2023

SUSTAINABILITY REPORT OF OGK-2 PJSC FOR 2023

Saint Petersburg, 2024

TABLE OF CONTENTS

01. ADDRESS BY THE OGK-2 PJSC MANAGEMENT TO SHAREHOLDERS 3

02. ABOUT THE COMPANY 5

01. BRIEF OVERVIEW OF THE COMPANY **5**
02. GEOGRAPHICAL REACH **6**
03. MARKETS OF THE COMPANY'S PERFORMANCE AND THEIR DEVELOPMENT POTENTIAL **6**
04. BUSINESS MODEL **10**
05. COMPANY'S PARTICIPATION IN THE IMPLEMENTATION OF CONTROLLING SHAREHOLDER’S STRATEGY FOR THE ELECTRIC POWER INDUSTRY **12**
06. OGK-2 MISSION AND PRINCIPLES IN THE FIELD OF SUSTAINABILITY **14**
07. KEY PERFORMANCE INDICATORS OF THE COMPANY IN 2023 **15**
08. HIGHLIGHTS OF THE YEAR **19**
09. SUSTAINABILITY AWARDS AND PRIZES **20**

03. SUSTAINABILITY MANAGEMENT 21

01. OUR APPROACH TO MANAGING SUSTAINABILITY **21**
02. SUSTAINABILITY GOALS **24**
03. CORPORATE SUSTAINABILITY MANAGEMENT **28**
04. MANAGEMENT SYSTEMS **30**
05. ALLOCATION OF DUTIES AND RESPONSIBILITIES FOR SUSTAINABILITY **31**
06. ROLE OF THE BOARD OF DIRECTORS IN THE FIELD OF SUSTAINABILITY **35**
07. ROLE OF THE BOARD OF DIRECTORS COMMITTEES IN THE AREA OF SUSTAINABILITY **42**
08. THE ROLE OF THE SOLE EXECUTIVE BODY (SEB) AND SENIOR MANAGEMENT IN SUSTAINABILITY **45**
09. REMUNERATION AND MOTIVATION OF THE SEB, SENIOR MANAGEMENT AND THE BOARD OF DIRECTORS **45**
10. SUSTAINABILITY RISK MANAGEMENT SYSTEM **48**
11. ETHICS AND CORRUPTION CONTROL **63**
12. STAKEHOLDER ENGAGEMENT **66**

04. ENVIRONMENTAL PROTECTION 71

01. MANAGEMENT OF ENVIRONMENTAL ISSUES **71**
02. EMISSIONS OF GREENHOUSE GASES AND AIR POLLUTANTS INTO THE ATMOSPHERE **74**
03. ENERGY SAVING AND ENERGY EFFICIENCY IMPROVEMENT **77**
04. UTILIZATION OF WATER RESOURCES **79**
05. WASTE MANAGEMENT **82**
06. BIODIVERSITY CONSERVATION **85**

05. SOCIAL RESPONSIBILITY **86**

01. MANAGEMENT OF HUMAN RESOURCES AND SOCIAL POLICY ISSUES **86**
02. PERSONNEL STRUCTURE **89**
03. PROTECTING THE INTERESTS AND RIGHTS OF EMPLOYEES **91**
04. EMPLOYEES TRAINING AND DEVELOPMENT **96**

06. OCCUPATIONAL HEALTH AND SAFETY **100**

01. OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT **100**
02. DEVELOPMENT OF SAFETY CULTURE IN THE COMPANY **105**
03. TRAINING IN THE FIELD OF OCCUPATIONAL HEALTH AND SAFETY **105**
04. MEASURES TAKEN TO ENSURE SAFE WORKING CONDITIONS **106**
05. OCCUPATIONAL INJURIES **110**

07. DEVELOPMENT OF REGIONS OF OPERATION AND INTERACTION WITH LOCAL COMMUNITIES **113**

01. CONTRIBUTION TO THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGIONS OF OPERATIONS **113**
02. TAX POLICY **117**
03. SUPPLY CHAIN DEVELOPMENT **119**
04. INNOVATION ACTIVITIES **122**

08. APPENDICES **125**

APPENDIX 1. BASIC QUANTITATIVE DATA **125**
APPENDIX 2. MAIN REGULATORY DOCUMENTS **139**
APPENDIX 3. ABOUT THE REPORT **143**
APPENDIX 4. MATERIAL TOPICS **145**
APPENDIX 5. ASSURANCE OF THE REPORT **151**
APPENDIX 6. PARTICIPATION IN ORGANIZATIONS AND ASSOCIATIONS **151**
APPENDIX 7. GLOSSARY **152**
APPENDIX 8. CONTACT DETAILS **153**
APPENDIX 9. GRI CONTENT INDEX **153**
APPENDIX 10. TABLE OF COMPLIANCE WITH THE METHODOLOGICAL RECOMMENDATIONS FOR THE PREPARATION OF SUSTAINABILITY REPORTING OF THE MINISTRY OF ECONOMIC DEVELOPMENT OF THE RUSSIAN FEDERATION **164**

01 ADDRESS BY THE OGK-2 PJSC MANAGEMENT TO SHAREHOLDERS

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

ADDRESS BY THE MANAGEMENT OF OGK-2 TO SHAREHOLDERS OF THE COMPANY

[GRI 2-22], [GRI 2-29]

DEAR SHAREHOLDERS,

The foundation of OGK-2 development is built not only on achieving high production and financial indicators, but also on contributing to the prosperity of our regions of operation. The Company is committed to economic growth while strictly adhering to the basic ESG principles, paying special attention to environmental protection, improving the lives of employees and implementing advanced management standards. The well-being of millions of people from the Far East to the North-West depends on the Company's performance.

We continue to give the highest priority to the environmental agenda, striving to reduce our carbon footprint as part of a comprehensive fight against climate change. In the reporting year, the branches implemented a large volume of environmental protection measures aimed at air protection, wastewater treatment, waste management and many others.
Novocherkasskaya GRES and Pskovskaya GRES are actively implementing programs for stocking water bodies whose resources are used in production cycles. OGK-2 employees on a regular basis carry out environmental activities on cleaning and planting of greenery in settlements. In addition, young specialists implement eco-education projects in educational institutions: environmental lessons, contests and environmental actions. For the second year in a row, children of the Company's employees took part in the controlling shareholder Group's environmental camp. Undoubtedly, it educates and instills a careful attitude to nature from a young age.

Despite the fact that 2023 was another serious test of strength, OGK-2 continued to ensure the country's energy security in the current realities. In the face of global challenges, we have been able to maintain our commitment to sustainability.

The Company's power facilities are implementing a large-scale state program for competitive selection of modernization capacity (CCTMod), which will ensure the reliability of heat and electricity supplies to consumers in the long term. For example, last February we commissioned the first of three new turbine units at Kirishskaya GRES. In 2024, the renewal of the oldest turbine of the CHPP part of the power plant will be completed, and already in 2025 we will complete the modernization of the capacities of the largest energy facility of the North-West power industry, which will significantly strengthen the reliability of heat energy supplies to consumers, including the petrochemical cluster of the Leningrad Region. In parallel, active work is underway to replace main and auxiliary equipment at Units 13 and 16 of Surgutskaya GRES-1. Work is expected to be completed here as well by next year. The renovation of capacities will make it possible to improve the reliability of heat supply to industrial consumers and regional residents.

As part of adaptation to new conditions, the Company successfully implemented a unique pilot project “Labour training of innovators”. During the year, young specialists of OGK-2 worked on the issues of import substitution, reliable operation under sanctions and increasing production efficiency. To improve communication, all categories of staff, including branch managers and executive office, were involved in the project implementation. As a result, we were able to identify talented and engaged leaders in the regions, as well as receive cases from young innovators with solutions to strategic problems, which will later be implemented in production processes.

People are the main value of OGK-2, therefore creation of comfortable working environment remains one of the main directions of our activity. The Company implements a large-scale program of improvement of social and domestic facilities of power plants, which is gaining momentum every

year. Working conditions directly affect the productivity of the team, so we will continue to increase the pace of work in this area in the future.

Development of a healthy lifestyle and popularization of sports among the Company's employees, their families and regional residents are priority tasks of the Company's social policy. The Company actively supports and implements sports programs, holds various competitions, tournaments and fields days.

Social partnership accounts for a large segment of work within the framework of interaction with the team. In 2023 a new OGK-2 Collective Agreement for the period of work from 2024 to 2026 was signed. Constructive negotiations allowed the Company's management and the trade union to prepare the documents required for signing in a timely manner. In a transparent dialog between the employer and trade unions, high standards of the Company's social policy are set, which are primarily based on the needs of its many thousands of employees. The benefits and guarantees provided by the Company for many years are in great demand among employees.

Work in the charity segment also remains central to our agenda. In 2023, there was a strong focus on supporting children with disabilities, from targeted treatment-oriented support to inclusive activities. In addition, OGK-2 allocated funds for the development of regional budget institutions of culture, science and education. The Company is interested in improving the living standards of the population and maintaining social stability.

In 2024, OGK-2 will continue to make steady progress towards achieving its and national development goals – to maintain sustainability in a period of change. The last few years have shown that the energy industry of the Russian Federation is able to respond flexibly to any serious challenges even in an unstable geopolitical situation. We are sure that in the future we will be able to cope with all the tasks set due to high professionalism, coherence and unlimited potential of our team!

02 ABOUT THE COMPANY

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

ABOUT THE COMPANY

01. BRIEF OVERVIEW OF THE COMPANY [GRI 2-1]

We are Second Generating Company of the Wholesale Electricity Market Public Joint Stock Company, abbreviated name – OGK-2 PJSC (hereinafter also referred to as OGK-2, the Company). Our Company was established on March 09, 2005.

The Company was registered at the following address until August 27, 2023: Solnechnodolsk village, Izobilnensky District, Stavropol Region, 356126, Russian Federation. Since August 28, 2023 the Company has been registered at the following address: office 701, room 36-N, floor 7, letter A, bldg. 1, 66 Peterburgskoe shosse, intracity territory of a federal city Shushary village, Saint. Petersburg, 196605.

[GRI 2-6]

OGK-2 is the largest Russian power and heat generating company with installed electric capacity of 16.3 GW, installed thermal capacity of 2.7 thousand Gcal/h and annual revenue of RUB 165 billion.

The principal operations of OGK-2 are production and sales of electric (capacity) and thermal power. As part of this activity, OGK-2 ensures operation of power equipment in accordance with applicable regulations, conducts timely and high-quality repairs, technical re-equipment and reconstruction of power facilities.

OGK-2 activity – 35.11.1 (Production of electricity by thermal power plants, including activities to ensure power plant operability).

The main market for sales of products manufactured by the Company's branches is the wholesale power (capacity) market. In addition, the Company supplies heat energy and heat carrier to retail markets to consumers located in close proximity to power plants, including industrial enterprises, wholesale buyers and resellers, and households.

COMPETITIVE ADVANTAGES

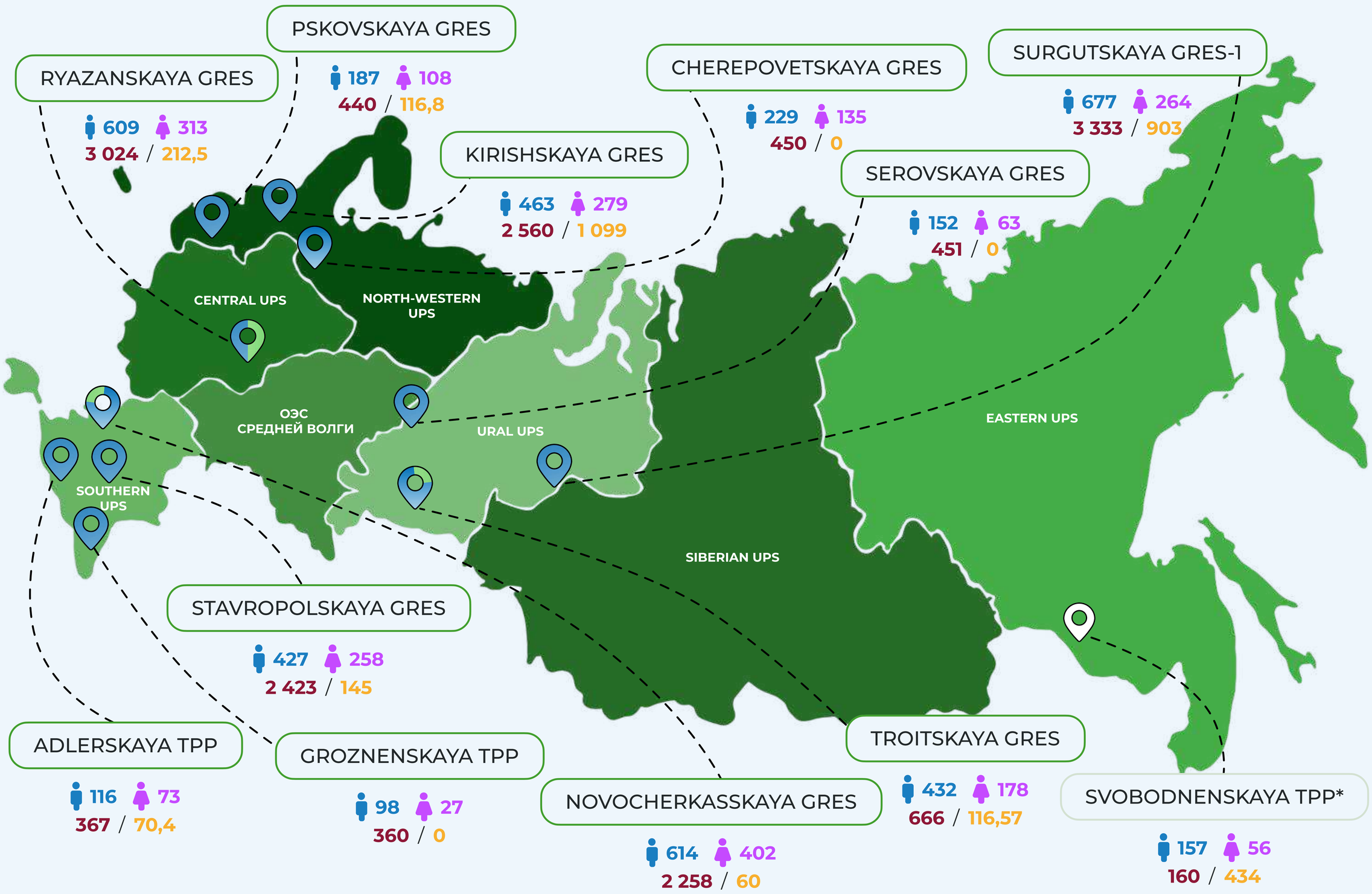
- Maximum capabilities of power plants to adhere the consumption schedule
- Generation and supply of heat and power to industrially developed regions of the country
- Consistent renewal of generation capacities under the CSA and the CCTMod programs
- Some of OGK-2 power plants are backbone ones in free flow zones
- Ability to diversify the fuel balance and optimize it to better suit the fuel market situation
- Effiency enhancement potential in power plants operation

02. GEOGRAPHICAL REACH

[GRI 2-6], [GRI 2-1]

Total
4 309 2 313

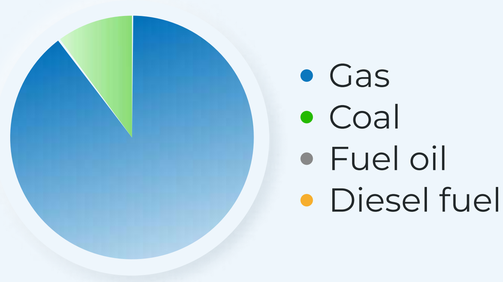
Executive office
148 157



Installed electric capacity, MW / **Installed heat capacity, Gcal/h**

Number of staff in the breakdown by gender as of December 31, 2023

*Svobodnenskaya TPP is operated by the Company.



03. MARKETS OF THE COMPANY'S PERFORMANCE AND THEIR DEVELOPMENT POTENTIAL

[GRI 2-1]

WHOLESALE ELECTRICITY AND CAPACITY MARKET

Wholesale Electricity and Capacity Market (hereinafter referred to as the wholesale market or WECM) is a sphere of electric power circulation within the Unified Energy System of Russia within the boundaries of the common economic space of the Russian Federation with participation of large producers and large buyers of electric power who have received the status of a wholesale market entity and operate on the basis of wholesale market rules.

In order to ensure reliable and uninterrupted supply of electric power, the wholesale market trades in capacity, a special commodity, the purchase of which gives a wholesale market participant the right to demand that generating equipment be ready to produce electric power of the established quality in the quantity necessary to meet its demand for electric power, taking into account the necessary reserve.

In accordance with Resolution of the Government of the Russian Federation No. 205 dated April 07, 2007, in January 2011, the process of gradual liberalization of the electricity market, launched in 2006, ended. Since then, the country has a competitive wholesale market, where electricity and capacity are sold on the basis of free unregulated prices. The exception is the volume of electricity and capacity sold to the population and equivalent categories of consumers – in respect of them the state regulation of tariffs is preserved.

In 2023, OGK-2 traded electricity and capacity using the following mechanisms: regulated contracts, unregulated electricity market, unregulated capacity market, day-ahead market (DAM) and the market for capacity produced by must-run (MR) generation facilities[1]. OGK-2 also operates on the wholesale market. The wholesale electricity and capacity market is divided into two price zones: the first price zone (Europe and Urals zone) and the second price zone (Siberia zone). Eleven OGK-2 branches: Surgutskaya GRES-1, Ryazanskaya GRES, Stavropolskaya GRES, Novocherkasskaya GRES, Kirishskaya GRES, Troitskaya GRES, Cherepovetskaya GRES, Serovskaya GRES, Pskovskaya GRES, Adlerskaya TPP, Groznenskaya TPP are located in the first price zone.

Sales regions	Branch of OGK-2	Competitive advantages in the electricity and capacity market
North-Western UPS	Kirishskaya GRES	• The main frequency and capacity regulator in the North-Western UPS (the total regulation capacity of other power plants in winter is less than the regulating capacity range of Kirishskaya GRES and does not satisfy the needs of the central part of the UPS for regulation).
	Pskovskaya GRES	• The location ensures parallel operation of the energy systems of Belarus and the Baltic States with the UES of Russia: the station provides technical possibility of export supplies to the energy systems of these countries; • It has a strict dependence of electricity generation on electricity demand in Belarus.
Central UPS	Ryazanskaya GRES	• One of the main suppliers in the balancing electricity market of the region; • It uses 2 types of fuel: the main fuel of the 1st stage is brown coal, the main fuel of the 2nd stage is natural gas.
	Cherepovetskaya GRES	• High efficiency of the new unit (CCGT-450) due to low cost of power generation at CCGT.
Southern UPS	Novocherkasskaya GRES	• The backbone station FPTZ Kuban; • It partially participates in the balancing market.
	Stavropolskaya GRES	• It plays a key role in maintaining the system reliability of the Southern UPS; • A wide range of power regulation, speed of set-up and load shedding, which provides maximum power plant capabilities to cover the consumption schedule.
	Adlerskaya TPP	• It provides for reliable electricity and heat supply to sports and tourist infrastructure in Sochi; • Modern gas turbine technologies for the production of electric energy, which provide high performance indicators; • A wide range of power regulation, speed of set-up and load shedding, which provides maximum power plant capabilities to cover the consumption schedule.

[1] The status of must-run generation facilities is assigned by decision of the Government of the Russian Federation for a period not exceeding 4 years based on proposals of the Government Commission for the Development of the Electric Power Industry.

	Groznenskaya TPP	• The largest power plant in the region; • It has high efficiency indicators, which are ensured by modern gas turbine technology; • It has gas turbines with a high degree of maneuverability and provides coverage of peak loads under low-water conditions of HPPs in the region.
Ural UPS	Surgutskaya GRES-1	• The main and reserve fuel is associated petroleum gas from the Ob region fields; • The main consumers of electricity generating capacities are oil and gas companies located in the Tyumen region; • The introduction of new, more economical capacities by competitors into the Tyumen energy system did not lead to a significant decrease in power generation at the power plant.
	Troitskaya GRES	• Location near large energy-intensive consumers; • Location in the Yekaterinburg – Chelyabinsk-Magnitogorsk power flow zone, as well as on the direct supply line to Northern Kazakhstan; • By using coal for electricity generation provides diversification of the fuel balance in the first price zone, as well as additional system reliability in case of possible restrictions on gas supply.
	Serovskaya GRES	• Location in the Serovo-Bogoslovsky node, in which there are energy-intensive production units of steel, aluminum and ferroalloys; • In 2015, high-efficiency combined-cycle equipment (CCGT-420) with a low fuel component was commissioned.

SYSTEM RELIABILITY SERVICES (SRS) MARKET

Types of services to ensure system reliability, rules for their provision and pricing mechanisms, as well as the procedure for selecting electric power industry entities and electric power consumers providing such services are defined by Resolution of the Government of the Russian Federation No. 117 dated March 03, 2010 “On the procedure for selecting electric power industry entities and electric power consumers providing services to ensure system reliability and provision of such services, as well as on approval of amendments to the acts of the Government of the Russian Federation on system reliability”.

The functions of selection of electric power industry entities providing services to ensure system reliability, conclusion of contracts with such entities and payment for services, as well as coordination of actions of participants of the system services market are assigned to SO UES JSC.

The main task of SO UES JSC in the system reliability services market (system services market) is to ensure the functioning of economic mechanisms that stimulate the maintenance and development of equipment with specific, optional for all entities, characteristics in the UES of Russia:

- ability to participate in normalized primary frequency control;
- ability to participate in automatic secondary frequency control at TPPs;
- reactive power regulation using generating equipment of power plants that does not participate in active power generation;
- operation of elements of emergency control systems in the UES of Russia, created to increase capacity in controlled sections of the power grid.

THE FOLLOWING OGK-2 BRANCHES PROVIDED SYSTEM RELIABILITY SERVICES IN 2023:

- Stavropolskaya GRES
- Adlerskaya TPP
- Serovskaya GRES
- Cherepovetskaya GRES
- Kirishskaya GRES
- Surgutskaya GRES-1
- Groznenskaya TPP
- Pskovskaya GRES

RETAIL HEAT MARKETS

OGK-2 supplies heat energy to consumers located in the immediate vicinity of the power plants. These consumers include industrial enterprises, wholesale buyers-resellers, and households.

Most of the Company's branch power plants are backbone enterprises or occupy a significant place in the production activities of the settlement where they are located.

