

# Personnel Policy

Corporate values adopted in the Company are a connecting link for all spheres of activity complying with the directions of development and social commitments adopted in the Company.

Values and ethnic norms of the Company are fixed in the Code of Corporate Ethics and Corporate Behavior of Company Employees<sup>1</sup> and cover such spheres as:

- Reliability
- Human resource
- Efficiency
- Safety
- Social responsibility

The key objectives of the Company personnel and social policy designed to ensure the achievement of the target points of the Electric Grid Development Strategy, are as follows:

- Planning of personnel requirements
- Timely provision of the Company needs for personnel with the required qualifications
- Ensuring the effectiveness of personnel, the growth of labor productivity

Goals of the personnel and social policy are achieved by implementing a complex of measures in the field of organization design, human resourcing and personnel development, management of personnel's activity efficiency (motivation), provision of social benefits and warranties, and ensuring the safety of personnel activity and work culture.

## Structure of the staff by segments, persons

Branch name	2016	2017	2018	2018 (plan)	2019
Altay Region (Altayenergo)	3,610	3,690	3,630	3,732	3,654
Republic of Altay (Gorno-Altayskiye Power Grids)	518	562	558	548	564
Republic of Buryatia (Buryatenergo)	2,055	2,136	2,200	2,141	2,567
Krasnoyarsk Region (Krasnoyarskenergo)	4,750	4,585	4,687	4,784	4,766
Kemerovo Region (Kuzbassenergo – Regional Electric Grids)	2,598	2,695	2,648	2,668	2,667
Omsk Region (Omskenergo)	2,811	2,915	2,867	2,913	2,883
Republic of Khakassia (Khakasenergo)	1,022	1,075	1,355	1,074	1,077
Zabaikalye Region (Chitaenergo)	2,355	2,375	2,373	2,459	2,382
Total for PJSC IDGC of Siberia	19,719	20,033	20,318	20,319	20,560

Change in the headcount of PJSC IDGC of Siberia is conditioned by natural personnel circulation and admittance of personnel to the production department of the branch Khakasenergo due to assignment of a status of a guarantee supplier in relation to the area of operations JSC Khakasenergosbyt in the territory of Republic of Khakassia.

1. Approved by the Board of Directors of PJSC "Russian Grids", Minutes No. 252 dated 22.02.2016

**Structure of the staff by categories, persons**

Employees	2016	2017	2018
<b>Total</b>	<b>19,719</b>	<b>20,033</b>	<b>20,318</b>
men	15,415	15,638	15,834
women	4,304	4,395	4,484
<b>Top executives (by grades: Director General and not lower than level 2)</b>	<b>13</b>	<b>16</b>	<b>16</b>
men	13	16	15
women	0	0	1
<b>Heads of functional subdivisions (not included in the previous category)</b>	<b>2,707</b>	<b>2,903</b>	<b>3,133</b>
men	2,359	2,528	2,740
women	348	375	393
<b>Specialists</b>	<b>6,651</b>	<b>6,832</b>	<b>6,737</b>
men	3,746	3,830	3,671
women	2,905	3,002	3,066
<b>Workers</b>	<b>10,348</b>	<b>10,282</b>	<b>10,432</b>
men	9,297	9,264	9,408
women	1,051	1,018	1,024

**Structure of the staff by age, persons**

Employees	2016	2017	2018
Total	19,719	20,033	20,318
up to 30 (inclusively)	4,014	3,989	3,702
31-40	6,425	6,642	6,912
41-50	4,427	4,647	4,936
51-55	2,113	1,986	1,965
above 55	2,740	2,769	2,803
Average age of employees	40	40	40
working pensioners	959	999	1,112

In 2018, share of employees at the age below 40 decreased by 0.8%, at the age from 41 to 50 – increased by 1.1% and at the age above 51% decreased by 0.3%. The basis of the Company is formed by the most active and efficient age group – personnel at the age from 31 to 50 possessing high professional skills and personal motivation.

The number of young people at the age below 30 and aged employees is balanced, which enables more experienced employees to share their experience and mastery with the youth.

**Distribution of employees by education, persons**

Employees	2016	2017	2018
Higher vocational education, incl. employees of the following categories:	7,723	8,136	8,434
workers	1,478	1,561	1,687
specialists, office workers and technical executives	4,532	4,725	4,742
heads	1,713	1,850	2,005
Two higher educations, incl. employees of the following categories:	900	875	912
workers	82	71	84
specialists, office workers and technical executives	536	524	534
heads	282	280	294
Academic degree	14	16	17
Secondary vocational education, elementary vocational education, incl. employees of the following categories:	8,012	8,204	8,382
workers	5,918	6,023	6,236
specialists, office workers and technical executives	1,425	1,451	1,356
heads	669	730	790
Secondary (complete) general education, basic general education (incomplete secondary)	3,070	2,802	2,573
Total	19,719	20,033	20,318

Policy in the sphere of personnel development is aimed at the maintenance of high professional level of employees. More than 45% of Company employees have high vocational education and 41% of employees have secondary and elementary vocational education.

**RECRUITMENT**

Personnel are recruited to vacant positions in case of transfer or dismissal of employees, and to newly created positions.

As of 31.12.2018, Company management personnel reserves comprise 1,890 employees of the executive body and branches.

Out of 580 appointments to management positions conducted in 2018 in the Company branches and executive body, 367 posts (63.3%) are staffed by internal candidates, of whom 244 employees (42.1%) are from the candidate pool. Due to systematic work personnel reserves, the ratio of the provision with managerial succession pool of all the established positions of head officers amounted to 93.4%.

For the purpose of collection of information on potential candidates, labor market is monitored and external candidate pool is formed for the following positions: mid-level executives (from the level of department head), heads and chief engineers for production departments, regional electric grids, operations supervisors, etc.