.**

5.1.4.1. The Company is interested in attracting investors and lenders in Russian and foreign financial markets using responsible financing instruments (including “green” and “social” loans, bonds).

5.1.4.2. The Company strives to meet the expectations of creditors and investors regarding the disclosure of information in the field of sustainable development and other areas of activity in accordance with the law, as well as best practices.

**5.1.5. An effectively functioning corporate governance system.**

5.1.5.1. The Company’s corporate governance system is one of the most developed among Russian public companies and complies with most of the recommendations of the Corporate Governance Code of the Bank of Russia and the best corporate governance practices. The Board of Directors of the Company provides the necessary control over issues of strategic development, business activities, financial and investment management, motivation of management and personnel, monitoring of significant projects, as well as other key areas that are decisive for the development of the Company.

The Company strives to ensure a high level of openness and transparency of its activities, implementing the principle of active dialogue with all stakeholders.

5.1.5.2. The Company’s corporate governance priorities are:

- respect and guarantees of the rights and legitimate interests of shareholders, investors, as well as stakeholders of the Company;
- ensuring information and financial transparency of the Company’s activities;
- the Company’s predictable dividend policy, taking into account the reasonable expectations of investors;
- an effective and professional Board of Directors, accountable to the Company’s shareholders, and its active participation in strategic planning, management and control of business processes.

**5.2. Environmental protection**

Despite the insignificant impact of electricity transmission activities on the environment compared to other areas of energy, the Company strives to prevent and minimize all negative consequences of its activities. Fully aware of its responsibility in the environmental sphere, the Company makes environmental protection and

ensuring a high level of environmental safety during the operation and construction of electric grids its priority. To achieve this, the Company strives to ensure minimal consumption of material resources and raw materials by improving the environmental management system.

The Company works to reduce greenhouse gas emissions, taking into account technical and economic possibilities, implementing climate projects and activities, as well as measures to adapt to climate change.

Energy efficiency measures play a key role in efforts to reduce negative impacts and enhance positive impacts on the climate. The Company constantly improves its energy management system and consistently introduces highly efficient energy-saving technologies into its activities. One of the Company's key objectives is to reduce electricity losses during its transmission and distribution. The technologies used to improve energy efficiency are based on best industry practices and global experience.

The Company strives to minimize the negative impact on the environment by adhering to a number of practices:

- **protection of atmospheric air.** The Company carries out production control in the field of atmospheric air protection. In the course of its production activities, the Company implements measures aimed at reducing the impact on atmospheric air, implementing measures to manage emissions and physical impact, paying significant attention to the timely modernization of equipment.

- **waste management.** The Company's activities in the field of production and consumption waste management include recording the volume of waste generation and assessing their danger, arrangement of waste accumulation sites and transfer of production and consumption waste to specialized organizations for processing, neutralization, recycling and disposal.

- **rational use of water resources.** Despite the fact that the Company's production processes do not involve a significant impact on water bodies, the Company implements measures aimed at the rational use of water resources, and also takes measures to ensure the protection of water bodies from pollution. The main directions to ensure a reduction in the negative impact on water bodies are to reduce the entry of pollutants into water bodies as part of wastewater through the construction and reconstruction of local treatment facilities, and the arrangement of sanitary protection zones for drinking and domestic water supply sources.

- **rational land use.** Rational land use is one of the priorities of the Company in the field of environmental protection. The Company takes all possible measures to reduce the areas of alienated and contaminated lands, as well as restore disturbed soils. Rational land use involves making decisions that take into account possible impacts on the conditions of traditional land use of indigenous peoples.

- **conservation of biodiversity.** The Company evaluates and takes into account risks in the field of biodiversity conservation. The Company carries out measures to protect flora and fauna, including those included in the International Red List of the International Union for Conservation of Nature (IUCN), the Red Book of the Russian Federation and the Red Books of the constituent entities of the

Russian Federation, and their habitats. The Company carries out work on compensatory forest restoration.

### **5.3. Caring for society**

The Company is aware of its responsibility to society and strives to ensure the well-being of its stakeholders by implementing the following practices:

– **respect for human rights.** The Company recognizes the importance of strict observance of fundamental human rights. The Company has created an environment that does not allow any discrimination, harassment and forced labour. The Company is aimed at ensuring decent working conditions and competitive remuneration for work, workers' rights to freedom of assembly and collective bargaining, access to a mechanism for filing complaints and appeals, as well as sociocultural diversity and increasing the inclusiveness of the work environment.