Branch of OGK-2	Competitive advantages and peculiarities of operation on retail heat markets
Kirishskaya GRES	• It has the largest annual sales volume in the retail markets among the Company's branches due to the developed industrial infrastructure of Kirishi.
Novocherkasskaya GRES	• The backbone enterprise of the Donskoy microdistrict of Novocherkassk is a SHSO; • It has main and intra-quarter heating networks on the balance sheet and under maintenance.
Ryazanskaya GRES	• City-forming enterprise of Novomichurinsk; • It has main and intra-quarter heating networks on the balance sheet and under maintenance.
Cherepovetskaya GRES	• Backbone enterprises of Kadui settlement in the Vologda Region; • It has a part of the main heating networks in Kadui settlement on the balance sheet and under maintenance.
Surgutskaya GRES-1	• It is located in the city of Surgut, Tyumen Region.
Troitskaya GRES	• Until September 27, 2022 it had the status of SHSO in power plant settlement, from November 01, 2022 heat supply to power plant settlement was terminated due to commissioning of an alternative heat supply source.
Pskovskaya GRES	• The only source of heat supply to the Energetikov microdistrict of Dedovichi village of the Pskov Region, is the SHSO; • It has on its balance sheet all main and most of the microdistrict intra-block heat networks (it has a contract for heat transmission services).
Serovskaya TPP	• From January 01, 2020 the supply of heat energy and heat carrier to external consumers is completely stopped.
Stavropolskaya GRES	• SHSO of Solnechnodolsk settlement, Stavropol Region; • It has on its balance sheet the main and most of the intra-quarter heating networks.
Adlerskaya TPP	• It is the SHSO of the Olympic facilities located in the Imereti Lowlands and the population of the Blinovo residential area; • It has an agreement on provision of heat energy transmission services.
Groznenskaya TPP	• It does not sell heat energy to consumers.

04. BUSINESS MODEL

[GRI 2-6]

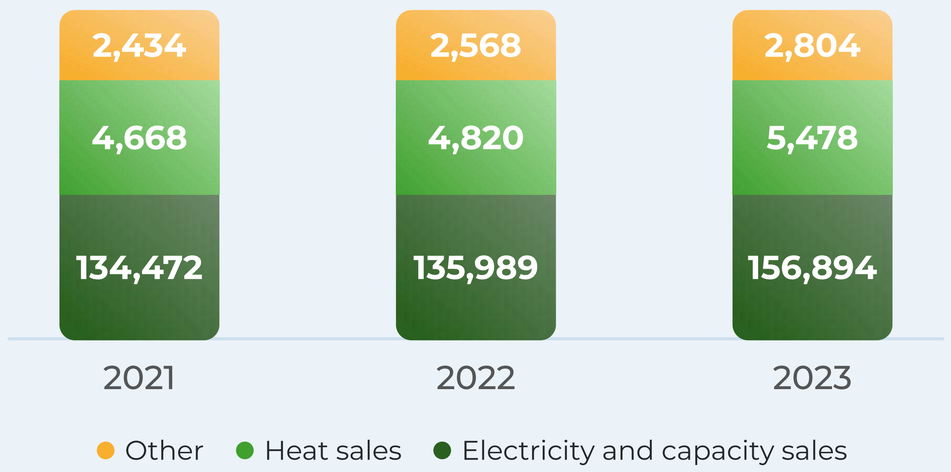
	2022	2023	Δ, %	COMPETITIVE ADVANTAGES
RESOURCES				
Total number of personnel (including part-time employees), persons	6,806	6,631	-2.5%	- Diversifying and optimizing the fuel balance for it to better suit the fuel market situatuion; - Rational use of energy and other natural resources (including increasing the share of generation by economic CCGT units); - High and constantly improving level of staff qualifications; - Building and maintaining an "employer of choice" status in the eyes of employees, motivating them to work long and efficiently; - Synergies from the interaction with controlling shareholder's Group.
Fuel consumption, million tons of standard fuel	15.91:	17.63:	+15.9%	
• Gas	• 14.58	• 15.94	• +9.3%	
• Coal	• 1.32	• 1.68	• +27.3%	
• Fuel oil, diesel and other	• 0.008	• 0.008	• -22.8%	
Water intake, million m^3	2,469.3	3,065.5	+24.1%	
OUR ASSETS				
Installed electric capacity, MW	16,327	16,332	+0.03%	- One of Russia's largest thermal power generating companies, with 12 power plans spread across the Russian Federation; - Reliable, accident-free and efficient operation of power plants, increasing operational efficiency and capitalization of assets through renewal of fixed assets and decommissioning of inefficient capacities; - Consistent renewal of generation capacities under the CCTMod program; - Technical and technological capabilities of electric power plant equipment to provide system reliability sevices, as well as the availability of stations with operating models for various types of fuel.
Installed heat capacity Gcal/h	2,694	2,723	+1.08%	
Fixed assets value, billion RUB	144.4	154.3	+6.8%	
PRODUCTION				
Electricity output million kWh	48,530	53,444	+10.1%	- Each power plant has specific operating conditions and regional advantages: some of them are suppliers of electricity and capacity for industrial enterprises in dynamically developing regions, and some power plants play the role of city-forming enterprises and are focused on heat and power supply to residential areas; - Availability of a range of generating equipment that features a high degree of relevance (thus ensuring reliable electric power supply), has a wide power control range, and high-speed load setting and resetting, which maximizes the capacity of these electric power plants and improves adherence to the consumption schedule; - Ability to diversify the fuel balance and optimize it to better suit fuel market situations.
Heat supply from collectors, thous, Gcal	5,181	5,235	+1.04%	
Electricity sold, million kWh	50,925	56,163	+10.03%	
Power salea, MW	15,178	14,079	-7.2%	
Net supply of thermal energy, thous. Gcal	4,974	5,039	+1.3%	

EBITDA FORMED

EBITDA for 2023 is RUB 35,583 million (decrease compared to 2022 by 7.3%)

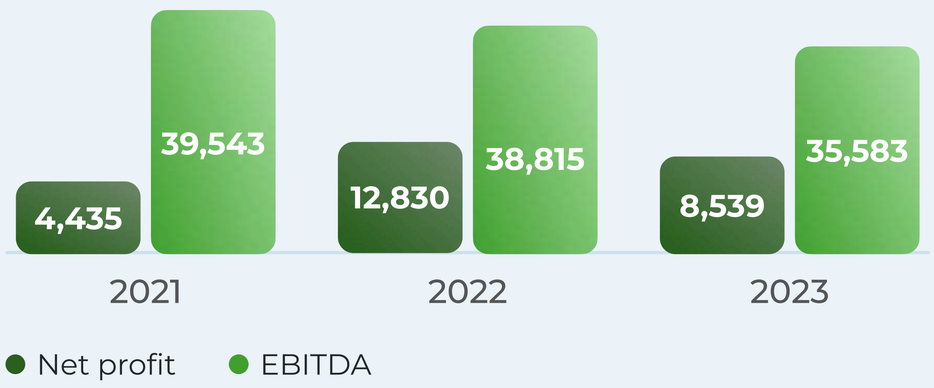
Cost structure, million RUB

Income structure, million RUB



RECEIVED AND DISTRIBUTED INCOME

Net profit, EBITDA, million RUB



Priority areas of development

- Building an optimal structure of production capacities;
- Optimizing costs and increasing efficiency in order to adapt to changing market conditions;
- Ensuring sustainable development and corporate social responsibility;
- Improving the level of safety and reliability of production.

Generation of stakeholder value for 2023, million RUB		Contribution to achievement of the UN Sustainable Development Goals
For consumers of heat, electricity and capacity: • Reduced number of power outges • Redused number of supply interruptions • Increase in greenhouse gas emissions, CO_2-eq.	No interruptions occurred No interruptions occered +2,477,152 tons: the algnificant increase in emissions in 2023 is due to an increase in total generation relative to 2022	
For shareholders and investors: • Dividends paid at the end of 2022 • Capitalization as of 2023/2022	RUB 6,376 million 2022: RUB 60,808,903,175.02 2023: RUB 60,223,565,022.41	
For the state: • Taxes and fees (paid during 2023)	RUB 13,647 million	
For employees: • Salarles and other employee payments and benefits • Occupational health and safety • Training and retraining	RUB 10,347 million RUB 615.29 million RUB 57.01 million	
For creditors: • Credit rating at the end of 2023 • Expert RA JSC	ruAAA (RU) (Stable outlook)	
For local communities and environmental organizations: • Charity • Environmental protection • Saving energy resources though • implementation of the energy saving program • Ensuring industrial safety • Complance with international standards	RUB 4.79 million RUB 441.1 million RUB 45.2 million RUB 24.9 million ISO 9001:2015, ISO 50001:2018, ISO 45001:2018	

IMPACT OF CLIMATE CHANGE ON THE COMPANY'S BUSINESS MODEL [GRI 201-2]

Climate change may affect the productivity, efficiency, and cost of electricity. The following risks may occur for OGK-2 as one of the generating companies as a result of ambient air temperature rise:

- an increase in cooling water temperature leads to a decrease in turbine efficiency and, consequently, to a decrease in cycle efficiency;
- decrease in CCGT efficiency;
- when the cooling water temperature rises in summer, capacity limitations occur;
- when the annual average temperature rises, there is a redistribution of electricity and heat production – in summer electricity production may be higher because of air conditioning, heat consumption in winter may be lower;
- the thermal impact on reservoirs increases with increasing outdoor temperatures.

The risk analysis conducted by the expert group, which included representatives of OGK-2, showed that under current conditions, an increase in average air and water temperatures will not lead to a noticeable decrease in power generation efficiency. Where climate change leads to a reduction in the availability of cooling water, power plants can be retrofitted to reduce water intake or use a closed cycle. The majority of the Company's power plants mainly use a closed cooling cycle, so the degree of impact of this risk is low: in case of a warm winter, the probability of switching to a reserve fuel (fuel oil) is reduced, which, if gas restrictions are introduced, has an additional positive effect – reduction of emissions. Based on the analysis, it is concluded that no special measures to manage these risks or costs are currently required for proactive measures.

The main mechanisms used by the Company to reduce emissions are:

- considering environmental aspects (including the reduction of greenhouse gas emissions) and assessing the consequences of activities in the planning, development and implementation of investment projects;
- carrying out industrial environmental control and monitoring, and assessing the environmental impact of the Group’s economic activities;
- participation of the Group in environmental programs and projects aimed at achieving sustainability in the regions where it operates;
- stimulating research and implementation of innovative projects aimed at improving energy efficiency, using renewable energy sources and unconventional energy resources;
- applying the best available technology to the various stages of production activities, including the procurement of technology, materials and equipment.

05. COMPANY'S PARTICIPATION IN THE IMPLEMENTATION OF THE CONTROLLING SHAREHOLDER’S STRATEGY FOR THE ELECTRIC POWER INDUSTRY

In 2023, the implementation of controlling shareholder’s Electricity Generation Strategy for 2018–2027 continued, providing for introduction of new generating capacities and retrofitting of existing ones, as well as for decommissioning of economically non-feasible facilities, further improvement of operational efficiency, utilization of import substitution equipment, and operations diversification.

PARTICIPATION OF OGK-2 IN THE PROGRAM FOR MODERNIZATION OF “OBSOLETE” GENERATION CAPACITIES (CCTMod)

	CSA. Results (2007–2019)	CCTMod. Outlook (2019–2027)
Commissioning of industrial capacities within the program	+4.473 GW	+1.49 GW
Withdrawal of assets: Decommissioning of the asset in the period	-3.5 GW	-1.53 GW*

* Taking into account the results of recertification.

KEY RESULTS OF THE STRATEGY IMPLEMENTATION IN 2023

Implementation of the Action Plan to increase operating efficiency and optimize costs of OGK-2

OGK-2 is working to enhance operational efficiency in such areas as improvement of production activities, cost optimization, sales of non-core assets, reduction in the cost of supply of goods/provision of services through the use of competitive purchasing methods, and import substitution measures. The Action Plan to increase operational efficiency and optimize costs of OGK-2 is aimed at fulfilling the Company’s potential in the main type of activity and is formed in the following sections:

- improvement of operational and investment efficiency;
- organizational and structural measures aimed at improving the operations efficiency;
- technological independence.

⚠ **FOLLOWING THE RESULTS OF 2023, THE EFFECT OF THE IMPLEMENTATION OF THE PLAN APPROVED BY THE BOARD OF DIRECTORS OF OGK-2 AMOUNTED TO RUB 763.1 MILLION.**

Involvement in large-scale projects to build generating capacities

Under OGK-2's Generating Capacity Modernization Program (CCTMod) in 2023:

- the project for modernization of TG-2t at Kirishskaya GRES was completed – commissioning took place on April 01, 2023;
- delivery and installation of equipment as part of modernization of TG-1t at Kirishskaya GRES;
- two power units EB-13 and EB-16 at Surgutskaya GRES-1 were decommissioned and modernization work began;
- the contract was signed for construction and installation works to prepare the main construction site as part of modernization of EB-3 and EB-4 of Novocherkasskaya GRES.

⚡ **THE COMPANY ALSO INTENDS TO PARTICIPATE IN THE MODERNIZATION PROJECTS SELECTION FOR 2028–2031.**

Environmental efficiency

OGK-2 operations are directly related to the use of natural resources and the impact on the environment. In this regard, the Company takes all possible measures to minimize its harmful impact on the environment and allocates significant funds to implement relevant measures.

Due to investment programs for construction and modernization of capacities, replacement of coal in the Company's fuel balance by a more environmentally friendly natural gas, and due to implementation of environmental measures, there is a steady trend in reducing the total gross atmospheric emissions, as well as greenhouse gases emissions in the period from 2007 to 2023. According to the results of industrial environmental control, only over the past 6 years, emissions of pollutants into the atmospheric air have decreased by 67%, and greenhouse gas emissions have decreased by 28%.

The OGK-2 program of effective measures includes development of design and working documents “Implementation of the project for the installation of a standby gas compressor”. The purpose of the work is to improve the reliability of gas supply to the gas turbine units of Adlerskaya TPP by installing a backup gas compressor, which ensures the possibility of fuel gas supply to the gas turbine units in cases when the main compressor is shut down controlled by APCS of Adlerskaya TPP.

In 2023, the manufacture of a gas compressor was completed. Currently, a contract has been signed for construction and installation work.

The investment program of OGK-2 provides for minimization of the adverse environmental impact. The introduction of the state-of-the-art technologies will allow the Company to comply with all necessary requirements of both Russian and international environmental protection laws.

The Company's participation in the implementation of controlling shareholder's Strategy in the electric power industry is one of the key factors in achieving OGK-2's sustainability goals, such as increasing operational efficiency and cost optimization, construction of new generating facilities, and environmental efficiency.

06. OGK-2 MISSION AND PRINCIPLES IN THE FIELD OF SUSTAINABILITY

OGK-2's mission in the field of sustainability is to make a positive contribution to the social and economic development of the Russian Federation and other regions of its presence, following the principles of environmental and social responsibility, corporate governance standards in order to preserve and increase the opportunities of future generations by meeting the needs of the present.

In its sustainability activities, the Company adheres to the following principles:

- **The principle of compliance with applicable laws and other obligations.** OGK-2 carries out its activities in accordance with the norms of the current legislation, applicable norms of international law and fulfills all assumed obligations set forth in its internal documents, as well as obligations to stakeholders.
- **The principle of respect for human rights.** The Company adheres to the principle of respect for the personality of each employee, recognizes the inviolability of human rights, including labour rights and the right to a favorable environment, and does not allow any form of their violation.
- **The principle of good faith and information openness.** OGK-2 strives to increase the level of informing stakeholders about all aspects of sustainability activities. For these purposes, the Company prepares non-financial statements, the reliability of which can be confirmed by independent auditors (experts).
- **The principle of development, performance evaluation and continuous improvement.** The Company regularly evaluates the efficiency of its sustainability activities. Adhering to the principles of responsibility for the future, initiative, leadership and openness to finding new solutions, the Company strives to optimize its internal processes, consistently improve its performance indicators and its results to achieve its goals.
- **Implementation of the principles of sustainability in daily activities.** The Company tends to implement the principles of sustainability in its daily operations by planning the activities and integrating them into business plans, adhering to a responsible and careful approach to the use of all kinds of resources.
- **The principle of consulting and respecting the interests of stakeholders.** OGK-2 on regular basis defines the interests and expectations of stakeholders and analyzes them. Company is striving to maintain a balance of interests and expectations of all stakeholders.
- **Ethic principle.** In the process of interaction with all stakeholders OGK-2 follows the rules of corporate ethics and is guided by the principles of honesty, integrity and openness.

07. KEY PERFORMANCE INDICATORS OF THE COMPANY IN 2023

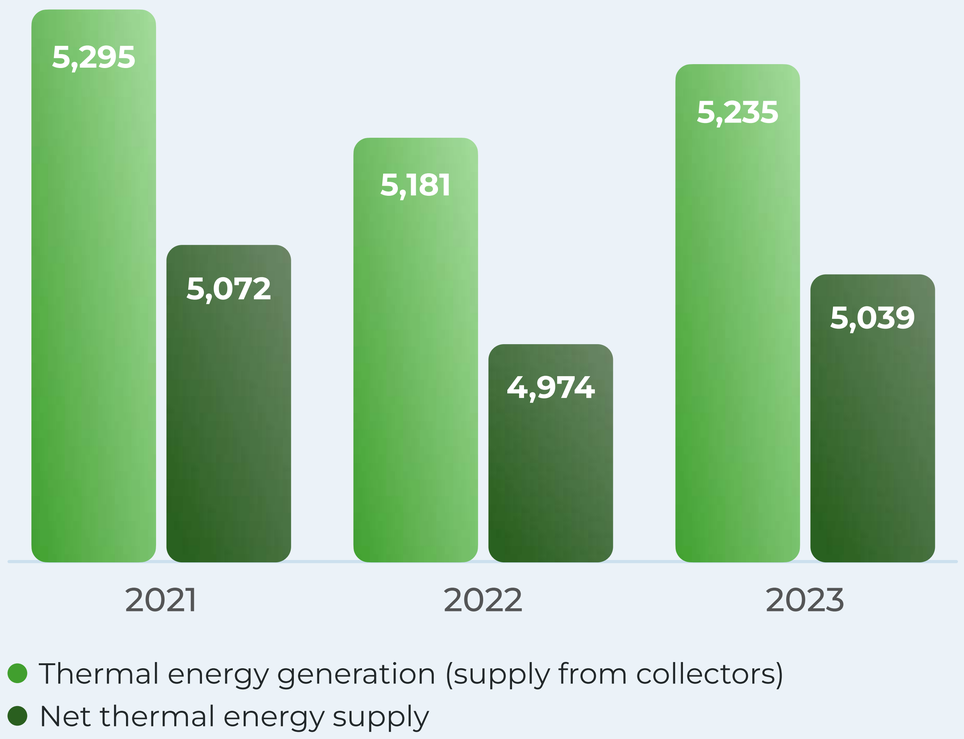
[GRI 2-6]

OPERATIONAL PERFORMANCE

Installed electric capacity, MW

Electricity output, million kWh

Generation and net supply of thermal energy, thous. Gcal



SRFC for electric power supply, g/kWh

SRFC for thermal energy supply, kg/Gcal

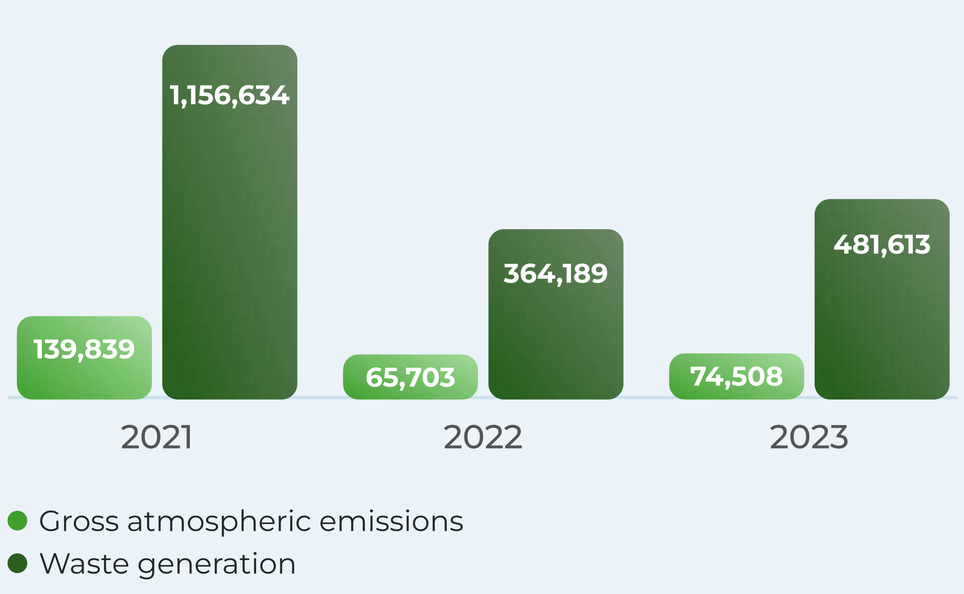
ECONOMIC PERFORMANCE

Revenue, net profit, million RUB

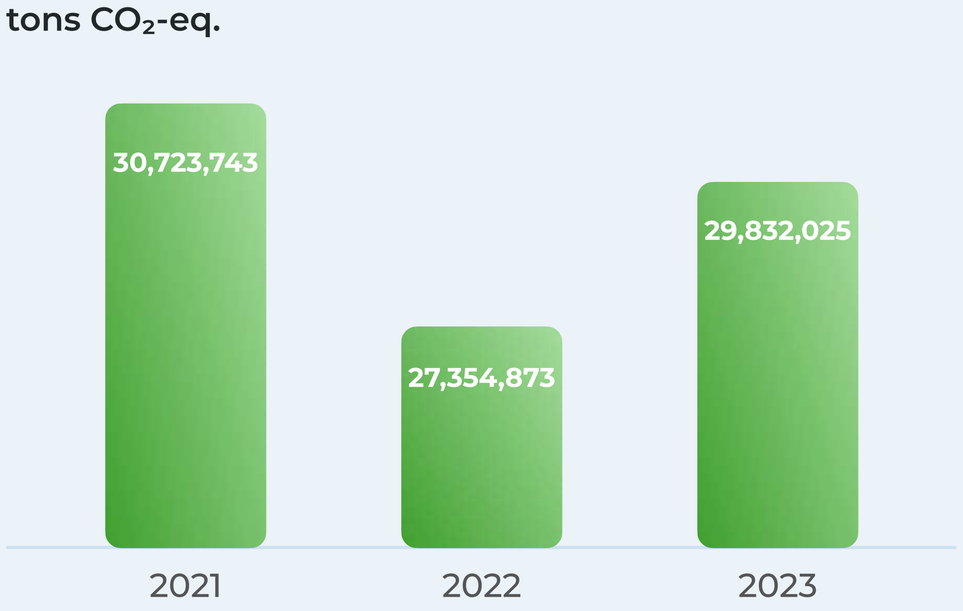
EBITDA, EBITDA return

SUSTAINABILITY

Pollutant emissions and waste generation, t

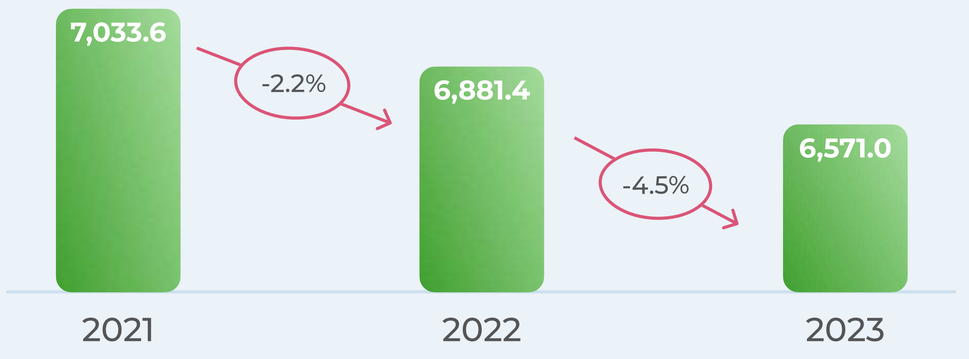


Greenhouse gas emissions into the atmosphere, million tons CO_2-eq.

