



— Have the Company's sustainable development priorities changed due to restructuring?

— In the reporting year, the restructuring of the transmission and distribution grid facilities was completed. Unification of approaches to ESG activities within the Group's perimeter is forthcoming. We expect that the introduction of a single centre of responsibility will increase our contribution to the implementation of the relevant UN goals. As a first step, the Board of Directors of PJSC Rosseti approved the Sustainable Development Policy. The document identifies the Company's consistent principles and approaches in this regard. Similar internal documents were approved by our subsidiaries.

At the same time, the basic principles that the Rosseti Group's companies have been adhering to in the area of sustainable development for many years will not change: reliable and high-quality power supply to consumers, environmental stewardship, and, by all means, fulfilment of social obligations to employees.

— What are the specifics of ESG priorities for companies in the power industry?

— Recently, the sustainable development agenda has been undergoing changes. Priorities are being transformed, and the focus is shifting. This is relevant not only for power

industry companies but for all sectors of the economy as well. Whereas attaining carbon neutrality and mitigating the adverse effects were the main concerns a few years ago, the social aspect has now taken stage. The value of human capital is being more recognised. I believe this approach is fair and justified, especially for companies of the Rosseti Group.

People are our most valuable resource, and because of the peculiarities of the power grid industry, we also have an extra obligation to safeguard the lives and well-being of our employees. The fundamental principle is a preventive approach: timely personnel training and strict adherence to labour protection requirements. We place particular emphasis on improving employee well-being and creating opportunities to unleash potential. We run our own educational programmes, host professional skills competitions, and actively participate in the projects of the Presidential Platform: Russia, the Land of Opportunities.

Certainly, the E and G components also remain relevant.

We pay great attention to reforestation, safe waste management, biodiversity concerns and energy efficiency.

Sustainable development issues are integrated into the Company's corporate governance system at all levels. When making management decisions, the Board of Directors and the Company's management are mindful of ESG factors.

The validity of ESG prioritisation is confirmed by the expert community. We are proud that in the reporting year, the Company's ESG rating was raised one notch to ESG-2.

**Yulia Leschevskaya,**  
**Deputy General Director for Strategy**

## ESG rating

In 2023, the Analytical Credit Rating Agency (ACRA) upgraded the Company's ESG rating to ESG-2, which corresponds to a very high level in the area of environmental protection, social responsibility and governance.

The ACRA's decision is driven by the large-scale integration of sustainable development principles into the business model of the Rosseti Group. The assessment reflects the Company's strong dedication to sustainable development issues, a very high level of environmental, social and governance risk management, and an outstanding compliance with the best domestic and global ESG practices.

# Stakeholder Relations

Viable and mutually beneficial stakeholder engagement is one of PJSC Rosseti's priorities in sustainable development.



The Company recognises the importance of building effective relations with stakeholders. PJSC Rosseti has a procedure for reviewing the list of stakeholders once every two years. The process includes analysing the Company's activities and external context, and assessing the mutual influence

of PJSC Rosseti and stakeholders. Most recently, the list of stakeholders was revised while compiling the Company's 2023 Social Responsibility and Corporate Sustainable Development Report. The next revision is scheduled as part of the preparation of the forthcoming annual Report.