– **labour protection, industrial safety and reliability.** The Company provides safe and healthy working conditions, strives to reduce occupational diseases and industrial injuries (supporting the Vision Zero concept), ensures a high level of corporate safety culture, stimulates the introduction of innovative approaches and technologies that ensure the safety of workers during production activities and the reliability of power grid facilities.

– **gender balance.** Despite the traditionally lower representation of women in the energy industry, in contrast to other sectors of the economy, the Company, which operates in the transmission and distribution of electricity, has a more balanced gender balance in both initial and managerial positions. The development of technology, automation of business processes and the use of digital solutions made it possible to adapt operational processes to increase the proportion of women in the Company's personnel.

– **development of local communities.** The Company is guided by the principles of respect and support for the interests of local communities. In addition to creating accessible basic infrastructure that ensures power supply to the population in the regions of presence as part of its core activities, the Company contributes to the development of education, healthcare, science, culture, art and outreach, comprehensively improving the standard of living in the regions of presence.

– **charitable and sponsorship activities.** The implementation of charitable initiatives allows us to help society in areas not related to our main activities. The Company integrates universal human values into its corporate culture, promoting the involvement of employees in the implementation of socially significant charity and sponsorship projects.




– **development of human resources.** The Company supports a responsible human resource management system aimed at developing human resources and involving employees in the effective implementation of corporate tasks, including by increasing the competencies of employees, ensuring an increase in labour productivity, as well as compliance with safety requirements for personnel activities. The Company strives to improve the training system in order to preserve and develop

human resources, ensure decent working conditions and equal opportunities in fulfilling social and material obligations to employees.


## Appendix 1




### Contribution to achieving the UN SDGs



The Company recognizes the importance of all 17 UN Sustainable Development Goals. In view of the specifics of its activities, the following goals are highlighted as priorities, to the achievement of which the Company makes the greatest contribution:

UN Sustainable Development Goals	The Company's contribution to achieving the goals
 <p>3 ХОРОШЕЕ ЗДОРОВЬЕ И БЛАГОПОЛУЧИЕ</p>	<p>Ensuring healthy lifestyles and promoting well-being for everyone at all ages</p> <p>The Company strives to ensure the safety of the population and preserve the health and well-being of its employees when carrying out operational activities, including by:</p> <ul style="list-style-type: none"> <li>• ensuring safe conditions and labour protection;</li> <li>• health and life insurance of personnel;</li> <li>• promotion of a sports lifestyle.</li> </ul>
 <p>4 КАЧЕСТВЕННОЕ ОБРАЗОВАНИЕ</p>	<p>Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all</p> <p>Taking into account the specific knowledge and skills required to work at electric grid facilities, the Company promotes the development of professional skills of employees, including by:</p> <ul style="list-style-type: none"> <li>• training, retraining and advanced training of personnel;</li> <li>• development of a corporate personnel training system;</li> <li>• improving the quality of training of new specialists for the power grid complex;</li> <li>• cooperation with higher and secondary specialized educational institutions.</li> </ul>
 <p>7 НЕДОРОГОСТОЯЩАЯ И ЧИСТАЯ ЭНЕРГИЯ</p>	<p>Ensuring universal access to affordable, reliable, sustainable and modern energy sources for all</p> <p>The Company provides reliable, high-quality and affordable electricity supply at an acceptable price for consumers for the services provided by:</p> <ul style="list-style-type: none"> <li>• complying with regulatory requirements for the operation of electric grids aimed at maintaining established indicators of reliability and quality of power supply to consumers;</li> <li>• simplifying the procedure for grid connection of power installations of consumers and generation facilities (including renewable energy sources);</li> <li>• high-quality and timely implementation of investment projects aimed at performing grid connection activities;</li> </ul>