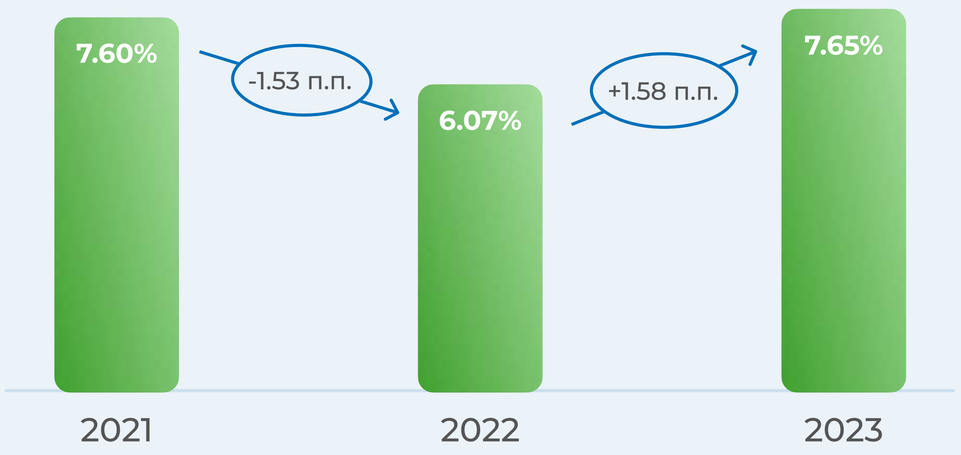


Current costs for environmental protection, million RUB

Average number of employees, persons

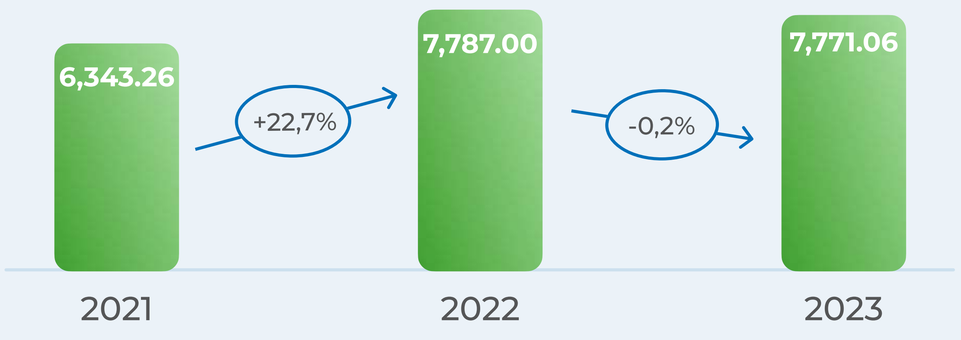


Staff turnover, %



Financing of occupational health and safety measures, million RUB

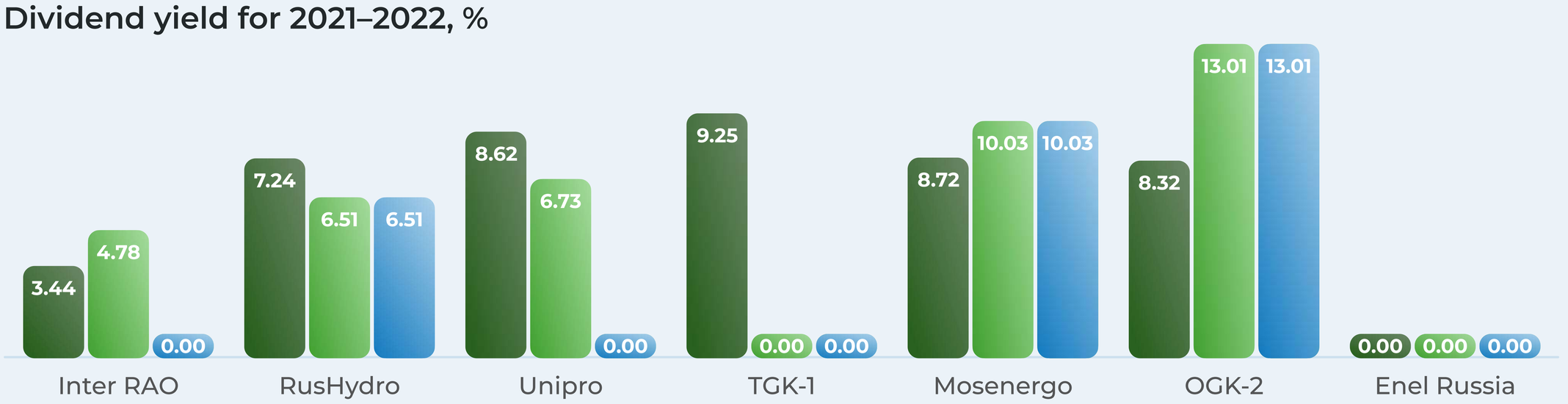
Average training and professional development costs per employee, RUB



INVESTMENT ATTRACTIVENESS

- Capitalization[2] as of December 31, 2023 is RUB 60,223,565,022.41 million.

Dividend yield for 2021–2022, %



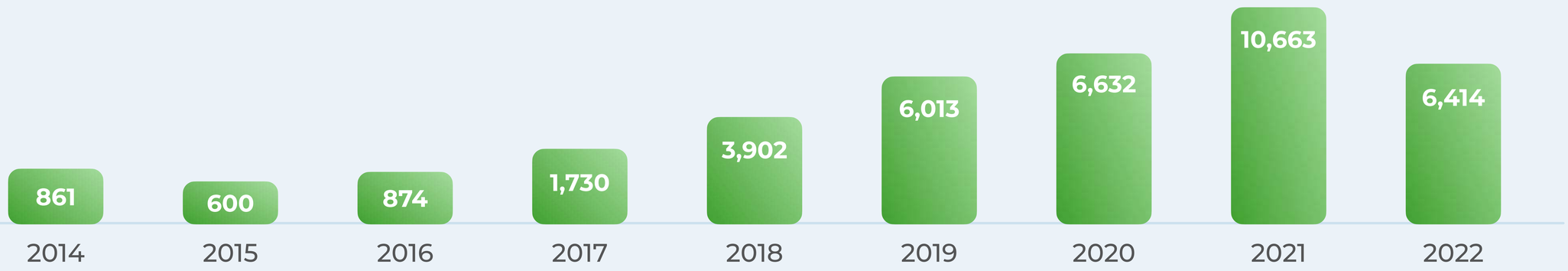
Source: https://www.moex.com/ru/listing/dividend-yield.aspx

[2] Source: https://www.moex.com/a8067.

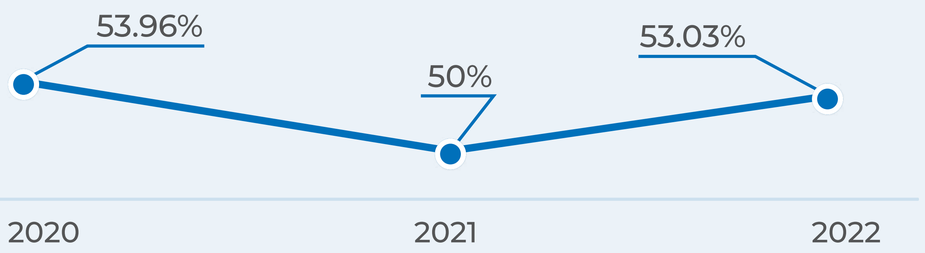
Dividend policy is based on a balance, i.e. repayment of debt, investment, maximization of dividends.

From 2019, the Group's generating companies have switched to a dividend payout of 50% of net profit.

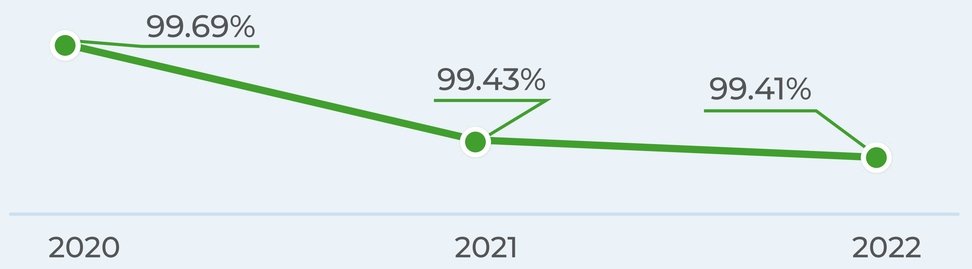
Amount of accrued dividends, thous. RUB



Share of declared dividends in net profit of the period, based on the results of which they were paid, %



Share of paid dividends in total sum of declared dividends, %



THE COMPANY'S CONTRIBUTION TO THE RUSSIAN ECONOMY[3]

Payments to the budget of the Russian Federation in 2023, thous. RUB

[3] The indicators are determined in accordance with the provisions of the Tax Code of the Russian Federation (Chapter 8 "Fulfillment of the obligation to pay taxes, fees, insurance contributions"), as well as the data of accounting (financial) statements and tax reporting of the organization.

08. HIGHLIGHTS OF THE YEAR

[GRI 102-10], [GRI 203-1]

February

- The Company was included in the top 5 ranking of Russian industrial companies with developing sustainability practices by the NRA agency.

April

- A new turbine generator was commissioned at the branch of OGK-2, PJSC - Kirishskaya GRES.
- The oldest turbine TG-1T of the branch of OGK-2, PJSC - Kirishskaya GRES CHPP with capacity of 50 MW was transferred to reconstruction with subsequent comprehensive replacement with a new one.

June

- The Annual General Meeting of Shareholders of OGK-2 decided to distribute profit for 2022 in the amount of RUB 12,094,131,000, including RUB 6,413,964,000 (RUB 0.0580758473514 per one ordinary share) for dividends, leaving RUB 5,680,167,000 at the disposal of the Company.

July

- The branch of OGK-2, PJSC - Surgutskaya GRES-1 started modernization of power unit No. 16.
- A new steam turbine for the branch of OGK-2, PJSC - Kirishskaya GRES successfully passed tests at the manufacturing plant.
- Dismantling of turbine unit No. 13 was completed at the branch of OGK-2, PJSC - Surgutskaya GRES-1.

August

- The branch of OGK-2, PJSC - Surgutskaya GRES-1 completed the operation of pouring the foundation of power unit No. 13.

September

- The Strategy, Investment and Sustainability Committee of the Board of Directors was formed.
- The Sustainability Action Plan was updated and approved by the Board of Directors.

October

- Installation of a new TG-1T turbogenerator began at the branch of OGK-2, PJSC - Kirishskaya GRES.
- Power unit No. 10 was repaired at the branch of OGK-2, PJSC - Surgutskaya GRES-1
- Power engineers of the branch of OGK-2 PJSC - Pskovskaya GRES held an environmental action to stock a reservoir on the Shelon River in the Dedovichi District in order to replenish biological resources of the reservoir, the water of which is used in the power plant's technological process.

November

- OGK-2 received a winter readiness passport.

December

- The grand opening of the “Time of Modernization” exhibition dedicated to the history of formation and progress of the branch of OGK-2, PJSC - Kirishskaya GRES, the largest power plant in the North-West, was held.
- New equipment was delivered to the branch of OGK-2, PJSC - Surgutskaya GRES-1 under the CCTMod program.

09. SUSTAINABILITY AWARDS AND PRIZES

Period	Award	Nomination	Winner
2024	ESG ranking of Russian industrial companies based on 2023 results.	4th place among companies with emerging sustainability practices, and 30th place in the overall ESG ranking	OGK-2
2023	XX Anniversary Competition “Business Developing the Region”	“Investment Activity” nomination according to the results of 2023	Kirishskaya GRES
2023	“Best Ecologist” competition	Third place in individual competition (Lyudmila Grassere, Head of Environmental Protection Department at Serovskaya GRES), First place in the team competition as a member of the united team of TGC-1, Mosenergo, OGK-2 (Angelina Alekhina)	OGK-2
2023	13th annual conference of the largest companies in the North Caucasus “Revaluation of the North Caucasus Federal District: Growth Points through the Eyes of Business”	The largest company in the North Caucasus Federal District	Stavropolskaya GRES
2023	The XVIII “Silver Threads” National Corporate Media Conference	“Moving Up: Effective Strategic Communications for Business Sustainability” nomination	OGK-2

03 SUSTAINABILITY MANAGEMENT

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

SUSTAINABILITY MANAGEMENT

01. OUR APPROACH TO MANAGING SUSTAINABILITY

[GRI 2-23], [GRI 2-24]

The list of key documents regulating Company’s sustainability management is provided in Appendix 2.

Since the beginning of the Company's operations, we have been paying great attention to environmental and social issues, reliability and safety of production, as well as conducting charitable activities on an ongoing basis and supporting the development of the economy and infrastructure of the regions where we operate.

In December 2021, the Board of Directors of OGK-2 identified sustainability activities as a priority area for the Company.

OUR VALUES

The Company's corporate values are:

PROFESSIONALISM

Deep knowledge of one’s area of specialization, timely and high-quality fulfillment of tasks, continuous improvement of professional knowledge and skills.

INITIATIVE

Activity and independence of employees in optimizing the production process.

MUTUAL RESPECT

Team spirit, trust, benevolence and cooperation in handling the tasks assigned.

OPENNESS TO DIALOGUE

Open and honest exchange of information, willingness to jointly develop an optimal solution.

SUCCESSION

Respect for the work and experience of older generations, communication between beginners and labor veterans, vocational training and coaching.

IMAGE

The use of techniques and strategies aimed at creating a positive opinion about the Company.

THRIFT

Responsible and careful approach to the use of the Company's assets, to one's own working time and the working time of other employees.

In conducting its activities, the Company takes into account the best Russian and international experience in the field of sustainability.

INFORMING AND ENSURING THAT STAKEHOLDERS[4] ADHERE TO THE COMPANY'S SUSTAINABILITY PRINCIPLES [GRI 2-29]

OGK-2 declares its commitment to respecting the interests of stakeholders, both when making strategically important decisions and when publishing relevant information in the public domain, as well as reaffirming its readiness to conduct an open dialog with all stakeholders.

Stakeholders	Informing
Employees [GRI 205-2]	Adherence of employees to the Company's principles in the field of sustainability is ensured by the Sustainability Policy approved by the Board of Directors (Minutes No. 286 dated September 19, 2022), the Code of Corporate Ethics approved by the Board of Directors (Minutes No. 299 dated May 18, 2023) and enacted by OGK-2 Order No. 188 dated June 23, 2023, as well as other specialized internal documents on specific areas of sustainability. Employee familiarization is accomplished by collecting signatures. In accordance with Order No. 318 dated November 02, 2022 “On the organization of training on compliance with the Code of Corporate Ethics of OGK-2 PJSC, the Company organized periodic training on the implementation and application of the norms of the Code. The Company has developed specialized training courses to help employees master the Code of Corporate Ethics, policies and methods of corruption control. In 2023, 3,697 employees completed training through distance learning technologies. In particular, in January-February 2023, employees of the Corporate and Property Relations Department received training on the Methodology of preparing public non-financial reports in accordance with the updated GRI 2021 standards. Training was also held for employees of S&A of OGK-2 on branch risks on the topic “Risk management and internal control system. Current Issues 2023”. The Company regularly publishes sustainability news on the internal corporate portal and distributes a specialized ESG digest among its employees.
Suppliers and contractors [GRI 308-1]	Adherence of suppliers and contractors to the Company's sustainability principles is ensured by inclusion of relevant requirements and commitments in the text of contracts concluded with them. In particular, depending on the type of goods and services provided by suppliers and contractors, they may include obligations to comply with environmental protection requirements of the legislation of the Russian Federation, availability of safety data sheets for the supplied products, availability of a license for the right to carry out activities with certain types of waste, etc. Contract texts are always included in the standard package of tender documentation posted on open trading platforms when the Company procures goods and services.
Other: • Shareholders, investors, analysts/brokers;	It is beyond our ability to ensure that all other stakeholders adhere to the Company's sustainability principles, but the Company familiarizes them on a regular basis with the work it does and the principles it follows. Information on the Company's principles and the work carried out in the field of Sustainability is publicly available for shareholders

[4] Stakeholders include individuals and (or) legal entities, groups of individuals, public authorities and public organizations, mass media that may influence or be influenced by the Company's activities, products or services and related actions, such as shareholders, investors, creditors, buyers of electricity, heat and capacity, the Company's employees, executive authorities, local communities, population, educational institutions, etc.

- Lenders and rating agencies;
- Local communities, including population, civil society organizations and local governments, as well as mass media
- Customers (wholesale buyers of heat and electricity and capacity, including guaranteeing suppliers and large industrial consumers)
- The government of the Russian Federation and sectoral regulatory authorities, ministries, departments and regional executive authorities
- Environmental organizations

and investors on the official website of OGK-2 in the section “Sustainability”, in the social network VKontakte (https://vk.com/ogk2life), in the Telegram channel (https://t.me/s/ogk2_energy) and in the text of the annually published Sustainability Report.

NON-FINANCIAL INFORMATION DISCLOSURE PRACTICES

OGK-2's approach to information disclosure in the field of sustainability is determined by the Company's Regulation on Information Disclosure, best practices of presenting non-financial information to external audiences. When disclosing information, OGK-2 strives to meet the maximum number of criteria defined in the recommendations of the following institutions:

- Bank of Russia (Information Letter of the Bank of Russia No. ИН-06-28/49 dated July 12, 2021 “On recommendations on disclosure by Public Joint Stock Companies of non-financial information related to the activities of such companies”);
- Ministry of Economic Development of the Russian Federation (Order No. 764 dated November 01, 2023 “On Approval of Methodological Recommendations for the Preparation of Sustainability Reporting”);
- Voluntary sectoral ESG standard in the field of electric power industry of NP “Market Council”.

In addition, international reporting standards (GRI, TCFD and IFRS S1/S2), the opinion of business associations and unions, rating agencies, as well as the provisions of the Moscow Exchange's ESG[5] Practices Guidelines for Issuers are taken into account.

Key OGK-2 internal documents regulating the procedure of information disclosure in the field of sustainability:

- OGK-2 Sustainability Policy (approved by the Board of Directors, Minutes No. 286 dated September 19, 2022);
- OGK-2 Occupational Health and Safety policy (approved by OGK-2 Order No. 281 dated October 26, 2020);
- Regulation on OGK-2 Information Policy (approved by the Board of Directors, Minutes No. 284 dated September 08, 2022).

When preparing Sustainability reporting, OGK-2 adheres to the following key principles:

- interaction with stakeholders at the stage of forming the content of reporting;
- reporting in accordance with the best international and Russian standards, practices and recommendations;
- timely publication of reports to ensure access and inform stakeholders about the results of Sustainability activities for the reporting year;
- observance of stakeholders' interests when determining the scope, format and frequency of information disclosure and the degree of public openness.

[5] Environmental, Social, Governance.

In September 2022, the OGK-2 Board of Directors approved the OGK-2 Sustainability Policy (hereinafter referred to as the Policy)[6]. The Policy defines the Company's position with regard to the mission, goals, principles, main mechanisms of the Policy implementation, and key activities to achieve the Company's Sustainability Goals. The Policy is publicly available for all the parties concerned on the Company's official website — https://ogk2.ru/o-kompanii/uchreditelnye-i-vnutrennie-dokumenty/.

02. SUSTAINABILITY GOALS

[GRI 2-23], [GRI 2-24]

THE COMPANY'S SUSTAINABILITY GOALS

Company's Sustainability goals:

- development of economic potential;
- efficient management in the Company and its subsidiaries/organizations;
- responsible production and consumption;
- environmental protection;
- respect for human rights;
- assistance in social and economic development of the regions of the Russian Federation.

These goals are integrated into the strategic planning and development systems, corporate management system, local regulations and are implemented in the activities of the Company and its subsidiaries/organizations.

KEY ACTIVITIES OF OGK-2 TO ACHIEVE THE SUSTAINABILITY GOALS

Our Company considers it important to contribute to the achievement of the UN Sustainability Goals (SDGs), National Development Goals of the Russian Federation for the period until 2030[7] and national projects.[8]

UN SDGs	National Development Goals of the Russian Federation for the period until 2030.	National projects	OGK-2 Sustainability goals	OGK-2 key activities
3 ХОРОШЕЕ ЗДОРОВЬЕ И БЛАГОПОЛУЧИЕ	Population conservation, human health and well-being.	• Health service; • Demography.	• Efficient management in the Company and its subsidiaries/ organizations; • Responsible production and consumption; • Respect for human rights.	• Protecting the health of our employees in the workplace, striving for zero injuries; • Reduction of mortality due to occupational and other diseases; • Higher effectiveness of control over compliance with occupational health and safety, industrial and fire safety, road safety requirements in order to reduce the number of accidents (including the activities of stakeholders), traffic accidents; • Directing significant funds to voluntary health insurance (VHI), voluntary insurance against accidents and diseases, and insurance of expenses of citizens traveling outside their permanent place of residence;

[6] Approved by the decision of the Board of Directors of OGK-2 PJSC Minutes No. 286 dated September 19, 2022.