Key topics and channels of stakeholder engagement

Stakeholder group	Stakeholders	Key topics of engagement	Direct personal interaction	External events (conferences, forums, etc.) and meetings	Exchange of reports	Business correspondence and phone calls	Internal portal	Contractual relations, implementation of agreements	Information disclosure on the official website of PJSC Rosseti
Stakeholders and Investors	Shareholders Investors	<ul style="list-style-type: none"> <li>Economic efficiency of operations</li> <li>Management practices</li> <li>Growth of share capital</li> <li>Sustainable development performance</li> <li>Stability of the business in the longer term</li> <li>Transparency and reliability of reporting</li> </ul>	✓	—	✓	✓	—	—	✓
Partners, including non-profit ones	Banks and financial institutions	<ul style="list-style-type: none"> <li>Co-operation for fundraising</li> <li>Business ethics and reputation</li> <li>Investment attractiveness</li> <li>Business sustainability</li> <li>Effective risk management</li> </ul>	✓	✓	✓	✓	—	✓	✓
	Professional associations Industry organisations	<ul style="list-style-type: none"> <li>Exchange of experience</li> <li>Development and modernisation of the electric power industry</li> <li>Spread of green electricity and energy transition</li> </ul>	—	✓	✓	✓	—	✓	✓
	Suppliers and contractors	<ul style="list-style-type: none"> <li>Supply of goods and performance of works</li> <li>Competitive procurement</li> <li>Transparency and business ethics</li> <li>Import substitution</li> <li>Regional economic development</li> </ul>	✓	✓	—	✓	—	✓	✓
Consumers	Customers and consumers of services	<ul style="list-style-type: none"> <li>Quality of services and stable energy supply</li> <li>Business ethics</li> <li>Fulfilment of contractual obligations and cooperation</li> </ul>	✓	✓	—	✓	—	✓	✓
The State	Public authorities	<ul style="list-style-type: none"> <li>Development and modernisation of the Unified National Power Grid of Russia</li> <li>Compliance with legal and regulatory requirements</li> <li>Social and economic activities</li> <li>Environmental protection activities</li> <li>Taxation</li> </ul>	—	✓	✓	✓	—	—	✓
	Regional and local self-government authorities	<ul style="list-style-type: none"> <li>Social and economic development of the Company's footprint regions</li> <li>Energy supply to key regional industrial and social facilities</li> <li>Charitable and sponsorship initiatives</li> <li>Taxation</li> </ul>	—	✓	✓	—	—	✓	✓
The public	Population of regions of operation, local communities	<ul style="list-style-type: none"> <li>Reliability of power supply</li> <li>Employment opportunities</li> <li>Environmental impact</li> <li>Development of regional infrastructure</li> <li>Charitable and sponsorship initiatives</li> </ul>	—	✓	—	✓	—	✓	✓
	Scientific community	<ul style="list-style-type: none"> <li>Development and modernisation of the electric power industry</li> <li>Spread of green electricity and energy transition</li> <li>Research and innovation</li> <li>Environmental and health protection, application of relevant advanced technologies</li> <li>International science and technology dialogue</li> </ul>	—	✓	—	—	—	✓	✓
	Educational institutions	<ul style="list-style-type: none"> <li>Education and career guidance</li> <li>Employment of specialists</li> <li>Unleashing the scientific potential</li> <li>Development of innovative technologies</li> </ul>	✓	✓	—	✓	—	✓	—
	Environmental institutions	<ul style="list-style-type: none"> <li>Environmental protection activities and the Company's environmental impact</li> <li>Environmental safety of power grids</li> <li>Environmental protection initiatives</li> <li>Dissemination of responsible environmental management practices</li> </ul>	—	✓	—	✓	—	✓	—
	Public social and charitable organisations	<ul style="list-style-type: none"> <li>Charitable and sponsorship initiatives</li> <li>Respect for the rights of employees and other stakeholders</li> <li>Social responsibility</li> </ul>	—	✓	—	—	—	✓	✓
Internal stakeholders	Mass media	<ul style="list-style-type: none"> <li>A wide range of topics affecting all of the Company's stakeholders</li> </ul>	—	✓	—	—	—	—	✓
	Subsidiaries	<ul style="list-style-type: none"> <li>Implementation of the Long-Term Development Programme</li> <li>Operating efficiency</li> <li>Fulfilment of the business plan and achievement of KPIs</li> <li>Adherence to sustainable development principles</li> </ul>	✓	—	✓	—	✓	✓	—
	Top management of the Company	<ul style="list-style-type: none"> <li>Implementation of the Long-Term Development Programme</li> <li>Economic and operational efficiency</li> <li>Management practices</li> <li>Fulfilment of the business plan and achievement of KPIs</li> <li>Adherence to sustainable development principles</li> </ul>	✓	—	✓	✓	✓	✓	—
	Company personnel	<ul style="list-style-type: none"> <li>Decent working conditions and remuneration</li> <li>Occupational health and safety</li> <li>Professional development and training</li> <li>Social safeguard</li> </ul>	✓	✓	✓	✓	✓	✓	—
	Company veterans (retirees)	<ul style="list-style-type: none"> <li>Decent remuneration and recognition</li> <li>Exchange of experience</li> </ul>	✓	—	—	—	✓	—	—

For more details on significant stakeholder engagement events in the reporting year, please see the Report on Social Responsibility and Corporate Sustainability of the Rosseti Group for 2023.