UN Sustainable Development Goals	The Company's contribution to achieving the goals
	<ul style="list-style-type: none"> <li>• minimizing consumer costs when accessing electricity;</li> <li>• increasing energy efficiency and reducing energy losses;</li> <li>• improving the quality of customer service;</li> <li>• development of electronic services for clients.</li> </ul>
 <p>Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>The Company guarantees opportunities for full development of workers, and also ensures decent working conditions by:</p> <ul style="list-style-type: none"> <li>• providing jobs in the regions of operation;</li> <li>• priority appointment of employees from the internal personnel reserve to leadership positions;</li> <li>• ensuring decent pay and working conditions, respect for workers' rights;</li> <li>• professional development of employees;</li> <li>• concluding collective bargaining agreements;</li> <li>• providing employees with compensation, social benefits and guarantees;</li> <li>• increasing labour productivity;</li> <li>• reducing industrial injuries.</li> </ul>
 <p>Building resilient infrastructure, promoting inclusive and sustainable industrialization and innovation</p>	<p>The Company supports the development of innovation and sustainable, environmentally friendly infrastructure through:</p> <ul style="list-style-type: none"> <li>• preservation and modernization of the transmission and distribution power grid infrastructure;</li> <li>• implementation of investment projects;</li> <li>• implementation of the Digital Transformation Strategy;</li> <li>• technological and innovative development.</li> </ul>

UN Sustainable Development Goals	The Company's contribution to achieving the goals
 <p>Ensuring openness, safety, resilience and environmental sustainability of cities and settlements</p>	<p>The Company ensures the safety and sustainability of cities and settlements, including by:</p> <ul style="list-style-type: none"> <li>• ensuring the reliability and quality of power supply to consumers;</li> <li>• implementation of projects within the framework of the national goal “Comfortable and safe living environment” and the “Smart City” concept;</li> <li>• provision of services for grid connection of consumers, installation of outdoor lighting and electricity metering;</li> <li>• development of a network of charging stations for public and personal electric vehicles in the regions of presence;</li> <li>• application of technical architectural solutions that contribute to the rational use of land in cities and towns, as well as maintaining the integrity of their architectural appearance.</li> </ul>
 <p>Ensuring the transition to rational consumption and production models</p>	<p>The Company adheres to a policy of rational consumption and production, including by:</p> <ul style="list-style-type: none"> <li>• increasing energy efficiency and reducing losses;</li> <li>• preferential use of “clean” technologies that do not cause significant damage to the environment;</li> <li>• rational use of natural resources in carrying out operational activities;</li> <li>• minimizing the negative impact on the environment;</li> <li>• effective functioning of the environmental management system.</li> </ul>
 <p>Taking urgent measures to combat climate change and its consequences</p>	<p>The Company takes an active part in the fight against climate change, including by:</p> <ul style="list-style-type: none"> <li>• reducing greenhouse gas emissions through: <ul style="list-style-type: none"> <li>- reduction of losses during transmission and distribution of electricity;</li> <li>- development of charging infrastructure;</li> <li>- reducing the consumption of fuel and energy resources for utility needs;</li> </ul> </li> <li>• ensuring the supply to the grid and delivery of electricity from low-carbon sources to consumers;</li> </ul>

UN Sustainable Development Goals		The Company's contribution to achieving the goals
		<ul style="list-style-type: none"> <li>• land reclamation;</li> <li>• increasing the reliability and adaptability of the power grid complex to dangerous climatic phenomena;</li> <li>• popularization of energy saving and energy-saving lifestyle;</li> <li>• implementation of measures to save energy and improve energy efficiency.</li> </ul>
	<p>Protecting and restoring terrestrial ecosystems and promoting their sustainable use, sustainable forest management, combating desertification, halting and reversing land degradation and halting the loss of biodiversity</p>	<p>The Company carries out production activities in accordance with environmental protection requirements, including the following activities:</p> <ul style="list-style-type: none"> <li>• conservation of biodiversity, including ensuring ornithological safety of power grid facilities and implementation of measures to preserve aquatic biological resources and their habitats;</li> <li>• land reclamation and compensatory reforestation;</li> <li>• phased decommissioning of PCB-containing equipment with its subsequent transfer for destruction.</li> </ul>
	<p>Strengthening the means of implementation and intensifying the work within the framework of the Global Partnership for Sustainable Development</p>	<p>The Company is focused on promoting the implementation of global policies in the field of sustainable development, including by:</p> <ul style="list-style-type: none"> <li>• effective interaction with stakeholders;</li> <li>• representation in international associations and organizations;</li> <li>• studying and applying the best world practices through mechanisms of international scientific and technical exchange;</li> <li>• support for small and medium-sized businesses.</li> </ul>