[7] For more details on the National Development Goals of the Russian Federation for the period until 2030, see https://normativ.kontur.ru/document?moduleId=1&documentId=395942&ysclid=lrahq5nzra45571334 and on the Unified Plan to Achieve the National Development Goals of the Russian Federation for the Period until 2024 and for the Planned Period until 2030 see https://www.economy.gov.ru/material/file/ffccd6ed40dbd803eedd11bc8c9f7571/Plan_po_dostizheniyu_nacionalnyh_celey_razvitiya_do_2024g.pdf

[8] For more details on the national projects of the Russian Federation, see https://национальныепроекты.рф

				• Provision of medical infrastructure for employee health protection; • Active promotion of healthy lifestyles and sports among its employees and the population in the regions where it operates; • Non-state pension program for employees who have retired or are planning to retire.
	Opportunities for self-realization and talent development.	• Education; • Labour productivity and employment support.	• Efficient management in the Company and its subsidiaries/ organizations; • Development of economic potential; • Respect for human rights.	• A large-scale corporate system of employee training and development; • Active work to attract young specialists, in particular by cooperating with a number of educational institutions and organizing internships within our Company; • Support and development of high-quality professional education for employees; • Comprehensive motivation of each employee to achieve OGK-2 goals; • Protection of labour rights, including freedom of association and the right to conduct collective bargaining; • Guaranteeing employees equal rights and protection from any form of discrimination, including on gender, ethnicity, age and other grounds; • Prevention of the use of child and slave labour; • Creation and development of an objective and effective system for evaluating the personal contribution of each employee of the Company; • Promotion of a healthy lifestyle and sports among employees and the population of the regions where the Company operates; • Ensuring compliance of the professional level of employees with the OGK-2 requirements.
	A comfortable and safe living environment.	• Housing and the urban environment; • Comprehensive plan to modernize and expand backbone infrastructure.	• Efficient management in the Company and its subsidiaries/ organizations; • Development of economic potential; • Responsible production and consumption; • Assistance in social and economic development of the regions of the Russian Federation.	• OGK-2 power plants use the most environmentally friendly type of fossil fuel – gas – as the main fuel; • Striving to reduce coal generation in the fuel balance of the Company's power plants that continue to use coal as the main fuel (this process requires complex multi-stage coordination with federal regulatory authorities, local and regional authorities, and consideration of the interests of the local population, as a significant part of our consumers are located in areas with cold climates, and many of them have limited financial capacity); • The use of a relatively cheaper fuel (coal) makes it possible to provide them with a sufficient amount of electricity and heat at an affordable price; • Reduction of unit costs due to the rational use and saving of energy resources in production activities; • Increasing the energy efficiency of OGK-2 based on the effective management of technological processes and the use of innovative technologies and equipment.
	A comfortable and safe living environment.	• Housing and the urban environment; • Comprehensive plan to modernize and expand backbone infrastructure.	• Efficient management in the Company and its subsidiaries/ organizations; • Development of economic potential;	• Active participation in the Generating Capacities Modernization Program (CCTMod), permanent modernization or decommissioning of facilities not subject to modernization; • Independent implementation of projects in the field of technical re-equipment and reconstruction that increase the reliability of electricity and heat supply and improve environmental indicators;

			• Responsible production and consumption; • Respect for human rights; • Assistance in social and economic development of the regions of the Russian Federation.	• Import substitution is not a new objective provided by our Strategy in the electric power industry, however, today it is becoming increasingly important to ensure the Sustainability of the electric and heat generating infrastructure; • Minimizing the number of power and heat supply interruptions; • Increasing the level of Company's innovative development as a result of the introduction of innovative technologies, the use of modern technological and organizational decisions; • Support of development, research and innovations in the in-house technologies; • Automation and digitalization of processes in all areas of OGK-2 activities.
	A comfortable and safe living environment.	• Housing and the urban environment; • Comprehensive plan to modernize and expand backbone infrastructure.	• Efficient management in the Company and its subsidiaries/ organizations; • Development of economic potential; • Responsible production and consumption; • Respect for human rights; • Assistance in social and economic development of the regions of the Russian Federation.	• Steadily combating power and heat supply interruptions through equipment modernization and import substitution; • Cooperation with the executive authorities of the constituent entities of the Russian Federation in planning and implementing regional territorial development programs; • Development of heat supply systems in the regions of the Russian Federation; • Participation in solving social problems of the Russian Federation entities, development of social infrastructure facilities; • Responsible social investment and charity; • Implementation in the Company of the principles of equality, fairness, non-discrimination and unreasonable restrictions on competition in relation to participants in the procurement of goods, works, services.
	Decent, efficient labour and successful entrepreneurship.	• Small and medium-sized entrepreneurship and support for individual entrepreneurial initiative; • Labour productivity and employment support.	• Efficient management in the Company and its subsidiaries/ organizations; • Development of economic potential; • Respect for human rights; • Assistance in social and economic development of the regions of the Russian Federation.	• Electricity generation is the most important basis of the economy, without which it would be impossible to operate a significant number of enterprises, including those strategically important for the Russian and global economy; • Ensure a competitive wages level and social package for employees while increasing labour productivity by motivating them and introducing new, including domestic, technologies; • Increase in shareholder value of OGK-2; • Improving the efficiency of all types of business and activities; • Respect for the rights and consideration of the interests of stakeholders; • Improvement of the management system in the Company and its subsidiaries/organizations; • Prevention of corrupt activities in the Company; • Identification and mitigation of the impact of economic, environmental and social risks arising from OGK-2 activities; • Integration into the system of key performance indicators of the Company and its employees of new indicators of Sustainability; • Achievement of the acceptable level of customer satisfaction established by the Company; • Development of national and global partnerships with stakeholders to tackle the Company's Sustainability issues.

	A comfortable and safe living environment.	• Environment; • Comprehensive plan to modernize and expand backbone infrastructure.	• Efficient management in the Company and its subsidiaries/ organizations; • Responsible production and consumption; • Environmental protection.	• Formation of OGK-2's fuel balance predominantly from natural gas allows achieving synergy effects within the controlling shareholder’s Group and more efficient use of gas in electricity and heat generation for the needs of enterprises, organizations and households; • Steadily improving energy efficiency.
   	A comfortable and safe living environment.	• Environment.	• Efficient management in the Company and its subsidiaries/ organizations; • Responsible production and consumption; • Environmental protection.	• Compliance with all governmental environmental requirements; • Taking all possible measures to preserve favorable environment in the regions of the Company's presence and globally beyond the mandatory requirements of the state; • Reduction of atmospheric emissions in main production processes; • Reduction of water resources consumption, lower discharges of pollutants into water bodies; • Conservation and restoration of soils; • Reduction of greenhouse gases emissions into the atmosphere, including methane; • Systematic assessment and reduction of risks associated with climate change; • reduction of the volume of production and consumption waste, sending waste for recycling and disposal; • taking measures to prevent negative environmental impacts at all stages of the life cycle of production facilities, including measures to adapt to climate change; • determination by the Company's environmental policy of specific mechanisms for the fulfillment of assumed environmental obligations.

OGK-2 ACTION PLAN IN THE FIELD OF SUSTAINABILITY [GRI 2-24]

In September 2023, the Board of Directors of OGK-2 approved the OGK-2 Sustainability Action Plan (hereinafter referred to as the Plan)[9]. The Plan has been developed for the period up to 2025 and a number of activities will be implemented on a regular basis beyond 2025. The Plan includes the following tasks:

- approval of main documents and indicators in the field of sustainability;
- corporate and organizational changes;
- development of a risk management system taking into account Sustainability issues;
- improvement/adjustment of internal documents taking into account the factors in the field of sustainability;
- handling of work with stakeholders;
- disclosure of information in the field of sustainability;
- training, education.

In accordance with the Plan, as of April 2024, OGK-2 has implemented the following measures:

- sustainability goals have been defined;
- the practice of monitoring the implementation of the Plan has been introduced;
- the Board of Directors of the Company is vested with competence on sustainability issues;

[9] Approved by the decision of the Board of Directors of OGK-2 PJSC Minutes No. 308 dated September 29, 2023.

- the practice of reviewing information on critical risks by the Board of Directors in case of their existence has been introduced;
- a hotline for identifying the organization's risks has been introduced;
- training of personnel in the field of sustainability is conducted, and participation in public events in this field is organized;
- guidelines were developed for determining the tolerable risk in OGK-2;
- the Company's stakeholders (list update) were identified in the field of sustainability;
- the format of information on occupational health and safety and information on the implementation of safety culture development projects regularly published on the Company's website was developed;
- the 2021 and 2022 Sustainability Report has been published;
- the practice of disclosing information on the risk management and internal control system, as well as on climate risks as part of Sustainability Reports was introduced;
- the Strategy, Investment and Sustainability Committee was formed in accordance with the decision of the Board of Directors of OGK-2.

In accordance with the Plan, as of July 2024, OGK-2 has implemented the following measures:

- the Board of Directors of OGK-2 reviewed the Report on implementation of OGK-2 sustainability action plan as of June 30, 2023;
- the Board of Directors of OGK-2 approved Methodological recommendations for determining the tolerable risk, as well as indicators of the maximum tolerable risk for 2023.

03. CORPORATE SUSTAINABILITY MANAGEMENT

The corporate management system of OGK-2 is aimed at increasing the efficiency of the Company’s operations, strengthening its goodwill and capitalization growth. Corporate management is an important factor in building trusting relations with all stakeholders who are equally influenced by the Company and influence it themselves. In its activities, the Company is guided by, but not limited to, the requirements of the applicable Russian laws, guidelines of the Corporate Governance Code of the Bank of Russia, as well as the best Russian and international practices in the field of corporate management.

In the area of corporate governance, OGK-2 is guided by the requirements of the applicable Russian laws, the Listing Rules of Moscow Exchange PJSC, recommendations of the Corporate Governance Code of the Bank of Russia, internal documents of the Company defining the Company's corporate governance standards focused on the application of best practices in corporate governance and information disclosure.

[GRI 2-15]

Fundamental requirements for ethical corporate behavior, including prevention of conflicts of interest, cases of corruption or violation of antitrust laws, are set forth in OGK-2's Code of Corporate Ethics. In interaction with external stakeholders, OGK-2 is guided by the principles of politeness, correctness and accuracy.

The corporate governance system in place at OGK-2 fully complies with the requirements of the Russian law and the Listing Rules. The management is confident that it provides the shareholders and investors the necessary degree of assurance as to the consistency of the strategy implemented and the decisions made.

Principles of corporate governance of OGK-2

- Accountability of the Board of Directors to shareholders, and of the executive bodies to the Board of Directors and the General Meeting of Shareholders.
- Reliability and efficiency of accounting for ownership of shares, as well as the possibility of free and rapid alienation of shares owned by shareholders.
- Equal treatment of all shareholders and strict protection of their legitimate interests and rights:
  - the right of shareholders to participate in the management of the Company;
  - the right of shareholders to receive information about the activities of the Company;
  - the right of shareholders to participate in the income of the Company.
- Timely disclosure of reliable information on all material facts, financial position, social and environmental indicators, performance results, ownership and management structure, as well as ensuring free access to such information for all interested parties.
- Maintaining a reasonable balance between the transparency of the Company's activities and pursuing its commercial interests.
- Open dialogue with representatives of all interested parties, recognition of their rights and legitimate interests.
- Compliance with ethical standards that prevent the use of official position by employees of the Company to the detriment of the Company itself or third parties.

The main documents regulating the functioning of the corporate governance system are available on the Company's website: https://ogk2.ru/o-kompanii/uchreditelnye-i-vnutrennie-dokumenty/.

OGK-2 regularly updates internal documents that define the Company's corporate management policy. Thus, in the reporting year 2023, the following documents were updated and approved as part of improving the level of corporate governance:

- Articles of Association (new version No. 15) (approved by Annual General Shareholders Meeting of OGK-2, Minutes No. 17 dated June 30, 2023);
- Code of Corporate Ethics of OGK-2 (approved by the Board of Directors, Minutes No. 299 dated May 18, 2023);
- List of insider information of OGK-2 (approved by Order No. 292 dated September 28, 2023);
- Regulations on the OGK-2 Dividend Policy (approved by the Board of Directors, Minutes No. 303 dated July 11, 2023);
- OGK-2 Internal Audit Policy (approved by the Board of Directors, Minutes No. 310 dated November 30, 2023);
- Regulation on the General Director of OGK-2 (approved by the Annual General Shareholders Meeting of OGK-2, Minutes No. 17 dated June 30, 2023);
- Regulation on the General Meeting of Shareholders of OGK-2 (approved by the Annual General Shareholders Meeting, Minutes No. 17 dated June 30, 2023);
- Regulation on the Board of Directors of OGK-2 (approved by the Annual General Meeting of Shareholders, Minutes No. 17 dated June 30, 2023);
- Regulation on the Board of Directors Committee for Strategy, Investments and Sustainability of OGK-2 (approved by the Board of Directors, Minutes No. 307 dated September 14, 2023).

Detailed information about the governing bodies, their powers and composition, as well as about their activities can be found in the Annual Report of OGK-2 for 2023.

04. MANAGEMENT SYSTEMS

QUALITY MANAGEMENT SYSTEM

OGK-2 has implemented and operates a quality management system (QMS) in accordance with the requirements of the controlling shareholder's corporate standard STO 9001-2018 and the national standard GOST R ISO 9001-2015.

In 2023, OGK-2 successfully passed the second surveillance audit (second inspection control) and confirmed the validity of certificates of compliance with the requirements of standards.

The auditors of the independent certification body noted:

Strengths of OGK-2 QMS	Opportunities for improvement
✓ Leadership of managers, active participation of the heads of executive office and branches in the audit and support of the system functioning; ✓ High level of performance discipline; ✓ Use of information systems to ensure exchange of information and storage of the deliverables by the Company's subdivisions; ✓ Competence of the staff; ✓ Automation of technological processes, use of technical solutions aimed at reducing the accident rate of equipment and increasing reliability; ✓ The effectiveness of QMS internal control.	✓ Involvement of representatives of the Company's executive office in internal controls of the Company's branches; ✓ Analysis of the correctness of the established performance criteria of QMS processes taking into account the objectives and boundaries of the processes.

As part of the QMS development of the Company in 2023:

- process maps were finalized: the consistency of inputs and outputs of interrelated processes was ensured, reference regulatory documents were updated, the interrelation of stages was clarified, and process performance criteria were revised;
- non-conformance management measures have been developed;
- training of newly hired personnel in the requirements of GOST R ISO 9001-2015 and controlling shareholder's STO 9001-2018 standards was carried out.

ENERGY MANAGEMENT SYSTEM

OGK-2 has implemented and operates an energy management system (EMS) in accordance with the requirements of the international standard ISO 50001:2018 and the national standard of the Russian Federation GOST R ISO 50001-2012.

The purpose of the EMS is to provide prompt management decisions to achieve energy saving and energy efficiency indicators set in the energy saving programs.

As part of the development of the EMS in 2023, the following activities were carried out:

- regulatory documents were revised;
- cross internal controls of the quality management system and energy management system were carried out simultaneously;
- training and testing of knowledge of internal inspectors (16 people) was carried out.

In the period from February 07, 2023 to February 10, 2023 conducted recertification audit of EMS in OGK-2 for compliance with the requirements of GOST R ISO 50001 (ISO 50001).

Based on the results of recertification audit, analysis and performance assessment of the energy management system for the previous certification cycle, it was established that the energy management system is maintained in operation. Certificates of Conformity of EMS:

- Certificate ISO 50001:2018 No. 23.0180.026 dated March 01, 2023, valid until February 18, 2026;
- Certificate GOST R ISO 50001-2012 No. 23.0179.026 dated March 01, 2023, valid until February 18, 2026.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS

In accordance with the Decision of the controlling shareholder's Industrial Safety Commission, reflected in the letter of the managing organization No. URSH/0114 dated October 13, 2020 "On ISO 45001 Certification", on December 21, 2022 OGK-2 received a certificate of compliance of OGK-2 industrial safety management system with the requirements of GOST R ISO 45001-2020.

In 2023 the group of auditors of one of the certification associations conducted the first inspection (supervisory) audit of the OGK-2 occupational health and safety management system, no remarks were identified as a result of the audit.

In September 2024 the second inspection (supervisory) audit of occupational health and safety management system of OGK-2 will be conducted by a group of auditors.

05. ALLOCATION OF DUTIES AND RESPONSIBILITIES FOR SUSTAINABILITY

[GRI 2-9], [GRI 2-24]

The Company's controlling shareholder and its managing company are focused on sustainability in the long term and implement these approaches at all levels of corporate governance.

SUSTAINABILITY MANAGEMENT

[GRI 2-13]

Since June 2021, the Managing Committee for Sustainability of the managing company's Group has been operating on the basis of the managing company, whose main task is to develop and implement ESG practices in the business processes of subsidiaries. The Committee included Managing Director of OGK-2.

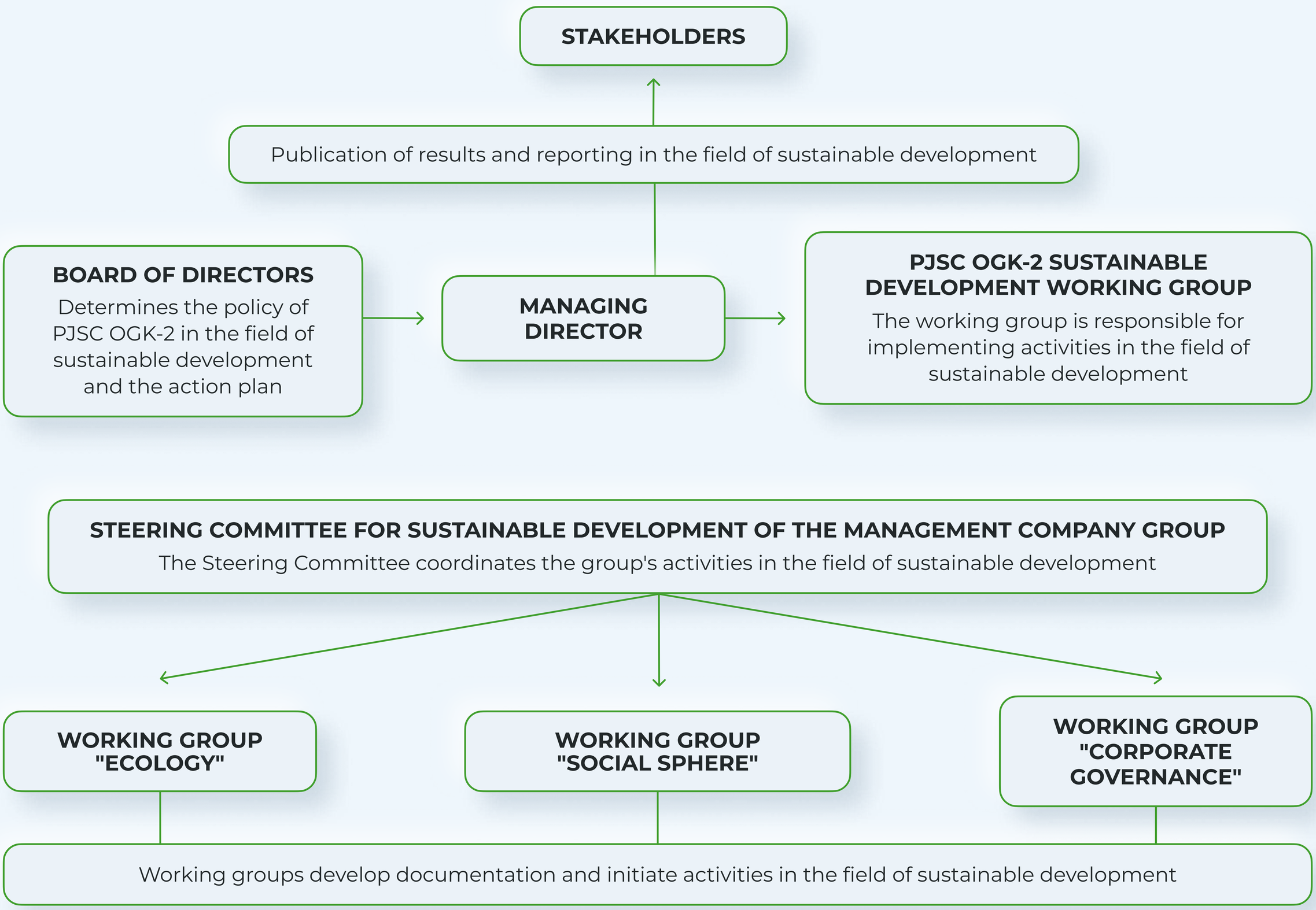
Main tasks of the Managing Committee for Sustainability:

- defining the principles and focus areas in sustainability and the procedure for their implementation;
- ensuring a unified policy in the field of sustainability.

Two meetings of the Managing Committee for Sustainability were held in 2023.

Top management of OGK-2 takes an active part in the work on sustainability in specialized working groups such as Ecology, Social Policy, Corporate Governance.

STRUCTURE OF SUSTAINABILITY MANAGEMENT [GRI 2-12]



Sustainability management is integrated into the corporate management system of OGK-2 and implemented as activities of management bodies, specialized structural divisions, advisory and working bodies and includes:

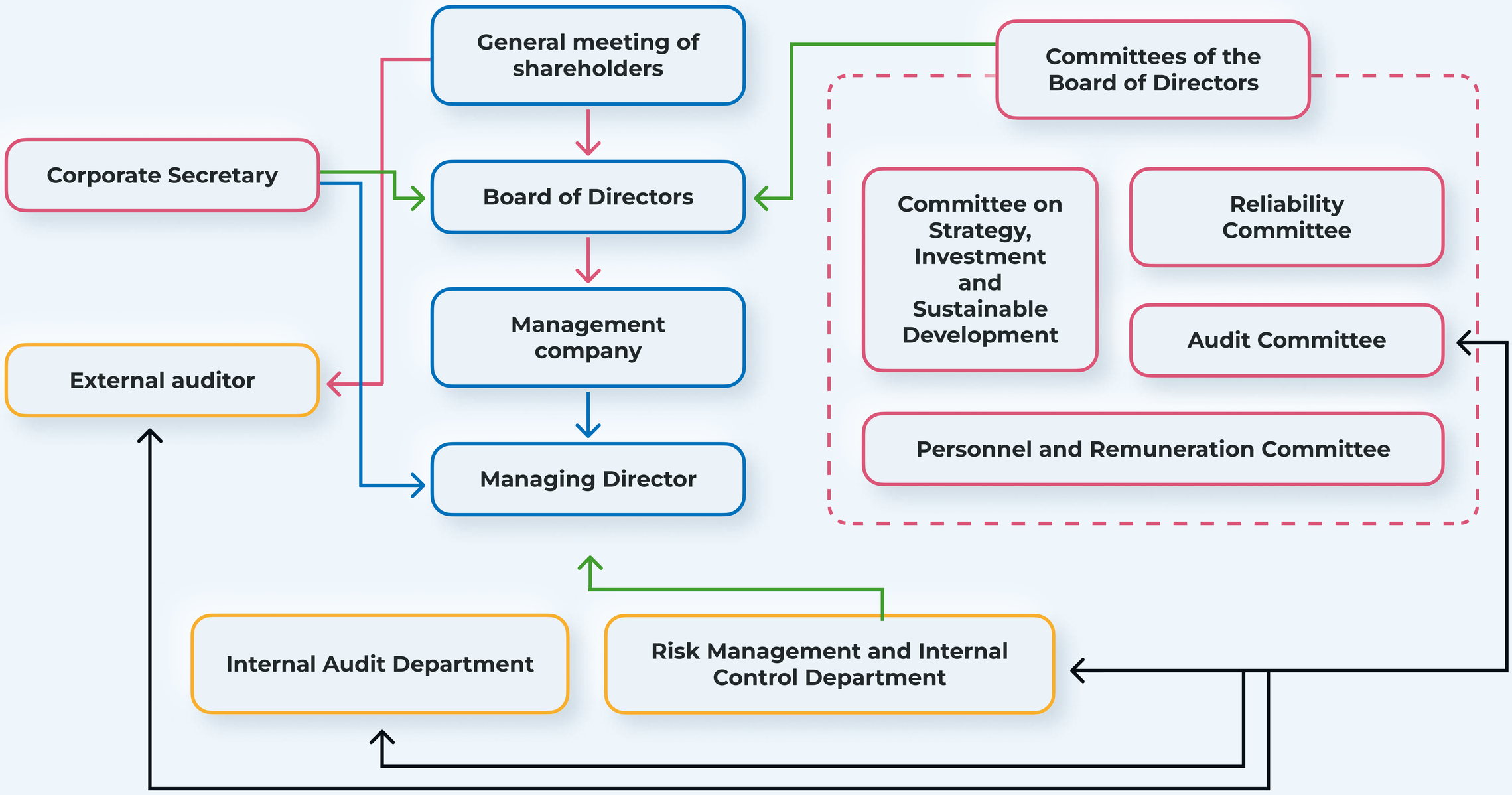
- strategic sustainability issues management in the Company by the Board of Directors;
- determination of uniform requirements and methodological approaches to the sustainability operations, goals and objectives of OGK-2 sustainability growth;
- ensuring and coordinating activities in the field of sustainability, implementing a set of measures in pursuance of applicable policies and standards;
- risk management in the field of sustainability as part of a corporate-wide risk management system.

