

SOCIAL RESPONSIBILITY

Creating comfortable conditions for work and rest of employees, improving their social security, improving labor and social relations in the team are the main principles of the social policy of Kubanenergo PJSC.

Kubanenergo PJSC pays special attention to the social support of the Company's employees at forming the motivation of employees and increasing their commitment in their production operations. Social benefits and guarantees existing in the Company, social programs and employee assistance programs allow attracting and retaining the most valuable personnel, strengthening the loyalty of employees to the Company, and contributing to the achievement of its goals.

Demanding the greatest return and increase in the efficiency of each employee's work, the Company recognizes the need to provide employees with additional social benefits and guarantees, financed from the Company's profits, established by law.

The industry tariff agreement in the electric power industry of the Russian Federation, the collective agreement, Internal Regulations, rules, and other local regulations form the basis of the social policy of Kubanenergo PJSC.

Social package for Company employees, members of their families and retirees in 2016–2018

SOCIAL ACTIVITIES	2016	2017	2018
Financial assistance to employees and retirees, thousand rubles	22,074.89	24,030.57	25,185.02
Sanatorium-resort treatment and rehabilitation of workers and their children, thousand rubles	14,372.0	13,986.12	14,195.56
Partial or full compensation of the confirmed expenses of employees	604.32	594.91	760.73
Voluntary medical insurance, the number of insured persons / insurance premium, thousand rubles.	8,831 / 11,682.10	8,928 / 21,603.57	9,035 / 22,148.40
Accident insurance, the number of insured persons / insurance premium, thousand rubles.	8,765 / 1,093.85	8,834 / 2,550.92	8,936 / 2,550.92

As a part of the social package, the Company's employees are provided with material assistance in connection with the birth of a child, marriage registration, burial of close relatives, retirement, material assistance in emergency cases, material assistance to large families, material assistance in the event of the death of an employee, compensation is paid for the maintenance of children in preschool institutions, other payments are also made as stipulated in the collective agreement.

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Being a socially responsible Company, Kubanenergo PJSC takes care of veterans and pensioners of the Company. Non-working pensioners of Kubanenergo PJSC receive monthly financial assistance.

During the reporting period, more than 2.8 thousand veterans and pensioners of the Company received various benefits (financial assistance for Victory Day, financial assistance for the Energy Day, monthly financial assistance and financial assistance for applications, etc.) for a total of 8,019.82 thousand rubles.

An important direction in improving the efficiency of staff is the rehabilitation and rest of workers and their children.

In the reporting year, 757 vouchers were purchased for sanatorium treatment and recreation of employees and their family members, and 250 vouchers to children's health camps.

Kubanenergo PJSC provides its employees with high-quality and timely medical care through the conclusion of voluntary medical insurance contracts and 24-hour employee insurance against accidents. In accordance with the established standards, Kubanenergo PJSC insures 100% of the Company's employees under voluntary medical insurance and accident insurance contracts.

In order to improve the social security of employees and the development of non-financial incentives, Kubanenergo PJSC develops non-state pension programs.

Non-state pension provision is designed to ensure a decent level of welfare of workers at retirement age, to create conditions for the effective solution of personnel issues related to attracting, retaining and motivating staff.

In order to develop and maintain a healthy lifestyle, Kubanenergo PJSC conducts physical fitness and recreation activities and develops mass sports among its employees, providing them with access to sports infrastructure.

In the reporting period, the national teams of Kubanenergo PJSC took an active part in the world and all-Russian competitions, corporate competitions of the fuel and energy complex and in competitions among the teams of the Rosseti Group of Companies.

The 3rd Sochi corporate games were held in Sochi in February 2018, as a part of the sports program of the Russian Investment Forum, and the World Energy Games in September. The combined team of PJSC Rosseti, consisting exclusively of employees of Kubanenergo PJSC, won 33 medals, of which 15 were gold, 12 silver, and six bronze. The combined team of PJSC Rosseti became the first among all teams in terms of the number of gold medals and the overall medal standings. 35 athletes of the PJSC Rosseti national team took part in 12 sports events: mini-football, volleyball, basketball, swimming, darts, pull-ups, weight-lifting, push-ups, checkers, chess, backgammon, table tennis. In each of them, athletes of PJSC Rosseti won prizes, and some of them took several gold medals in various categories.

In April 2018 in Moscow, the team of Kubanenergo PJSC became the winner of the Rossetti Cup mini-football tournament among the teams of Rosseti Group of Companies. With the winning in the Rossetti Cup tournament, the Kubanenergo PJSC team won the right to represent the Rossetti Group of Companies at the Federal "Fuel and Energy Industry Cup" competitions at the Ministry of Energy of Russia.

In September 2018, in the city of Saratov, the team of Kubanenergo PJSC became the silver prize-winner of swimming competitions among the teams of the Rosseti Group of Companies.

Kubanenergo PJSC provides social support to veterans and non-working pensioners of the Company. In 2018, active work was carried out on interaction with the veteran community.

Historical memorial events "The Victory Banner Relay" and "St. George Ribbon" were held as a part of the celebration of the 73rd anniversary of the Victory in the Great Patriotic War in all 11 branches and the executive office of the Company.

Kubanenergo PJSC took part in the all-Russian action "Immortal Regiment". Honoring veterans and providing them with material support is an integral part of the Company's humanitarian activities.

Kubanenergo PJSC pays considerable attention to activities that unite and consolidate the Company's staff, thereby enhancing the internal corporate culture.

The following events were held in 2018:

- celebration of Defender of the Fatherland Day;
- Celebration of March 8;
- honoring the participants of the Great Patriotic War;
- celebration of Children's Day;
- holding a competition of children's creativity "Energy of talents";
- holding a competition of children's drawings "Russian Grids: children make a drawing!";
- holding Christmas party for the children of the Company's employees.

An employee of Kubanenergo PJSC took part in the finals of the competition, which was held as a part of the celebration of the fifth anniversary of PJSC Rosseti in April 2018 in Moscow and won the regional stage of the corporate vocal contest Energy.

To popularize the professions of the energy industry and to involve the children of Kubanenergo PJSC employees in the creative process, annual traditional contests "Rosseti: children make a drawing!" and "Energy of talents". In general, over 220 children took part in these contests in the Company, 180 of them were awarded with valuable prizes and gifts.

Particular attention is paid to the preparation and celebration of the professional holiday "Day of Energy".

In total, in 2018 more than 200 employees of the Company were awarded departmental awards of the Ministry of Energy of Russia, industry awards of the ERA of Russia Association, regional awards of the Krasnodar Territory Administration, the head of the Republic of Adygea and the State Council – Khase of the Republic of Adygea. For a significant contribution to the development of the electric grid complex and participation in ensuring reliable and uninterrupted operation, 1243 employees were awarded corporate awards, of which 106 – were awarded by PJSC Rosseti, 594 – were awarded by Kubanenergo PJSC, 543 – were awarded by Kubanenergo branches.

The social work of Kubanenergo PJSC is aimed at developing social partnership, increasing the social protection of employees and creates prospects for the development of the Company as a whole.