OGK-2 CORPORATE MANAGEMENT STRUCTURE[10]

[GRI 2-13]

Within the corporate structure, there is a partial delegation of functions and a redistribution of responsibility on issues related to the solving of current economic, environmental and social issues.

Implementation of the Policy approved by the Board of Directors of OGK-2 on September 19, 2022, and achievement of sustainability goals are carried out by structural units, working bodies of OGK-2.



[10] The Corporate Secretary is accountable to the Board of Directors and is appointed by the governing body (SEB) upon approval by the Board of Directors.

STRUCTURAL UNITS RESPONSIBLE FOR ENVIRONMENTAL, SOCIAL AND ECONOMIC ISSUES

Economic issues	Social issues	Environmental issues
• Production Management; • Energy Supply Division; • Economic Division; • Development Division, Business Solutions Evaluation Department.	• Personnel Management Division: social benefits, guarantees and compensations, VHI, accident insurance, non-state pension provision, personnel training and development; • The Commission for the Regulation of Social and Labour Relations (CRSL) (the main purpose of its activities is to ensure social partnership in the area of labour, achievement of harmonization of the interests of the parties to labour relations); • Charity and Sponsorship Commission: considers incoming requests for charitable assistance, approves the program of activities for charitable and sponsorship assistance.	• In the executive office, the Operations and Production Management Division within the Production Department is responsible for environmental protection and ecology. • Environmental protection departments (groups) were set up at the branches.

ASSESSMENT OF CORPORATE GOVERNANCE PRACTICES

The Company has established the practice of annual self-assessment of its corporate governance practices by preparing a report on compliance with the principles and recommendations of the Corporate Governance Code approved by the Board of Directors of the Bank of Russia on March 21, 2014 and recommended for use by Joint Stock Companies whose securities are admitted to organized trading.

In order to assess compliance with the corporate governance principles enshrined in the Corporate Governance Code, OGK-2 uses the report form developed and recommended for use by the Bank of Russia in letter No. ИН-06-28/102 dated December 27, 2021 “On disclosure in the annual report of a public joint stock company of a report on compliance with the principles and recommendations of the Corporate Governance Code”.

Report on compliance with the principles and recommendations of the Corporate Governance Code is annually reviewed by Board of Directors of OGK-2 simultaneously with the Company's Annual Report on the results of the reporting period.

Also, the Board of Directors annually reviews reports of the Company's Corporate Secretary, which include information on organizational support of the Company's management bodies, assistance in disclosure of information by the Company on its activities, organization of protection of shareholders' rights and interests, improvement of the Company's corporate governance system and practices.

Based on the results of self-assessment, the Company implements measures aimed at improving the efficiency of corporate governance practices, including:

- updating and improvement of the Company's internal documents;
- improvement of the practice of convening and holding meetings of the Board of Directors and committees of the Board of Directors of the Company;
- introduction of new electronic services for shareholders;
- automation of information collection and storage processes, etc.

06. ROLE OF THE BOARD OF DIRECTORS IN THE FIELD OF SUSTAINABILITY

[GRI 2-9], [GRI 2-12], [GRI 2-16]

Protecting shareholders' and investors' rights, transparency and openness in all areas of activities are key priorities for the Company's Board of Directors.

Detailed information about the governing bodies, their powers and composition, as well as about their activities can be found in the Annual Report of OGK-2 for 2023.

The Board of Directors controls the Company's day-to-day operations, makes decisions on significant issues, controls the implementation of decisions of the General Meeting of Shareholders and ensures enforcement of the rights and legal interests of the Company complying with applicable law. The competence and operating procedures of the Board of Directors are governed by internal documents, namely the Board of Directors Charter and Regulation.

The competence of Board of Directors of OGK-2 in the field of sustainability in accordance with the Articles of Association of the Company includes:

- decision-making in the field of sustainability of the Company;
- approval of the sustainability Report of the Company;
- approval of the general policy in the field of sustainability;
- approval of the key non-financial performance indicators of the Company and their target values;
- making other decisions in accordance with the approved Sustainability policy of the Company.

Information on decisions made by the Board of Directors in the field of sustainability is disclosed in the form of statements of material facts (on the Company's official website on the page "On decisions made by the Board of Directors"), and, if necessary, is also published on the official website of the Company in the section dedicated to sustainability of OGK-2.

In the reporting year 2023, the Board of Directors adopted the following decisions in the field of sustainability:

- a general policy has been approved in the field of risk management, internal control and in the field of organization and implementation of internal audit, including risk management in the field of sustainability;
- business plans and an investment program for 2023 have been approved, within the framework of which it is planned to implement investment projects aimed, inter alia, at upgrading generating equipment in order to reduce fuel consumption and emissions of pollutants into the atmosphere;
- an Action Plan has been approved to improve operational efficiency and optimize OGK-2 costs for 2023, aimed at improving the efficiency of fuel use, water use and reducing electricity consumption for own needs of power plants, which will increase the Company's contribution to achieving one of the UN SDGs – Responsible Consumption and Production;
- the new edition of the Company's Code of Corporate Ethics was approved;
- the Strategy, Investment and Sustainability Committee was formed;
- the Regulation on Remuneration of OGK-2 employees was approved;
- the Regulation on Remuneration of OGK-2 Senior Managers was approved;
- the OGK-2 Sustainability Report for 2022 was approved;
- the Company's Action Plan in the field of sustainability was updated and approved.

NOMINATION AND ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS [GRI 2-10]

The Board of Directors is a collegial body, whose members are elected by the General Meeting of Shareholders for a period up to the next Annual General Meeting of Shareholders. By the decision of the General Meeting of Shareholders, the authority of all members of the Board of Directors may be terminated ahead of schedule. Persons elected to the Board of Directors may be re-elected without limitations. Candidates to be elected to the Board of Directors may be nominated by shareholders owning at least 2% of the Company's voting shares, as well as by the Board of Directors in case of the lack of candidates nominated by shareholders. The decision on this issue of the agenda of the meeting of the Board of Directors of the Company is made by a majority vote of the members of the Board of Directors of the Company participating in the meeting.

The Company is interested in shareholders nominating to the Company's Board of Directors the candidates having experience and expertise in electric power, finance, audit, strategic management, risk management, human resources and remuneration, corporate governance, process renewal, innovation and investments, sustainability, having experience in boards of directors or in senior positions at other public companies, including international ones. In order to ensure efficient decision-making, it is recommended to support the policy of succession of the Board of Directors of the Company, nominate candidates to the Board of Directors who could ensure diversification of its composition, including by gender.

The Company's shareholders carry out substantial work in preparation for the General Meeting of Shareholders to nominate candidates and subsequently form a Board of Directors that is as balanced as possible in terms of professional qualifications, background and business skills of its members.

In accordance with the Regulation on Board of Directors Personnel and Remuneration Committee of OGK-2, the competence of this Committee includes interaction with shareholders in order to form recommendations to shareholders regarding voting on election of candidates to the Board of Directors, as well as analysis of professional qualification and independence of candidates nominated to the Board of Directors and formation of recommendations to the shareholders of the Company regarding voting on election of candidates to the Board of Directors.

In the reporting period, when making recommendations to shareholders regarding voting on the election of candidates to the Board of Directors, the Personnel and Remuneration Committee of the Board of Directors conducted a preliminary analysis of candidates' compliance with the provisions of the Regulations on the Board of Directors of OGK-2 and the independence criteria defined by the Corporate Governance Code recommended by the Bank of Russia and the Listing Rules of the Moscow Exchange. Among other things, the Committee noted that all candidates nominated to the Board of Directors of the Company have high professional qualifications and meet the criteria specified in the Regulations on the Board of Directors.

In preparation for the Annual General Meeting of Shareholders, the Board of Directors recommended that in order for OGK-2 to comply with the requirements of the Moscow Exchange Listing Rules and the provisions of the Corporate Governance Code recommended by the Bank of Russia, the Company's shareholders vote on the election of members of the Company's Board of Directors taking into account the recommendations made by Personnel and Remuneration Committee of Board of Directors of OGK-2.

INDUCTION OF NEWLY ELECTED MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the Corporate Governance Code, the Company conducts an induction course for first-time elected members of the Board of Directors of the Company and notifies newly elected members of the Board of Directors and the Chairman of the Board of Directors of the Company of their rights and obligations. In view of this, on July 26, 2021, the Board of Directors

of OGK-2 (Minutes No. 263 dated July 26, 2021) approved an onboarding program for newly elected members of the Board of Directors of OGK-2.

The onboarding program for newly elected members of the Company's Board of Directors defines the main stages and procedure for familiarizing newly elected members of the Company's Board of Directors with the Company's key internal documents, as well as with their rights and obligations in connection with their election; sets out the Company's authorized persons and bodies responsible for notifying newly elected members of the Board of Directors and the Chairman of the Board of Directors and for monitoring the practical implementation of the onboarding, thus ensuring a common thoughtful approach and continuity in these processes.

Quantitative indicators characterizing the work of the Board of Directors in 2021–2023 are given in Appendix 1.

CRITERIA FOR THE INDEPENDENCE OF BOARD DIRECTORS MEMBERS [GRI 2-10]

All independent directors in the Board of Directors of the Company are experienced professionals with an impeccable reputation and independent judgment. OGK-2 annually checks the presence of criteria for the relationship of independent directors with the Company, both for candidates to the Board of Directors and for current members. When assessing, the Company is guided by the recommendations of the Corporate Governance Code of the Bank of Russia. If a change is identified in the independence status of any member of the Board of Directors, the matter shall be brought to the consideration of the Board of Directors.

During the reporting period, the Personnel and Remuneration Committee of the Board of Directors reviewed the recommendations to shareholders with respect to voting on candidates to the Board of Directors of the Company, taking into account the information on the candidates' eligibility based on the requirements applicable to independent directors.

After the General Meeting of Shareholders has formed the Board of Directors, in accordance with the Articles of Association of the Company, the Board of Directors may, if necessary, make decisions on the compliance of the members of the Board of Directors with the independence criteria. On June 29, 2022, the Board of Directors included one member of the Board of Directors who fully meets the independence criteria. In the reporting year, the Board of Directors did not consider relevant issues. After June 27, 2023, the Board of Directors included one director who fully meets the independence criteria in accordance with the analysis performed by the Personnel and Remuneration Committee of the Board of Directors.

DIVERSITY ON THE BOARD OF DIRECTORS [GRI 2-10], [GRI 405-1]

In accordance with the Regulation on the Board of Directors of OGK-2, approved by the Annual Shareholders' Meeting, Minutes No. 17 dated June 30, 2023, available on the Company's official website (https://ogk2.ru/o-kompanii/uchreditelnye-i-vnutrennie-dokumenty/), the Company strives to nominate candidates to the Board of Directors who could ensure diversification of its composition, including by gender.

In accordance with the Code of Corporate Ethics approved by the Board of Directors of OGK-2, Minutes No. 299 dated May 18, 2023, the Companyguarantees employees protection from any forms of discrimination as defined by the current legislation of the Russian Federation and norms of international law. When administrating staffing policy, wage policy, social security policy, any preferences based on nationality, gender, age, etc. are prohibited. The provisions of the Code of

Corporate Ethics shall apply to the members of the Board of Directors of the Company.

The Company pays significant attention to diversity in management bodies, including adequate representation of women on the Board of Directors and its Committees.

Indicators characterizing the diversity of the structure of the Board of Directors by age and gender are given in Appendix 1.

COMPETENCES OF THE MEMBERS OF THE BOARD OF DIRECTORS [GRI 2-10]

The structure and composition of the Board of Directors in terms of combination of knowledge, experience and competencies of its members are balanced and optimal for efficient operation of the Board of Directors and current needs of the Company.

The structure and composition of the Board of Directors of the Company were analyzed based on a questionnaire survey of its members. Their answers were used to calculate the average score determining the level of combination of knowledge, experience and competencies for each of the areas and to form the final matrix of competencies of the members of the Board of Directors used in the Company's corporate governance system.

Areas of analysis of the structure and composition of the Board of Directors in terms of the combination of knowledge, experience and competencies of its members	Average score
Electricity / heat power industry	5.00
Finance	5.00
Personnel and remuneration	5.00
Innovation and investment	4.90
Audit	4.90
Production modernization	4.80
Sustainability	4.80
Risk management	4.70
Strategic management	4.30
Corporate governance	4.30

Significantly low average scores were obtained in the areas of strategic and corporate governance. At the same time, the opinions of all interviewed respondents were consistent in their assessment. In this regard, the Company is considering the following options to improve the relevant competencies:

- organization of additional profile training for members of the Board of Directors;
- attraction of members with relevant competencies to the Board of Directors;
- engagement of external experts in these areas to advise the Board of Directors.

The indicators characterizing the diversity of the structure of the Board of Directors by competencies are given in Appendix 1.

CHAIRMAN OF THE BOARD OF DIRECTORS [GRI 2-11]

Chairman of the Board of Directors of OGK-2 is the General Director of the managing organization of the Company. Based on the powers defined by the power of attorney issued by the General Director of the managing organization, the operating activities are managed by the Managing Director of OGK-2.

External analysis of the performance of the Chairman of the Board of Directors was based on a questionnaire survey of the members of the Board of Directors. Their answers were used to calculate an average score determining the efficiency of his work. The obtained average score amounted to 5.00 on a scale from 2 to 5 and is the highest. Their answers were used to calculate an average score that determines the effectiveness of his work. The resulting average score was 5.00 on a scale of 2 to 5 and is the highest. Thus, in general, the evaluation of the work of the Chairman of the Board of Directors of the Company by the members of the Board of Directors of the Company is very high and indicates that he qualitatively realizes the function of running meetings and plays an important role in the implementation of the work of the Board of Directors of the Company. According to the results of the survey, the work of the Chairman of the Board of Directors of the Company can be assessed as efficient.

In 2023, the composition of the Board of Directors was balanced in terms of number, age, seniority and work experience, as well as in terms of competencies. These factors allow members of management bodies to comprehensively and objectively consider the most important issues of the Company's activities.

ATTENDANCE OF MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD OF DIRECTORS BY MEMBERS OF THE BOARD OF DIRECTORS[11]

98.18%

Attendance by members of the Board of Directors at meetings of the Board of Directors

100%

Attendance by members of the Board of Directors at meetings of the Committee of the Board of Directors

[11] The Strategy, Investment and Sustainability Committee of the Board of Directors of OGK-2 PJSC operates since 14.09.2023 in accordance with the Regulation on the Strategy, Investment and Sustainability Committee of the Board of Directors of OGK-2 PJSC approved by the decision of the Board of Directors of OGK-2 PJSC dated 14.09.2023 (Minutes No. 307 dated 14.09.2023).

TRAINING FOR THE BOARD OF DIRECTORS MEMBERS [GRI 2-17]

The Company strives to hold training events for members of the Board of Directors on a regular basis (at least once a year) in order to facilitate the development of their competencies and expand their knowledge in certain areas. In accordance with the new version of the Articles of Association of the Company (No. 15), the competences of the Board of Directors include approval of the training and professional development program for its members.

Pursuant to the Sustainability Action Plan of the Company in 2023, training of members of the Board of Directors of the Company on the operation of the risk management and internal control system was conducted.

There is no succession program for members of the Board of Directors of the Company.

ASSESSMENT OF THE BOARD OF DIRECTORS OPERATIONS [GRI 2-18]

Subject to clause 2.9.2 of the Corporate Governance Code recommended for use by Joint Stock Companies whose securities are admitted to organized trading (Letter No. 06-52/2463 of the Bank of Russia “On the Corporate Governance Code” dated April 10, 2014), performance of the Board of Directors, committees and members of the Board of Directors shall be assessed on a regular basis at least once a year, and it is recommended to engage a third-party company (consultant) from time to time (at least once every three years) to perform independent assessment of the quality of the Board of Directors work.

In 2024, an independent assessment of the performance of the Board of Directors and Committees of the Board of Directors of OGK-2 was carried out for the first time. The assessment was carried out for the 2023–2024 corporate year. An external independent consultant was engaged to conduct the assessment.

The methodology for independent evaluation of the performance of the Board of Directors and its Committees included the following components:

- general analysis of internal documents regulating the activities of the Board of Directors, Committees of the Board of Directors, as well as other documents of the Company published in the public domain and provided by the Company upon request;
- questionnaire survey of members of the Board of Directors and Committees of the Board of Directors;
- random interviewing of members of the Board of Directors and Committees of the Board of Directors.

Based on the results of the assessment of the work of the Board of Directors and its Committees for 2023–2024 corporate year, a report was prepared and considered by the Company's Board of Directors on April 26, 2024 (Minutes of the meeting of Board of Directors of OGK-2 No. 319 dated April 26, 2024).

The following conclusions were reached by the independent consultant:

- the activities of the Board of Directors and its Committees are well organized and comply with the Company's strategic principles and key recommendations of the Corporate Governance Code;
- the structure of the Board of Directors and its Committees fully corresponds to the Company's needs, its scale and level of business complexity;
- the Company's corporate governance system exactly complies with the legislation of the Russian Federation and in a number of respects corresponds to the best corporate governance practices in leading Russian companies.

The independent consultant made a number of recommendations for improvements to the Board of Directors and Committees that are expected to be implemented in the 2024–2025 corporate year, including:

- consider the possibility of increasing the participation of members of the Board of Directors and independent members of the Board of Directors in the Committees;
- consider the possibility of holding in-person

meetings of the Board of Directors and the Committees using video conferences;

- determine the composition, structure and content requirements for annual reports of a number of Committees;
- determine the requirements for the composition and content of materials provided to the Committees.

In addition, an external consultant has developed a methodology for conducting an annual self-assessment of the activities of the Board of Directors and Committees, including guidelines and recommendations.

The Company has not approved a separate internal document defining a formalized procedure for conducting a self-assessment of the quality of the work of the Board of Directors. At the same time, the possibility of such an assessment is fixed in the Regulations on the Personnel and Remuneration Committee of the Board of Directors (clauses 2.2.6, clause 2.2, Article 2 of the Regulations on the Personnel and Remuneration Committee of the Board of Directors OGK-2). In 2024 the Company plans to approve a specialized internal document that takes into account the methodological "Recommendations on the organization and conduct of a self-assessment of the effectiveness of the Board of Directors (supervisory board) in Public Joint Stock Companies"[12], prepared by the Bank of Russia, and a methodology developed by an independent consultant.

PREVENTING CONFLICTS OF INTEREST OF MEMBERS OF THE BOARD OF DIRECTORS

[GRI 2-15]

The Code of Corporate Ethics[13] of OGK-2 provides for a list of measures to prevent potential or actual conflicts of interest between the members of the Board of Directors and the Company interests. In particular, these relate not only to their own interests, but also to those of their family, friends and other personal relationships, receiving gifts, services, other benefits, using the Company's assets and resources, and disclosing information. Members of the Board of Directors shall also avoid having labour or civil law relations with a competitor, including cases of predominant participation in the authorized capital of a competing company or in the management bodies of such companies by the Board members themselves or their close relatives or family members.

The Regulations on the Board of Directors of OGK-2[14] stipulate the duty for a member of the Board of Directors to refrain from any actions that will or may lead to a conflict of interest. If a member of the Board of Directors has a conflict of interest, the latter must inform the Board of Directors about it by sending a notice to the Board of Directors Chairman.

NO CONFLICTS OF INTEREST WERE IDENTIFIED AMONG MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE BODIES OF THE COMPANY IN 2023.

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12 https://www.cbr.ru/crosscut/lawacts/file/2386.

13 Approved by the decision of the Board of Directors of the Company Minutes No. 299 dated 18.05.2023, and put into effect by OGK-2 PJSC Order No. 188 dated 23.06.2023 "On measures to implement decisions of the Board of Directors of the Company".

14 Approved by the decision of the Annual General Meeting of Shareholders of the Company dated 27.06.2023, Minutes No. 17 dated 30.06.2023.

CORPORATE SECRETARY

The Company is governed by the Regulations on the Corporate Secretary approved by the decision of the Board of Directors of OGK-2 (Minutes of the Board of Directors No. 283 dated August 31, 2022), that set forth the main functions of the Corporate Secretary.

The Corporate Secretary shall be responsible for:

- ensuring the functioning of mechanisms for exercising the rights and protecting the interests of shareholders, including compliance with the procedure for holding the General Meeting of Shareholders;
- acting as secretary of the General Meeting of Shareholders and the Board of Directors of the Company;
- organizing the activities of management and control bodies, as well as interaction between the Board of Directors and management of the Company;
- ensuring storage, disclosure and provision of information about the Company;
- carrying out the work to maintain corporate traditions, resolve disputes and conflicts;
- control over protection of interests of the Company, inter alia in the course of interaction with the Bank of Russia and government authorities.

In addition to the Corporate Secretary, the functions in the area of corporate governance in the Company are performed by the Corporate Affairs Department.

07. ROLE OF THE BOARD OF DIRECTORS COMMITTEES IN THE AREA OF SUSTAINABILITY

As of the end of 2023, Board of Directors of OGK-2 has four committees: Strategy, Investment and Sustainability Committee, Audit Committee, Personnel and Remuneration Committee, and Reliability Committee. The listed Committees are consultative and advisory bodies and ensure the effective performance by the Board of Directors of its functions in the overall management of the Company. The members of the Committees are approved by the Board of Directors.

In 2023, from January 01, 2023 to September 14, 2023, the Strategy and Investment Committee of the Board of Directors of OGK-2 functioned under the Board of Directors of OGK-2. The Committee was abolished by decision of the Board of Directors on September 14, 2023, and in pursuance of OGK-2 Sustainability Action Plan the Strategy, Investment and Sustainability Committee of the Board of Directors was formed.

Main documents regulating the functioning of the existing Committees of the Board of Directors:

- Regulation on Board of Directors Reliability Committee of OGK-2 (approved by the decision of Board of Directors of OGK-2 Minutes No. 284 dated September 08, 2022);
- Regulation on Board of Directors Personnel and Remuneration Committee of OGK-2 (approved by the decision of Board of Directors of OGK-2 Minutes No. 284 dated September 08, 2022);
- Regulation on the Audit Committee of the Board of Directors of OGK-2 (approved by the decision of the Board of Directors of OGK-2 Minutes No. 284 dated September 08, 2022);
- Regulation on the Strategy, Investment and Sustainability Committee of the Board of Directors of OGK-2 (approved by the decision of the Board of Directors of OGK-2 Minutes No. 307 dated September 14, 2023).

Committees of the Board of Directors of OGK-2	Tasks
• Audit Committee of Board of Directors of OGK-2	• Development and submission of recommendations (opinions) to the Board of Directors in the field of audit, internal control and risk management of OGK-2.
• Personnel and Remuneration Committee of the Board of Directors of OGK-2	• Development and submission of recommendations (opinions) to the Board of Directors in the field of OGK-2 personnel and social and labour policy.
• Strategy, Investment and Sustainability Committee of the Board of Directors of OGK-2	• Assisting the Board of Directors in the implementation of its powers aimed at improving the efficiency of operations in the long term of OGK-2; • Promotion of integration of sustainability principles into activities of OGK-2 in order to increase efficiency of OGK-2, capitalization and investment attractiveness of OGK-2; • Defining and improving the Company's OGK-2 business planning and budgeting policy; • Elaboration and submission of recommendations (opinions) on issues within the competence of the Board of Directors, included in the agenda of the Board of Directors meeting, referred to the competence of the Committee.
• Reliability Committee of the Board of Directors of OGK-2	• Assisting the Board of Directors in realization of its powers related to ensuring technological reliability, safety and production efficiency of OGK-2; • Elaboration and submission of recommendations (opinions) on issues within the competence of the Board of Directors, included in the agenda of the Board of Directors meeting, referred to the competence of the Committee.

Indicators characterizing the work of the Committees under the Board of Directors are given in Appendix 1.

BRIEF DESCRIPTION OF SUSTAINABILITY ISSUES CONSIDERED BY THE COMMITTEES OF THE BOARD OF DIRECTORS IN THE REPORTING PERIOD

Report on the work of the Audit Committee of the Board of Directors in 2023	
Number of meetings	**The most important issues considered and recommendations to the Board of Directors**
9	1. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On Approval of the General Policy on Risk Management and Internal Control". 2. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On consideration of the Report on the Functioning of the Risk Management and Internal Control System of OGK-2 in 2022". 3. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On review of the assessment results of the Company's Risk Management and Internal Control System". 4. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On approval of the threshold and maximum Tolerable Risk of OGK-2 for 2023".

The competence of the Audit Committee of the Board of Directors includes consideration of issues related to risk management, including sustainability risks.

Report on the work of the Reliability Committee of the Board of Directors in 2023	
Number of meetings	**The most important issues considered and recommendations to the Board of Directors**
4	1. Execution of the repair program according to the results of Q4 and 2022 as a whole, according to the results of Q1, Q2, Q3 of 2023. 2. Fulfilment of the investment program for Q4 and 2022 as a whole and for Q1, Q2, Q3 of 2023. 3. On occupational accidents at the end of Q4 and 2022 as a whole. 4. On occupational health and safety work based on the results of Q1, Q2, Q3 2023.

The competence of the Reliability Committee of the Board of Directors includes consideration of issues related to occupational health and safety and reliability management, which directly affects the interests of consumers and other stakeholders.

Report on the work of the Personnel and Remuneration Committee of the Board of Directors in 2023	
Number of meetings	**The most important issues considered and recommendations to the Board of Directors**
3	1. On recommendations to the General Meeting of Shareholders of OGK-2 regarding payment of remunerations and compensations to members of the Board of Directors of the Company. 2. On analysis of professional qualifications, experience, business skills and independence of candidates nominated to the Board of Directors of OGK-2 and drawing up of recommendations to OGK-2 shareholders in respect of voting on the issue of election of candidates to the Board of Directors of OGK-2. 3. On external evaluation of the efficiency of the Board of Directors and Committees of the Board of Directors of the Company. 4. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "Approval of an independent consultant to assess the efficiency of the Board of Directors and Committees of the Board of Directors of the Company.

The competence of the Personnel and Remuneration Committee of the Board of Directors includes consideration of issues related to remuneration and motivation of the members of the Board of Directors.

Report on the work of the Strategy and Investment Committee of the Board of Directors / Strategy, Investment and Sustainability Committee in 2023	
Number of meetings	**The most important issues considered and recommendations to the Board of Directors**
3	1. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On approval of business plan of OGK-2 for 2023 and key performance indicators for 2023". 2. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On approval of the report on the results of OGK-2 business plan implementation and fulfillment of key performance indicators for 2022". 3. On preliminary consideration of the issue falling within the competence of the Company's Board of Directors: "On approval of the report on the results of OGK-2 business plan fulfillment for 6 months of 2023".

The competence of the Strategy, Investment and Sustainability Committee of the Board of Directors includes consideration of issues related to the definition and implementation of the Sustainability strategy.

08. ROLE OF THE SOLE EXECUTIVE BODY (SEB) AND TOP MANAGEMENT IN THE FIELD OF SUSTAINABILITY [GRI 2-14]

By the decision of the Annual General Meeting of Shareholders of OGK-2 dated 26.06.2018, the powers of the sole executive body (SEB) were transferred to the managing organization.

THE ROLE OF THE SEB AND SENIOR MANAGEMENT IN THE SUSTAINABILITY AGENDA IS AS FOLLOWS:

1. developing and presenting to the Board of Directors the organization's goals, values or mission, strategies, policies and objectives related to sustainability;

2. supervising and checking the efficiency of the processes of organizing the Company's sustainability activities;

3. preparing Sustainability Report.

Since June 2021, according to the order of Managing Organization of OGK-2, the Sustainability Managing Committee has been established and has been operating, the main task of which is to develop and implement ESG practices in business processes of subsidiaries. Thus, the Board of Directors of OGK-2 developed and approved on September 19, 2022 OGK-2 Sustainability Policy, which defines, among other things, the Company's mission, goals and principles in the field of sustainability.

Board of Directors of OGK-2 approved Sustainability Action Plan of OGK-2 on September 29, 2023. According to this Plan:

- the Company sends the Report on the results of monitoring the Sustainability Action Plan of OGK-2 for consideration by the Strategy, Investment and Sustainability Committee with a frequency of once a year;
- the Company publishes the Sustainability Report of the Company on the official website in open access for all interested parties with a frequency of once a year.

09. REMUNERATION AND MOTIVATION OF THE SEB, SENIOR MANAGEMENT AND THE BOARD OF DIRECTORS [GRI 2-19] [GRI 2-20]

OGK-2 provides fair remuneration to members of the management bodies. The amount of remuneration and compensation to the members of the Board of Directors is determined by the Company’s Articles of Association and the Regulation on the Procedure for Determining the Amount of Remuneration and Compensation to the Members of the Board of Directors[15]. In accordance with these Regulations, remuneration of the members of the Board of Directors consists of basic and additional parts and depends on the Company's performance and individual work of the members of the Board of Directors for the relevant period.

[15] Approved by the decision of the Annual General Meeting of Shareholders, Minutes No. 16 dated 04.07.2022.

BASIC AND OPTIONAL PART OF REMUNERATION

The basic part of remuneration is paid for participation in each meeting of the Board of Directors in the amount equivalent to three minimum monthly wage rates of a first-division worker of the main production line in normal working conditions, established by the controlling shareholder as of the date of the meeting of the Board of Directors of the Company, taking into account indexation established by the controlling shareholder. The basic part of the remuneration for each meeting paid to the Chairman of the Board of Directors, Deputy Chairman or other person acting as the Chairman of the Board of Directors increases by 50%.

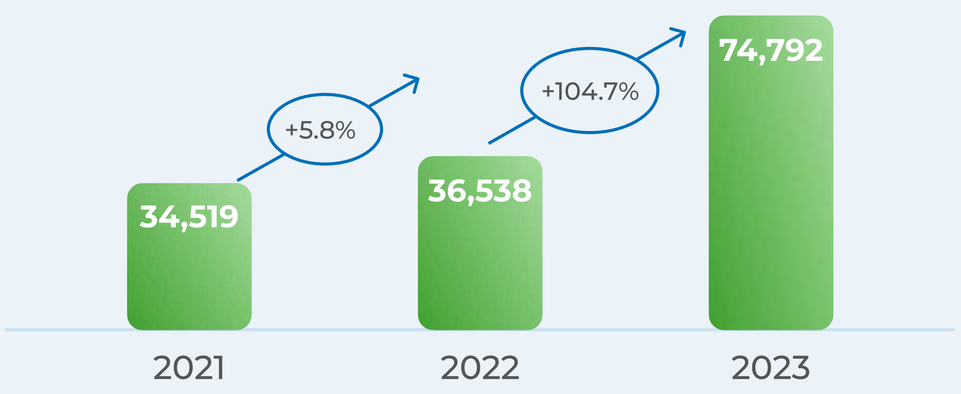
Optional remuneration is paid to the members of the Board of Directors based on the results of the financial year in case the Company receives net profit. The total amount of the optional part of the remuneration based on the Company operations results may not exceed 5% of the Company net profit. It is also possible to pay optional remuneration by the Company's shares at their market value.

The Annual General Meeting of Shareholders of OGK-2 dated June 27, 2023 (Minutes No. 17 dated June 30, 2023) adopted the resolution on payment of additional remuneration to the members of Board of Directors of OGK-2 elected by the resolution of the General Meeting of Shareholders of OGK-2 dated June 29, 2022 in the total amount of 0.2274% of OGK-2 net profit for 2022, calculated in equal shares under the Russian Accounting Standards in equal shares.

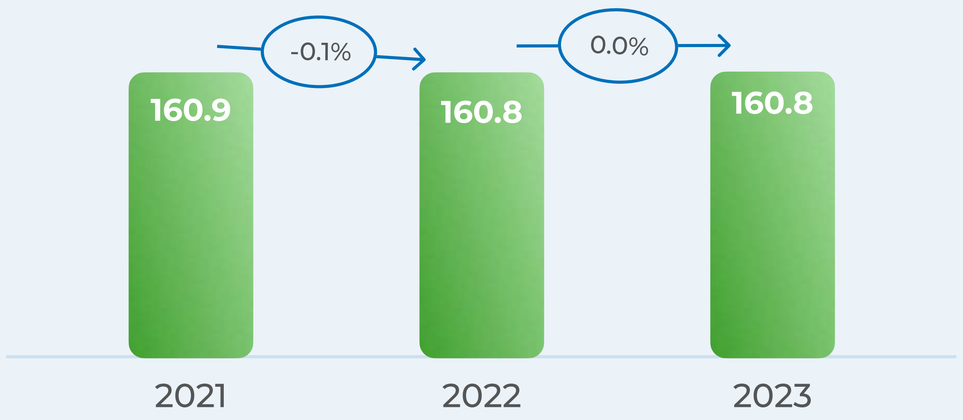
The Remuneration Committee of the Board of Directors preliminarily considers the issue of recommendations to the General Meeting of Shareholders of OGK-2 on payment of remunerations and compensations to the members of the Board of Directors of the Company[16]. The process of determining remunerations is not controlled by an independent member of the Board of Directors and is carried out without the involvement of external consultants.

Information on the structure of remuneration of the members of the Board of Directors is given in Appendix 1.

Remuneration to the members of the Board of Directors for participation in the work of the management body in 2021–2023, thous. RUB



Remuneration paid to the managing company, million RUB, VAT inclusive



Issues of material incentives for the managing organization are regulated by the concluded agreement on delegation of powers to the SEB. For 2023, the managing organization received remuneration in the amount of RUB 160,800 thousand including VAT.

The policy of remuneration and determination of remuneration amounts for top management is aimed at strengthening the interest of managers in labour results and achievement of strategic goals of the Company. The amount of a manager's salary is set taking into account the complexity of the work performed, qualifications and business qualities of the employee.

[16] Minutes No. 1/2023 dated 24.05.2023 and Minutes No. 2/2024 dated 22.05.2024.

KEY PERFORMANCE INDICATORS (KPIS) OF SENIOR MANAGEMENT IN THE FIELD OF SUSTAINABILITY

In order to increase interest of the employees of OGK-2 in achievement of results of special importance for the Company (for example, fulfillment of established indicators of the business plan and implementation of strategic projects), the Company provides for the possibility of bonus payment to employees. Bonus amounts depend on fulfillment of KPIs.

The following principles apply when ascertaining KPIs:

- KPIs are linked to the strategy and key performance indicators of the Company;
- KPI hierarchy: the KPI system is aimed at ensuring the fulfillment of the Company's top-priority goals and objectives in the first place;
- mandatory availability of KPIs for fulfillment in each reporting period (quarter, year);
- individuality of KPIs: the KPI system implies personal responsibility of managers for the activities of the organization, profile functional unit or subdivision;
- measurability and verifiability of KPIs: the procedure (methodology) for assessing KPI performance is, as a rule, clearly formalized.

The KPI system covers more than 80% of the Company employees, including the top management: Managing Director, his deputies, Business Line Director, Chief Accountant. The KPI system is also extended to managers and employees of branches with a focus on the fulfillment of the tasks of structural subdivisions, individual goals and projects.

KPIs annually include mandatory indicators in the field of sustainability and corporate social responsibility.

Top management's key performance indicators for sustainability:

- return on average capital employed;
- heat energy consumer satisfaction index;
- average number of hours spent by employees on all types of training during the year;
- share of employees who have undergone professional training, retraining and advanced training.

The composition of KPIs is continuously improved in accordance with the requirements of regulatory documents of the Russian Federation and the Company.

The amount of bonus/remuneration for each specific manager is determined based on the KPI fulfillment report approved by the SEB of the Company.

The remuneration system also provides for one-time bonuses for managers aimed at stimulating and encouraging them for high labour results, professional skills, improvement of product (work) quality, impeccable long-term work, initiative, innovation in work and other achievements.

10. SUSTAINABILITY RISK MANAGEMENT SYSTEM

MAIN REGULATORY DOCUMENTS

OGK-2 has a Risk Management and Internal Control Policy (hereinafter referred to as the RM&IC Policy), which defines the main principles and approaches to the organization of the corporate risk management and internal control system (RM&ICS), establishes RM&ICS components, its goals and objectives, as well as the main tasks and distribution of powers of RM&ICS participants.

The Company's RM&IC Policy applies to the structural subdivisions of the Company (including branches), its subsidiaries and organizations.

In 2023, OGK-2 RM&IC Policy was brought in line with the controlling shareholder's RM&IC Policy: it was updated in terms of external assessment of RM&ICS efficiency in accordance with the procedure established by a local normative act of the controlling shareholder. OGK-2 RM&IC Policy was approved by the decision of the Board of Directors of the Company on July 28, 2023 (Minutes No. 305).

During 2023, in order to improve the regulatory and methodological framework in the field of risk management and internal control, the following documents were approved that regulate the principles and approaches to identifying, assessing and managing the RM&ICS of the Company:

- OGK-2 Risk Management and Internal Control Policy (minutes of the meeting of the Board of Directors of OGK-2 No. 305 dated July 28, 2023);
- Methodological Recommendations for Determining the Tolerable Risk of OGK-2 (minutes of the meeting of the Board of Directors of OGK-2 No. 304 dated July 20, 2023);
- Regulation on Operational Risk Management System of OGK-2 (OGK-2 Order) No. 286 dated September 26, 2023);
- Regulation on Liquidity Risk Management of OGK-2 (OGK-2 Order No. 185 dated June 22, 2023);
- Regulation on Currency Risk Management of OGK-2 (OGK-2 Order No. 185 dated June 22, 2023);
- Regulation on Interest Rate Risk Management of OGK-2 (OGK-2 Order No. 185 dated June 22, 2023);
- Regulation on the Operational Committee for RM&IC of OGK-2 (OGK-2 Order No. 218 dated July 13, 2023);
- Risk Classifier of OGK-2 (OGK-2 Order No. 400 dated December 06, 2023);
- Methodological Recommendations on Risk Management Using Qualitative Assessments of OGK-2 (OGK-2 Order No. 289 dated September 27, 2023).

Also in the field of risk management and internal control, the following documents are in force in the Company:

- Risk Management Process Map (OGK-2 Order No. 16 dated January 23, 2023);
- Regulations on Interaction Between Participants of the Risk Management System (OGK-2 Order No. 258 dated June 27, 2018).

MANAGEMENT APPROACH

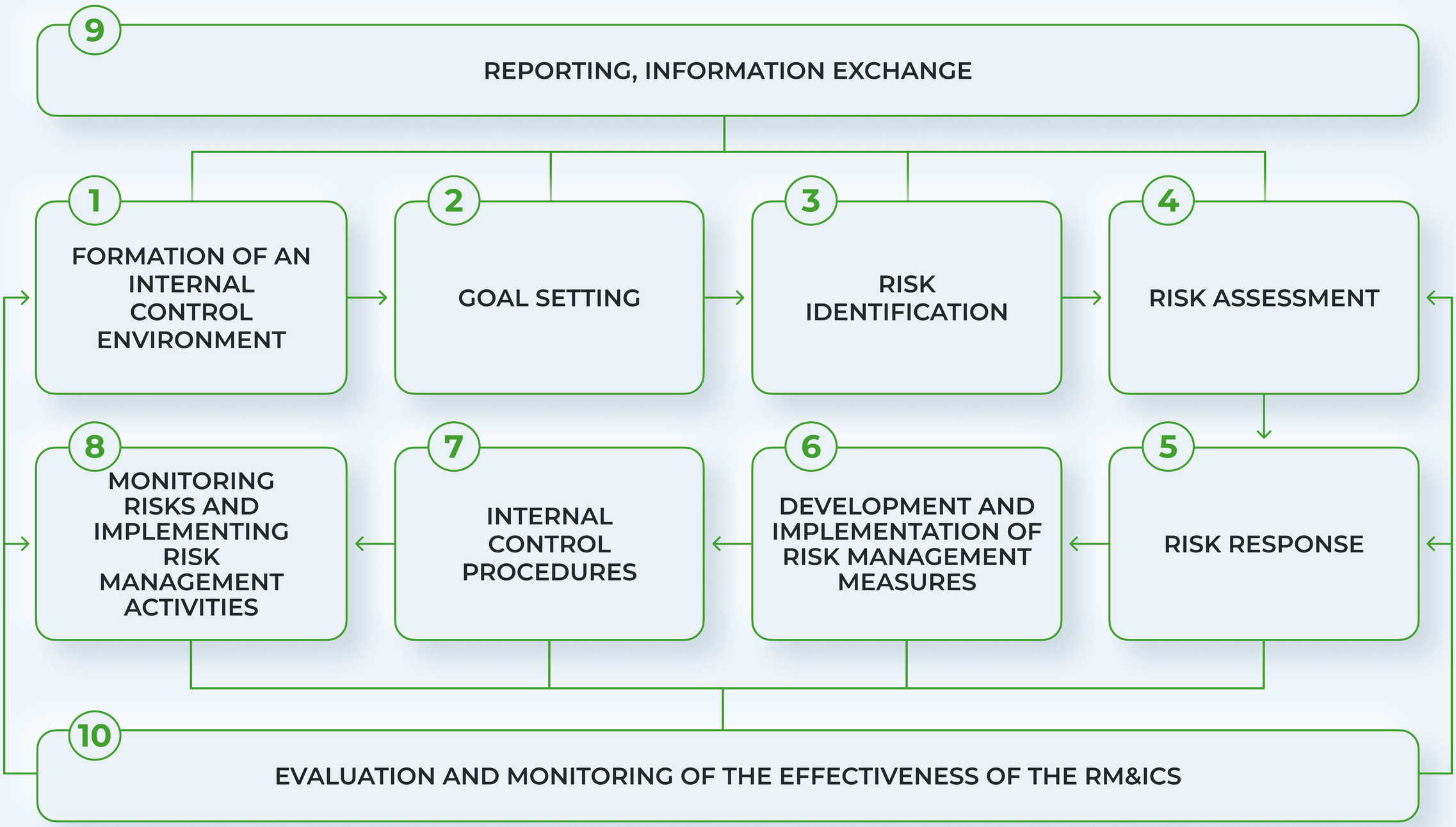
RM&ICS of OGK-2 complies with the principles enshrined in the Corporate Governance Code recommended for application by the Bank of Russia.

The objectives of the RM&ICS of the Company include:

- providing reasonable assurance in the Company's achievement of its objectives;
- ensuring proper control over the financial and economic activities.

Risk management and internal control activities of the Company provide for continuous functioning of the RM&ICS components.

MAIN COMPONENTS OF THE CORPORATE RM&ICS OF THE COMPANY



Sustainability activities management is integrated into Corporate Governance System of OGK-2, and risk management related to sustainability is similarly realized within the framework of the general corporate RM&ICS of the Company.

In accordance with the RM&IC Policy, the participants of the Company's RM&ICS are:

- at the controlling shareholder's level:
  - Risk Management and Internal Control Division (hereinafter referred to as RM&ICS)
- at the Company level:
  - Board of Directors of the Company;
  - Audit Committee of the Board of Directors;
  - SEB;
  - Collegial body (Operating Committee of the RM&IC of the Company);
  - Center of Responsibility for Risk Management and Internal Control (RM&IC CR)
  - Structural divisions and employees of the Company;
  - Business process owners;
  - Risk owners (co-owners)
  - Responsible for the implementation of risk management measures;
  - Risk coordinators;
  - Owners (co-owners) of internal control procedures
  - Responsible for monitoring the implementation of internal control procedures.

Main services of the participants within the framework of the RM&ICS of the Company

RM&ICS unit	Main functions
RM&ICS	• This subdivision ensures implementation of the unified policy of the controlling shareholder and its Group of companies in the field of risk management and internal control, provides methodological support for its implementation; • It coordinates the risk management and internal control activities of the controlling shareholder's Group companies.
At the level of OGK-2	
Board of Directors	• It approves the Company's internal documents on the Company's risk management and internal control policy, including principles and approaches to the organization, operation and development of the RM&ICS; • It establishes maximum and threshold Tolerable Risks for the Company for the planned period (year); • It ensures organization, functioning and efficiency of RM&ICS, including the results of the assessment and self-assessment of RM&ICS, if necessary, makes recommendations for its improvement.
Audit Committee under the Company's Board of Directors	• It monitors the reliability and efficiency of the RM&ICS; • It preliminary reviews and prepares recommendations for decision-making by the Board of Directors on issues within the competence of the Board of Directors of the Company in the field of RM&IC.
SEB	• It reviews the information from RM&IC on key risks and risk management measures, if necessary, makes recommendations on improving risk management and monitoring measures, internal control procedures; • It ensures functioning of the RM&IC System; • It approves the limits for individual risks within its competence, determined by the Regulation on SEB.
Collegial body	It carries out preliminary review before the Management Bodies of the Company concerning the following: • draft local regulations of the Company in the field of risk management and internal control, proposals for their development, updating; • RM&ICS efficiency self-assessment results; • proposals of RM&IC CR on the appointment of Owners (Co-owners) of risks from among the structural divisions of the Company.
RM&IC CR	• It coordinates the activities of structural divisions for risk management and internal control, determines the risk management and internal control guidelines, and provides consolidated reporting on the system for the management bodies.
Business process owners	• It ensures functioning of RM&ICS within the frames of a business process.
Risk owners (co-owners)	• It ensures functioning of RM&ICS within the frames of a business process.

Starting from March 01, 2020 the functions of the RM&IC CR, stipulated by the RM&IC Policy, are assigned to the Risk Monitoring Department, established in the Company based on the decision of the Board of Directors of the Company on approval of the general structure of OGK-2 executive office.

The Risk Monitoring Department administratively reports to the Deputy Managing Director – Director for Economics. At the same time, the requirement on structural separation of the activities of the RM&IC CR and structural subdivisions that perform risk management within the framework of their operational activities, as well as activities related to the internal audit function, is observed.

ROLE OF THE BOARD OF DIRECTORS IN SUSTAINABILITY RISK MANAGEMENT

1. **Mechanism for communicating the occurrence of critical issues to the Board of Directors.** OGK-2 monitors risks on a permanent basis (at least twice a year) and prepares a Report on risk management results for submission to the management, including:
   - updating of information on factors and consequences of risk realization;
   - reassessment of probability and consequences of risk realization;
   - assessment of losses in case of risk realization;
   - status of risk management measures.

   Information on risks, the probability of their realization and/or potential damage in case of their realization, according to the monitoring results, exceeds the maximum permissible level (3 and more points), is submitted by the RM&IC CR to the Board of Directors of the Company for consideration as part of the Critical Risk Map and the Critical Risk Management Action Plan.

IN ACCORDANCE WITH THE METHODOLOGICAL RECOMMENDATIONS FOR DETERMINING THE TOLERABLE RISK OF OGK-2, APPROVED BY THE DECISION OF THE BOARD OF DIRECTORS (MINUTES NO. 304 DATED JULY 20, 2023), INFORMATION ON ALL CASES OF EXCEEDING THE QUALITATIVE CHARACTERISTICS OF RISKS IN THE FIELD OF SUSTAINABILITY IN EXCESS OF THE SPECIFIED MAXIMUM TOLERABLE RISK IS SUBMITTED FOR CONSIDERATION OF THE BOARD OF DIRECTORS WITHIN ONE MONTH FROM THE DATE OF THE EVENT AND IS INCLUDED IN THE REPORT ON THE FUNCTIONING OF THE RM&ICS FOR THE REPORTING PERIOD FOR SUBSEQUENT SUBMISSION FOR ADDITIONAL CONSIDERATION BY THE BOARD OF DIRECTORS.

2. **The role of the Board of Directors in assessing the effectiveness of the corporate Sustainability risk management system.** The Board of Directors reviews the effectiveness of the RM&ICS, including the results of assessment and self-assessment, and, if necessary, makes recommendations for improvement of the RM&ICS.

3. **Frequency of assessment or reassessment of Sustainability risks by the Board of Directors.** Sustainability risks are assessed and reassessed twice a year – as part of the general assessment and reassessment of risks of the corporate RM&ICS. Identified critical risks are submitted to the Board of Directors of the Company for consideration.

4. **Number and nature of critical issues that were brought to the Board of Directors during 2023.** In 2023, assessment and ranking of risks by level of significance showed that there were no critical risks with qualitative characteristics exceeding the maximum permissible level.

In 2023, OGK-2 carried out a full range of work in the field of risk management provided for by the OGK-2 RM&IC Policy:

- risk identification was updated taking into account the actual realization of risks in the first half of 2023;
- assessment of the impact of the realization of risk events on the financial indicators of the business plan of the Company for 2023 and non-financial indicators (health and life of people, environment, reputation) was updated;
- the Board of Directors reviewed the Report on the functioning of RM&ICS of the Company for 2022 (Minutes No. 298 dated April 18, 2023).

ASSESSMENT OF THE RELIABILITY AND EFFECTIVENESS OF THE RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

In accordance with the OGK-2 RM&IC Policy, evaluation and monitoring of the RM&ICS efficiency is carried out through self-assessments, internal and external audits. A self-assessment of RM&ICS performance is carried out by the Risk Owners and is included in RM&ICS annual operation report for the accounting period. The internal assessment of RM&ICS performance is carried out on a periodic basis by the Company's structural unit, whose functions include organizing and carrying out internal audits in accordance with the established procedure.

In accordance with the OGK-2 RM&IC Policy, assessment of RM&ICS efficiency is carried out by means of self-assessments, internal assessments and external assessments. Self-assessment is performed by Owners (co-owners) of risks and Owners (co-owners) of internal control procedures on an annual basis.

Summarized results of self-assessment for the reporting year are included by the CO RM&IC into the Report on functioning of RM&ICS and submitted for consideration of the Board of Directors of the Company.

Internal efficiency assessment is performed by the structural subdivision of the Company, whose functions include periodic organization and performance of internal audits. The results of the RM&ICS efficiency assessment are submitted to the Centralized Management Center for submission to the Board of Directors of the Company for consideration.

External assessment of RM&ICS efficiency is carried out by the decision of Management Bodies of the Company (in agreement with the RM&ICS).

IDENTIFICATION, ASSESSMENT OF SIGNIFICANCE AND RANKING OF SUSTAINABILITY RISKS

Risks in the field of Sustainability are identified within the framework of the corporate RM&ICS. When identifying risks, risks are identified as internal and/or external events that may occur in the future and have a negative (threats) or positive (chances) impact on the achievement of the goals of the Company. Initial risk identification includes the procedure for obtaining and analyzing information about the risk, which makes it possible to describe, classify

and account for it. For each identified risk the Risk Owner is determined. When performing risk identification, the following are performed:

- analysis of internal and external factors that may lead to risk;
- forecasting of possible changes in the external and internal environment that may affect the Company's activities;
- identification of interrelationships between risk factors and risk classification for the purpose of subsequent determination of resources for risk management and internal control.

IN THE COMPANY THE REGISTER OF RISKS IS FORMED, AND ANNUAL IDENTIFICATION (AS OF DECEMBER 31) AND INVENTORY (AS OF JUNE 30) OF RISKS IS CARRIED OUT.

At identification of risks the Register of risks is made, which is supplemented in the process of risk management. At inventory of risks the Register of risks is analyzed by their Owners (Co-Owners) for completeness, reassessment of earlier identified risks is carried out, additionally identified risks are included and earlier identified, but no longer relevant risks are excluded.

For each identified risk, the Risk Owner assesses the risk components: probability and consequences of its realization – potential impact on the achievement of goals and objectives of the Company, including the achievement of financial indicators of the business plan for the reporting period and target non-financial indicators (health and life of people, environment, reputation). Qualitative and quantitative indicators are used in risk assessment.

THRESHOLD AND MAXIMUM TOLERABLE RISK OF THE COMPANY FOR 2023 WERE CALCULATED IN ACCORDANCE WITH THE METHODOLOGICAL RECOMMENDATIONS FOR DETERMINING THE TOLERABLE RISK AND APPROVED BY THE DECISION OF THE BOARD OF DIRECTORS OF THE COMPANY ON SEPTEMBER 29, 2023 (MINUTES NO. 308).

QUANTITATIVE VALUES OF THRESHOLD AND MAXIMUM TOLERABLE RISKS ARE CALCULATED ON THE BASIS OF MATERIALITY CRITERIA OF DEVIATION OF CONTROL INDICATORS OF OGK-2 IN THE FIELD OF “BUDGETING” FROM TARGET INDICATORS.

QUALITATIVE CHARACTERISTICS OF THE TOLERABLE RISK IN THE FIELD OF ECOLOGY, SAFETY OF PRODUCTION ACTIVITIES, SOCIAL SPHERE, AS WELL AS IN THE FIELD OF ECONOMIC SECURITY ARE FORMED IN THE FORM OF A DECLARATIVE STATEMENT IN ACCORDANCE WITH SECTION 7 OF THE METHODOLOGICAL RECOMMENDATIONS FOR DETERMINING THE TOLERABLE RISK (APPROVED BY THE DECISION OF THE BOARD OF DIRECTORS OF THE COMPANY MINUTES NO. 304 DATED JULY 20, 2023).

RISK RANKS

According to the results of the conducted risk assessment for each identified risk its relative rank is established, and the significance of Tolerable Risk is determined on the basis of scales of probability and consequences of risk realization, approved in the Company. Identified risks are ranked according to the indicator of Tolerable Risk, calculated as a sum of point estimations of probability and consequences of risk realization:

- insignificant risks: with a score from 1 to 4 points;
- significant risks: with a score from 5 to 7 points;
- critical risks: with a score from 8 to 10 points.

SUSTAINABILITY RISKS

[GRI 2-25]

Strict compliance with environmental requirements, energy saving, rational use of natural resources, ensuring production safety, priority of observing employees' rights, concern for human life and health, intolerance to corrupt behavior and threats to economic security are mandatory to ensure reasonable confidence in achieving the strategic goals of the Company.

INDUSTRIAL SAFETY AND RELIABILITY RISKS

Identification of industrial safety and reliability risks

Industrial safety risks are associated with the possibility of an accident at a hazardous production facility and damage as a result of accidents. They are determined in accordance with the regulatory documents adopted by the executive authority responsible for the development and implementation of state policy, regulatory and legal regulation and industrial safety control and supervision functions, as well as in accordance with the requirements of the Company's local regulations. The industrial safety risk management of the Company is regulated by the Regulation on the industrial safety management system (OGK-2 order No. 72 dated April 13, 2021).

The Company operates 61 hazardous production facilities (hereinafter referred to as HPF) registered in the state register of HPFs (registration certificate No. A19-11815 dated September 13, 2023, issued by the North-West Department of Rostechnadzor). The HPF category of the Company includes facilities with[17]:

- hazardous substances are used, stored, transported in legally fixed quantities;
- equipment operating under overpressure of more than 0.07 MPa of steam, gas or water at a heating temperature of more than 115°C is used;
- permanently installed hoisting mechanisms are used, except for elevators and lifting platforms for disabled persons.

Number of HPF of OGK-2 with classification by hazard classes, pcs				
Total	Class 1	Class 2	Class 3	Class 4
61	1	14	40	6

HPF OF OGK-2 IS OPERATED UNDER THE LICENSE FOR OPERATION OF EXPLOSION, FIRE AND CHEMICALLY HAZARDOUS PRODUCTION FACILITIES OF HAZARD CLASSES I, II AND III NO. BX-00-017277 DATED JANUARY 16, 2019 (VALID INDEFINITELY, EXTRACT FROM THE REGISTER OF LICENSES AS OF NOVEMBER 16, 2023, LICENSE REGISTRATION NUMBER Л057-00109-47/00649255).

In case of changes in the composition of the HPF on a permanent basis, the relevant changes are made to the information contained in the state register of HPF.

IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE 15 OF FEDERAL LAW NO. 116-FZ, FEDERAL LAW "ON COMPULSORY INSURANCE OF CIVIL LIABILITY OF THE OWNER OF A HAZARDOUS FACILITY FOR CAUSING HARM AS A RESULT OF AN ACCIDENT AT A HAZARDOUS FACILITY" NO. 225-FZ DATED JULY 27, 2010, THE COMPANY, AS AN ORGANIZATION OPERATING HPF, INSURED LIABILITY FOR CAUSING HARM AS A RESULT OF AN ACCIDENT AT A HPF IN 2023.

Identification, assessment and management of industrial safety risks in the Company is carried out in accordance with the requirements of the OGK-2 Industrial Safety Policy Statement (hereinafter referred to as the Policy) and is regulated by the Regulation on Industrial Safety Management System (OGK-2 Order No. 72 dated April 13, 2021). The requirements of the Policy apply to all structural subdivisions of the Company and are subject to mandatory fulfillment by all employees of the Company. Risks in the field of industrial safety refer to operational

[17] Annex 2 to the Federal Law "On Industrial Safety of Hazardous Production Facilities" (danger signs 2.1., 2.2, 2.3.) dated 21.07.1997 No. 116-FZ.

risks. The Policy is developed taking into account the following regulatory documents:

- Federal Law “On industrial safety of hazardous production facilities” No. 116-FZ dated July 21, 1997;
- Decree of the Government of the Russian Federation “On approval of requirements for documentation support of industrial safety management systems” No. 1243 dated August 17, 2020;
- OGK-2 Order No. 419 dated December 19, 2023 “On approval of the OGK-2 Industrial Safety Policy Statement”.

Industrial safety and reliability risk identification is performed to identify hazards from:

- technological processes, including maintenance and repair, affecting personnel and equipment;
- operation of machines and mechanisms, taking into account their design, use, range of intended and expected applications;
- works, the implementation of which is associated with impacts on personnel and equipment (e. g., loading and unloading operations, work at heights, transportation by transport of hazardous substances and materials, people and cargo, storage of hazardous substances and materials, waste generation, operation and maintenance of offices, production facilities, canteens, warehouses, laboratories, movement within the territory, etc.).

Identification only considers hazards that could result in injury and impairment to workers (including fatalities), an accident, or an incident.

Risk factors in the field of industrial safety include:

- presence of deviations from the requirements of federal norms and rules in the field of industrial safety;
- increasing number of equipment, buildings and structures operated at the hazardous production facilities of the Company.

Industrial Safety and Reliability Risk Assessment

Risk assessment in the field of industrial safety is defined by the Regulation on Industrial Safety Management System, OGK-2 Order No. 72 dated April 13, 2021. Main tasks of the risk assessment stage:

- determining the frequency of occurrence of initiating and all undesirable events;
- assessing the consequences of undesirable events;
- summarizing risk assessments.

Industrial safety and reliability risk management

In order to minimize the probability and consequences of industrial safety risks, the Company takes the following measures:

- organization of training and certification of personnel in the field of industrial safety;
- inspections of compliance with industrial safety requirements at production facilities;
- development and control of schedules for technical inspection, diagnostics, and testing of technical devices;
- expert reviews of industrial safety of technical devices, buildings and structures at production facilities;
- development, coordination and approval of plans for localization and elimination of accidents at production facilities;
- development of industrial safety declarations for hazardous production facilities (HPF) of hazard classes 1 and 2;
- ensuring control over personnel compliance with industrial safety requirements;
- control over fulfillment of license requirements when carrying out activities in the field of industrial safety;
- insurance of liability for damage caused during operation of hazardous production facilities;
- control over availability of certificates of conformity (declarations) for the equipment being commissioned;
- timely implementation of technical re-equipment, reconstruction and overhaul of hazardous production facilities;
- supervision and incoming inspection of equipment, spare parts, materials at all stages of reconstruction and repair;
- retooling and modernization program;
- control over the implementation of measures under Rostechnadzor acts and instructions;

- emergency training of production personnel;
- investigation of accidents and incidents at production facilities;
- analysis of the causes of accidents and incidents at hazardous production facilities (according to the reports on investigation of the process violations);
- unscheduled training of personnel and unscheduled testing of knowledge of the personnel who caused the accident;
- informing the personnel of other branches of the causes and preconditions of accidents in order to prevent similar events;
- control over the implementation of measures according to the reports on technical investigation of the causes of accidents and incidents;
- development, approval and control over fulfillment of verification schedules of control measuring instruments, safety devices and safety equipment;
- analysis of root causes of accidents, procedure for their identification and development of measures to prevent them;
- elimination of violations of industrial safety requirements identified in the course of production control within the established timeframe.

Management of industrial safety and reliability risk identified in 2023

Risk name	Risk factors	Risk consequences	Risk management measures
Risk of non-compliance with mandatory industrial safety requirements during inspections by supervisory authorities	• Deviations from industrial safety standards.	• Unplanned expenditures on payment of fines; • Implementation of measures to enforce regulations.	• Scheduled / unscheduled industrial safety audits.
Risk of accidents on equipment	• Defects in repair, installation and adjustment; • Non-compliance with the terms and scope of maintenance; • Erroneous actions of personnel.	• Unplanned expenses for equipment rehabilitation; • Losses from reduced payment for capacity on the wholesale electricity and capacity market, failure to provide system services, reduced heat supply or quality indicators; • Unplanned expenses for payment of fines; • Implementation of measures to enforce regulations.	• Determination and control of the frequency and periodicity of diagnostics of technical devices, buildings and structures at HPF, including non-destructive testing methods; • Monitoring of the accident hazard level and assessment of the effectiveness of accident risk reduction measures at HPF, including for assessment the industrial safety management systems effectiveness.

ENVIRONMENTAL RISKS

Identification, assessment and management of environmental risks

The Company pays close attention to the environmental aspects of its activities: improving the efficiency of environmental management, ensuring environmental safety, rational use of natural resources and energy saving. The Company adheres to the principle of prioritizing compliance with the environmental and nature protection legislation of the Russian Federation. The Company keeps records of greenhouse gas emissions, nitrogen and sulphur oxides, water intake (withdrawal) from water bodies, wastewater discharge and quality, controls waste management procedures, takes measures to protect biodiversity and reduce specific greenhouse gas emissions, and does not allow aggressive use of resources.

Management of environmental risks identified in 2023

Risk name	Risk factors	Risk consequences	Risk management measures
The risk of sanctions by regulatory authorities for violations of environmental law	Failure to comply with environmental regulations due to: • changes in legislation; • failure to comply with the process parameters; • emergencies; • contractors' activities in violation of local regulations; • non-compliance with local regulations by our own personnel.	• Penalties; • Accrual of environmental damage; • Additional costs for adjustment and approval of environmental regulatory documentation; • Reputational risks.	• Monitoring of draft regulatory legal acts (RLAs); • Monitoring the list of inspections of legal entities by the environmental regulator; • Carrying out measures within the framework of industrial environmental control; • Organization of internal control at branches; • Control of the process parameters compliance with the process flow diagrams; • Scheduled and unscheduled rounds of the company's territory to detect violations of environmental legislation; • Monitoring deadlines for the implementation of environmental protection measures.
The risk of increased payments for the use of natural resources and the environmental impact	• Stricter environmental protection requirements for the standardization of environmental impact indicators; • Failure to obtain authorization documentation within the established timeframe and implementation of excessive impact;	• Over-normative payments for negative environmental impact and water use.	• Monitoring legislative changes; • Monitoring legislative changes; • Organizing the development of a comprehensive environmental permit; • Fuel quality control; • Inspection of equipment technical condition;

	• Violation of the technological mode of fuel combustion or water treatment; • Emergencies.		• Monitoring compliance with validity periods of permits.
Risk of increasing costs for technical water consumption	• Failure to timely carry out maintenance and repair of water-using equipment; • Violation of the process parameters of water treatment; • Damage to water pipelines; • Emergencies.	• Increasing costs for technical water consumption; • Unscheduled repair of water-using equipment and pipelines.	• Maintenance and repairs of equipment and water pipelines; • Calibration and verification of flow meters; • Control of compliance with specific water consumption indicators; • Control of technical condition of water-using equipment and water pipelines; • Control of established water consumption limits.

NATURAL AND CLIMATIC RISKS

[GRI 201-2]

<u>Identification, assessment and management of natural and climatic risks</u>

Natural and climatic risk means the risk of negative impact of natural and climatic factors (floods, earthquakes, storms and hurricanes, abnormally low/high outdoor temperatures) on the production activities of the Company, which may lead to disruptions in the production process, disruptions in heat supply to consumers, as well as temperature risk – dependence of useful heat supply on the outdoor temperature.

Natural and climatic risk in the Risk Register of the Company is assessed as “insignificant”, however, in case of its realization it may entail realization of the following risks of the Company, which may affect the value of the Company:

- fire at the facilities of the Company;
- occupational injuries;
- identification of non-compliance with environmental legislation during inspections by regulatory authorities;
- downgrade of the credit ratings of the Company by Russian rating agencies;
- downgrade of the credit ratings of the Company by Russian rating agencies;
- downgrade of the credit ratings of the Company by Russian rating agencies;
- unavailability of IT services (e-mail, Internet access, printing, SAP, file system) and shutdown of program systems;
- reduction of marginal profit from electricity and heat sales;
- technological disruptions at equipment.

The production sites of the Company are located in the Russian Federation in regions that are seismologically favorable and have a low probability of climate risks such as floods, storms, hurricanes and abnormally low or high outdoor temperatures. In this regard, the Company assesses the actual and potential impact of climate risks on products and supply chains, operations, current and future capital expenditures as “not material”.

At the same time, in case of climate change and increased assessment of the probability of occurrence of the above-mentioned climate risk factors, the Company will take all possible measures to minimize the probability of occurrence of natural and climatic risks or minimize the consequences of their occurrence, including investments in R&D.

Management of natural and climatic risks identified in 2023			
Risk name	**Risk factors**	**Risk consequences**	**Risk management measures**
Natural and climatic risk	• Impact of floods, earthquakes, storms and hurricanes, as well as the negative impact of abnormally low outdoor temperatures on the production sites of the Company.	• Interruptions in the production process; • Interruptions in the supply of electricity and heat to consumers; • Introduction of gas consumption limits, switching to reserve/ emergency types of fuel; • Harm to the life and health of employees; • Environment pollution; • Damage to equipment, accidents.	• As part of the implementation of operational activities.

SOCIAL RISKS [GRI 403-2]

Identification, assessment and management of social risks (including human rights and occupational injury risks)

Taking care of people's life and health is a priority for the Company. Company has implemented and applied mechanisms to identify occupational hazards and assess and minimize occupational risks for workplace and non-workplace situations, and trains employees to detect, identify and define hazards and risks. The strategic goal of the Company is zero injuries.

All identified risks, after their assessment, are subject to management, taking into account the priorities of the measures applied, which are used as:

- the strategic goal of the Company is zero injuries;
- replacement of hazardous work (procedure);
- engineering (technical) methods of limiting the impact of hazards;
- administrative (organizational) methods of limiting the impact of hazards;
- means of collective and individual protection.

Management of social risks identified in 2023

Risk name	Risk Factors	Risk consequences	Risk Management Measures
Occupational injury risk	• Intentional failure to comply with safety requirements (failure to use a helmet, etc.); • Improper use of protective equipment; • Failure to provide the employee with PPE.	• An employee sustaining an injury resulting in temporary disability; • An employee sustaining an injury resulting in disability.	• An employee sustaining an injury resulting in disability; • Timely provision of employees with PPE; • Conducting audits of the use (correct use) of PPE by employees. • Monitoring the availability of PPE for employees.
Risk of failure to meet staffing needs due to mobilization and changes in the military and political situation	• Increase in the number of mobilized workers.	• Disruption of the functioning of the Company.	• Formation of internal personnel reserve.
Risk of failure to meet the need for key operational personnel due to deterioration of the sanitary and epidemiological situation (new coronavirus infection, etc.)	• Implementation of measures to counteract the spread of COVID-19 (transfer of employees to remote / distance work mode, isolation of employees from the circle of contacts with carriers of infection / persons with symptoms of diseases / traveling outside the region of permanent residence).	• Disruption of the functioning of the Company.	• Organization of vaccination of workers; • Conducting 100% thermometric checks when attending the workplace; • Informing personnel about prevention and epidemiological measures; • Changing personnel working hours; • Conducting disinfection in the premises.

MAINTENANCE AND REPAIR MANAGEMENT SYSTEM AND ASSESSMENT OF COMPLIANCE WITH THE REQUIREMENTS OF INDUSTRIAL SAFETY AND RELIABILITY STANDARDS

One of the key factors in reducing the probability of realization of various risks (from industrial safety and reliability risks to some environmental and occupational injury risks) is timely performance of maintenance and repair works and quality assessment of compliance with the requirements of standards in the field of industrial safety and reliability.

Maintenance and repair management system means the whole complex of measures for organization and carrying out of maintenance, planning, preparation, repair production and acceptance of equipment, buildings and structures after repair by OGK-2 production units, as well as control over organization of repair activities of structural subdivisions, including compliance with the requirements of the Russian Federation legislation on industrial safety.

The maintenance and repair management system operates in accordance with the following documents:

- Rules for organization of maintenance and repair of electric power industry facilities (Order of the Ministry of Energy of Russia No. 1013 dated October 25, 2017, as amended);
- Rules of technical operation of electric power stations and grids of the Russian Federation (Order of the Ministry of Energy of Russia No. 1070 dated October 04, 2022);
- Regulation “On the procedure of service/repair maintenance of CCGT/GTU equipment” (OGK-2 order No. 286 dated November 11, 2021).

In the process of repair works, including in cases when repair organizations are involved, the Company ensures compliance:

- provisions of the Russian Federation law on occupational health and safety, industrial safety and fire safety, including the Rules on occupational health and safety in the operation of electrical installations (Order of the Ministry of Labour of Russia No. 903n dated December 15, 2020 as amended);
- local regulatory acts of the Company within the framework of the Unified Occupational Safety Management System of OGK-2 (UOSMS):
  - Regulations on the Unified Occupational Safety Management System (Order No. 299 dated October 02, 2023 as amended by Order No. 339 dated November 02, 2023);
  - Regulations on Occupational Health and Safety Management System of OGK-2 (Order No. 314 dated October 31, 2022).

The objectives of the maintenance and repair program are:

- maintaining the operated equipment, buildings and structures in technically serviceable condition;
- restoring equipment operability in case of its failure;
- ensuring equipment operation modes;
- monitoring the condition of the operated equipment, buildings and structures.

Non-fulfillment or untimely fulfillment of the above measures may result in risks of accidents and incidents at HPF and, as a consequence, in receiving instructions from supervisory (control) authorities.

DISCLOSURE OF INFORMATION ON RISK MANAGEMENT SYSTEM AND RISKS

Information on the RM&ICS of the Company is disclosed as part of:

- Issuer's Report;
- Annual Report of the Company;
- Report on the functioning of the RM&ICS and the Company;
- Sustainability Report of the Company.

Public reporting is subject to mandatory disclosure in accordance with Federal Law No. 208-FZ “On Joint Stock Companies” dated December 26, 1995 by the Company, whose securities are admitted to organized trading, and is formed in the volume determined by the Regulation of the Bank of Russia No. 714-П dated March 27, 2020 “On Information Disclosure by Issuers of Equity Securities”.

As part of the Issuer's Report for the reporting period, information on risks is disclosed in accordance with the requirements of the Central Bank of the Russian Federation: risks, the realization of which may have a significant impact on the financial and economic activities and financial position of the Issuer Group, as well as the main risk management measures are described. This document provides information on the following risk groups:

- branch risks;
- country and regional risks;
- financial risks;
- legal risks;
- risks attributed to the issuer’s activity;
- strategic risks;
- information security risk;
- environmental risks;
- natural and climatic risks.

As part of the Annual Report of the Company and in the Report on RM&ICS operation, information on RM&ICS shall be disclosed in accordance with the Methodology of RM&ICS reporting of the Company approved by Order No. 431 dated December 27, 2023.

The Annual Report of the Company contains information on the objectives and participants of the RM&ICS, on the separately established risk management and internal control division and on the results of the RM&ICS efficiency assessment for the reporting year, as well as information on compliance with the principles and recommendations of the Corporate Governance Code in the field of risk management and internal control.

The purpose of preparation of the Report on functioning of the RM&ICS of the Company is to inform the Management Bodies of the Company on functioning of the RM&ICS of the Company in the reporting period and on identified deficiencies based on the results of self-assessment of the RM&ICS efficiency of the Company.

The Annual Report and the Issuer’s Report of the Company are published on the website of the Company, the Report on the RM&ICS functioning is submitted for consideration of the Board of Directors of the Company and approved by the order of the Company.

11. ETHICS AND CORRUPTION CONTROL

[GRI 2-23], [GRI 2-24]

Goals and objectives of the Company in the field of ensuring compliance with corporate ethics:

- prevention of corrupt activities in the Company;
- guaranteeing equal rights to employees and protection against any form of discrimination for employees;
- maintaining the positive reputation of the Company in the regions where it operates.

Anticorruption activities of OGK-2 are carried out in strict compliance with the applicable laws of the Russian Federation. The Company has developed standards and procedures aimed at ensuring the fair operation of the Company, including procedures adopted to detect and prevent corruption, including bribery of foreign officials.

Systematic and routine measures are taken to ensure compliance with the Company's corporate interests and minimize risks of economic damage. A set of measures has been developed and is implemented on a daily basis to detect, suppress and prevent corruption offenses, minimize adverse consequences from their commission, control over the organization of procurement activities, contractual work, continuous incoming inventory control, as well as other measures aimed at ensuring compliance of the employees of the Company with applicable laws and local regulations are implemented.

In the course of the entire process of relations with counterparties, both new and having effective contracts with the Company, compliance with legal requirements, as well as corporate and business ethics norms, is monitored. Priority in concluding contracts with suppliers is the presence of impeccable business reputation, as well as a comprehensive assessment of the counterparty's financial standing.

The key document regulating issues of prevention and counteraction to corruption in the Company is the Code of Corporate Ethics of OGK-2, approved by the minutes of the meeting of the Board of Directors of the Company No. 299 dated May 18, 2023 and enacted by OGK-2 Order No. 188 dated June 23, 2023. The Code of Corporate Ethics takes into account generally accepted norms of corporate and business ethics, as well as experience of the best Russian and foreign corporate governance practices.

The Code of Corporate Ethics enshrines:

- the mission and corporate ethical values of the Company;
- relations with employees, including occupational health and safety;
- commitment to environmental protection of the Company;
- striving to prevent conflicts of interest;
- avoiding protectionism based on family and limiting the joint work of relatives, except for labour working dynasties;
- limiting the practice of acceptance of expensive gifts;
- the obligation of employees to use as efficiently as possible resources of the Company at their disposal for meeting the interests of the Company and not personal interests;
- relations with competitors and counterparties;
- relations with shareholders and investors;
- relations with the state and the public;
- combating corruption;
- relationships with controlled legal entities;
- corporate image and style; and personal behavior in the workplace.

Corruption control and prevention issues are provided for in Section 11 of the Code of Corporate Ethics approved by OGK-2 Order No. 188 dated June 23, 2023.

The Code of Corporate Ethics applies to all OGK-2 employees and members of the Board of Directors of the Company. Its provisions are basic for legal entities controlled by the Company: on the basis of the Code provisions, without changing them, but having an opportunity to supplement them, legal entities controlled by the Company develop and approve their own Codes of Corporate Ethics. Until such legal entities develop and approve their own Codes of Corporate Ethics, their employees are subject to the provisions of Code of Corporate Ethics of OGK-2.

The Code of Corporate Ethics is of recommendatory nature for legal entities with OGK-2 participation interest that does not allow direct or indirect control, for individuals working with OGK-2 under civil law contracts, as well as for contractors and consultants who are agents, executing orders on behalf of the Company or representing the Company to third parties.

The Code of Corporate Ethics is publicly available on the official website of the Company – **General Documents (ogk2.ru)**.

[GRI 205-2]

Order No. 201 dated June 31, 2023 approved the list of OGK-2 positions related to anti-corruption and determined the procedure for their participation in professional development activities in the field of anticorruption.

OGK-2 managers are familiarized with the documents regulating the Company's activity on ethics and anti-corruption issues through the electronic document management system or in person against signature.

The Company has also organized periodic training on implementation and application of the Code of Corporate Ethics norms. The Company has developed specialized training courses to help employees master the Code of Corporate Ethics, policies and methods of corruption control. In 2023, 3,697 employees received such training via distance learning technologies.

The Company regularly sends managers and employees of specialized divisions for training on compliance with anti-corruption standards under additional professional programs. In 2023, OGK-2 provided such training to 235 employees whose job responsibilities include participation in anti-corruption activities.

[GRI 2-15], [GRI 2-25]

OGK-2 constantly monitors compliance of its activities with the Code of Corporate Ethics and controls compliance with its provisions by employees. Responsibility for organization of work on fulfillment of requirements and provisions of the Code of Corporate Ethics is assigned to the Corporate Ethics Commission (hereinafter referred to as the Commission). The Commission consists of at least five members. The personal composition of the Committee as well as its chairperson are determined by the Company's order[18]. Based on the requests obtained, the Committee takes decisions aimed at explaining to the employee the provisions of the Code and how it applies, taking measures to prevent or eliminate conflicts of interest.

Decisions of the Commission are made at meetings held in person or in absentia. Decisions of the Commission shall be adopted by a simple majority of votes of the Commission members who participated in the meeting. Decisions are formalized in writing and are cited in the text of the minutes of the Commission's meetings.

If any member of the Commission has a material disagreement that is not resolved when making a decision, the issue may be referred to the head of the Company for consideration.

In cases when OGK-2 employees are approached by any persons in order to induce them to commit corruption offenses, the employees shall notify their manager, the Commission and the service of the Company responsible for corporate protection.

[GRI 2-26]

Appeals to the Corporate Ethics Commission are made through messages through the corporate portal of OGK-2, messages by e-mail at corpetic@ogk2.ru or by calling the hotline: +7 (812) 646-13-52.

Employees should contact us for clarification of the Code's provisions, as well as for questions regarding its application (including information on violations of the Code's provisions):

- to the immediate supervisor;
- to the Commission.

[18] OGK-2 Order No. 103 dated 30.03.2023 approved and enacted the Regulation on the Corporate Ethics Commission, which establishes the procedure for its work, its tasks, competence and authority in organizing work on the implementation of the requirements and provisions of the Code of Corporate Ethics.

In cases of a conflict of interest, employees shall address their immediate supervisor, unless otherwise expressly provided for by the Code (Articles 5–8, 10 of the Code). If the employee's immediate superior fails to take measures aimed at preventing or eliminating a conflict of interest, or if the measures taken did not result in the elimination of the conflict of interest, the Company's employee shall inform the Commission thereof.

The Company guarantees that the provision of information by an employee about the facts of violation of the Code of Corporate Ethics will not become a subject of publicity and will not cause negative consequences with regard to the official position of the employee who reported such information.

[GRI 205-3]

In 2023, there were no cases of corruption in OGK-2, and there were no appeals to the Corporate Ethics Commission about corrupt practices or attempts to commit them. The Commission received appeals on approval of joint work of relatives and compliance with requirements to personal conduct of employees.

Information on OGK-2 compliance with corporate ethics norms is brought to the attention of the Board of Directors of the Company on a regular basis, but at least once every three years.

[GRI 206-1]

In 2023, there were no lawsuits against the Company related to violation of antimonopoly legislation and related to violation of 223-FZ during procurement procedures[19].

Indicators characterizing the Company's activities in the field of ethics and anticorruption are given in Appendix 1.

12. STAKEHOLDER ENGAGEMENT

STAKEHOLDER ENGAGEMENT APPROACH [GRI 2-29]

OGK-2’s activities involve constant interaction with a wide range of stakeholders. Maintaining an open and constructive dialogue with each of them and responsibly considering their interests when making strategic decisions are important components of sustainability and building a positive image of the Company.

The main principles for uniting stakeholders in groups:

- solidarity in interests and expectations for the Company;
- nature of their influence on achievement of the Company’s strategic goals;
- tools used by the Company to interact with them.

[19] The information on cases in which the Company acts as a third party is not included.

FORMS OF STAKEHOLDER ENGAGEMENT

Names of key stakeholder groups	Key issues of interaction	Needs and expectations of stakeholders	Methods of interaction	Person responsible for interaction with the stakeholder
Investment community (shareholders, investors, analysts/brokers)	• Financial and production indicators; • investment programs; • Dividend policy; • Increase in production efficiency and reduction of costs; • Business development strategy; • Potential M&A deals.	• Shareholder value increase; • Balance of the investment portfolio; • Safety of investments; • Receiving dividends; • Receiving dividends.	• General Meetings of Shareholders of OGK-2 (annual and extraordinary); • Meetings of the Board of Directors and Committees under the Board of Directors (work as a platform for constant interaction between representatives of major shareholders: consultations, search for compromises and reaching agreements on the most acute issues. When preparing to the meetings of the Board of Directors and its committees, discussion and submission of proposals by the major shareholders on the meeting agenda and the nominees to corporate bodies take place); • IR measures, including meetings of the management of the Company with representatives; shareholders, investors and analysts; • Telephone conferences to discuss IFRS financial results; • Ad hoc conference calls and meetings with shareholders, analysts and investors in the face-to-face format and in small groups as part of measures held by investment funds and banks; • Timely publication of information on the Company's website in accordance with the provisions of Russian law; • Placement on the Company’s website and individual mailing to shareholders, analysts and investors of presentation and information materials, which are not mandatory for publication in accordance with the law, but are provided for explanatory and information purposes; • Telephone conversations, email exchanges and providing information as requested by shareholders, analysts and investors.	Deputy Managing Director for Corporate and Legal Affairs
Creditors and rating agencies	• Stable financial and production indicators; • Amount and sources of financing of the investment program; • Debt indicators and debt portfolio structure; • Credit policy; • Business development strategy; • Potential M&A deals; • High quality of released information (if its rease is possible).	• Transparency of financial policy / credit policy; • Safety of capital investments; • Fulfillment of the Company's obligations to creditors, including timely payment of interest and repayment of principal debt; • Quality of corporate governance; • Achievement of expected debt indicators and optimization of the debt profile structure.	• Management meetings with representatives of rating agencies and provision of information requested by them to change or confirm ratings; • Negotiations to improve the terms of debt financing; • Negotiating at placement of bond issues in order to improve conditions and quotations of placed securities.	Deputy Managing Director for Economics and Finance
			• Publication of reports on the Company's activities in accordance with legal requirements.	Chief Accountant, Deputy Managing Director for Corporate and Legal Affairs.

Local communities, including population, civil society organizations and local governments, as well as mass media	• Development Prospects of the Company;
	• Energy Saving and Energy Efficiency;
	• Environmental safety and protection;
	• Compliance with safety standards and regulations;
	• Job creation and wage levels;
	• Taxes;
	• Joint measures with public organizations and local authorities;
	• Local infrastructure development;
	• Business development.
		• Uninterrupted heat and power supply;
		• Information openness of business;
		• Compliance with environmental norms and standards and environmental safety;
		• Infrastructure development in the region;
		• Charity;
		• Reliability of information on the Company's activities.
			• Publication of reports on the Company's activities based on the results of each year and each quarter, containing information on social projects implemented, including projects aimed at the development of the regions where the production facilities of the Company are located;
			• Holding informational meetings with the management of the regions where the Company operates;
			• Holding cultural and educational events in the regions where the Company operates, aimed at raising awareness of the local population on the following issues:
			  ◦ heat and electricity generation; the Company's operations in the region;
			  ◦ ways to improve the economy and safety of energy use;
			  ◦ correct behavior in case of emergencies related to the operation of our production facilities;
			• Participation of representatives of the Company in events organized by local authorities and public organizations;
			• Posting on the Website and publication in mass media of information that affects the interests of the population, other enterprises, as well as local authorities in the regions where the Company operates – as soon as newsworthy events appear.
				Director of Public Relations and Authorities

			• Participation in expert consultations, meetings and working groups on regional development issues under municipal governments; • Conducting public hearings every time the construction of new industrial facilities begins.	Director for Regional Development
			• Regular provision to local authorities and upon request of the local communities all information about environmental protection activities, key environmental indicators, including information on emissions and measures to reduce emissions in the event of unfavorable meteorological conditions;	Deputy Managing Director for Production – Chief Engineer
			• Provision of information on hot water quality to local authorities and at consumers' requests.	Deputy Managing Director for Production – Chief Engineer, Deputy Managing Director for Energy Markets.
Customers (wholesale buyers of heat and electricity and capacity, including last resort providers and large industrial consumers)	• Uninterrupted heat and power supply; • Production indicators; • Investment programs; • Connection conditions; • Increase in efficiency; • Business development strategy.	• Uninterrupted heat and power supply; • Implementation of investment programs; • Optimal connection conditions.	• Interaction with buyers on issues relating to connection, purchase and sale of heat, electricity and capacity under standard contracts, as well as under free bilateral contracts mediated by the Trading System Administrator and System Operator (on an ongoing basis within the framework of existing contracts).	Deputy Managing Director for Energy Markets

The government of the Russian Federation and sectoral regulatory authorities, ministries, departments and regional executive authorities	• Uninterrupted heat and power supply; • Production and financial indicators; • Investment programs; • Increase in efficiency; • Business development strategy; • Potential M&A deals.	• Uninterrupted heat and power supply; • Energy efficiency improvement; • Implementation of investment programs.	• Interaction with organizations that set the rules for the Russian heat and electricity market (FAS of Russia, Ministry of Economic Development, Ministry of Energy of the Russian Federation), as well as with the Trading System Administrator and System Operator; • Work with the “NP Market Council” Association, “Council of Energy Producers” Association, commissions and committees of the Russian Union of Industrialists and Entrepreneurs; • Work aimed at optimizing the existing regulation and development of the heat and electricity market.	Deputy Managing Director for Energy Markets
Environmental organizations	• Compliance with environmental regulations and standards; • Dynamics of all types of production impact on the environment; • Carrying out programs and measures relating to environmental protection; • Investment programs; • Energy efficiency improvement; • Business development strategy.	• Compliance with environmental norms and standards and environmental safety; • Timely and correct reporting; • Transparency of the company's activities; • Reduction of the negative impact of production on the environment; • Investment programs.	• Participation in dedicated competitions and rankings; • When planning construction at the Company's industrial facilities, in cases stipulated by the legislation, the Company carries out a set of measures aimed at informing the public about the planned economic activity and its possible impact on the environment in order to identify public preferences and take them into account in the impact assessment process; • Provision of reports on the Company's activities in accordance with the requirements of the legislation.	Deputy Managing Director for Production – Chief Engineer
Employees, trade union organizations and profession-oriented higher educational institutions	• Uninterrupted heat and power supply; • Compliance with environmental regulations and standards; • Compliance with safety standards and regulations; • Job creation and wage levels; • Social and medical care; • Opportunity for professional growth and development; • Corporate culture; • Business development.	• Safe working conditions; • Tangible and intangible motivation measures; • Decent wages; • Social and medical care; • Opportunity for development through training, professional development, career growth; • Developed corporate culture.	• Carrying out work on the development and compliance with the terms of the Collective Agreement; staff motivation systems; professional training and advanced training of personnel; occupational health and safety measures: mandatory medical examinations, workplace certification, safety instructions at the workplace; sports and cultural events; social security of personnel: voluntary health insurance (VHI), accident insurance cases, organization of recreation for employees and their family members, non-governmental pension provision; • Negotiations with trade union organizations.	Head of the Human Resources Department
			• Carrying out work to ensure safe working conditions.	Deputy Managing Director for Production – Chief Engineer

Due to the existing risk of introduction of restrictive measures against the Issuer / persons belonging to the Issuer's management bodies by foreign countries, the Company decided not to disclose certain information on the basis of:

- clause 1 of Resolution No. 351 of the Government of the Russian Federation dated March 12, 2022 “On Peculiarities of Disclosures and Provision of Information to be Disclosed and Presented in accordance with Federal Law “On Joint Stock Companies” and Federal Law “On Securities Market” and Peculiarities of Insider Information Disclosures in accordance with Federal Law “On Countering the Misuse of Insider Information and Market Manipulation and on Introduction of Amendments to Certain Legal Instruments of the Russian Federation”;
- clause 1 (paragraph 2) of Resolution of the Government of the Russian Federation No. 1102 dated July 04, 2023 “On Peculiarities of Disclosure and/or Provision of Information to be Disclosed and/or Presented in accordance with the Federal Law “On Joint Stock Companies” and the Federal Law “On Securities Market”;
- Decree of the President of the Russian Federation No. 903 dated November 27, 2023 “On the Temporary Procedure for Disclosure and Presentation of Information by Certain Russian Business Companies”, as amended by Decree of the President No. 169 dated March 05, 2024 “On Amendments to the List of Russian Business Companies that have the right to independently determine the composition and (or) the amount of information to be disclosed and (or) presented, approved by Presidential Decree No. 903 dated November 27, 2023”.

FINANCIAL RESULTS

From the perspective of sustainability, namely the optimal creation and distribution of value by the Company to its stakeholders, the Company's financial results are characterized by the indicator “retained economic value” with the elements of its formation. This indicator reflects the amount that the Company can allocate to investments in business development after paying the necessary expenses, and represents the balance of funds after the expenses incurred are deducted from the amount received by the Company in the context of the main stakeholders.

RETAINED ECONOMIC VALUE = DIRECT ECONOMIC VALUE CREATED (REVENUE FROM OPERATIONS, INCOME FROM FINANCIAL INVESTMENTS, ASSET SALES) – DISTRIBUTED ECONOMIC VALUE (OPERATING COSTS (INCLUDING PAYMENTS TO SUPPLIERS), PAYMENTS TO EMPLOYEES, SHAREHOLDERS, INVESTORS, CREDITORS, GOVERNMENT, LOCAL COMMUNITIES AND FOR CHARITABLE PURPOSES).

Retained economic value in 2023 amounted to RUB 23,157 million, up 5.2% year-on-year. The main reasons for the change in unallocated economic value were:

- revenue growth;
- increase in operating costs;
- reduced disbursements to capital providers.

[GRI 201-1]

Formation of direct, distributed and undistributed economic value created is given in Appendix 1.

04 ENVIRONMENTAL PROTECTION

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

ENVIRONMENTAL PROTECTION

01. MANAGEMENT OF ENVIRONMENTAL ISSUES [GRI 2-16]

The list of key documents regulating the management of environmental issues in the Company is provided in Appendix 2.

ENVIRONMENTAL POLICY AND STANDARDS [GRI 3-3]

The Company declares its commitment to sustainability, based on a balanced and socially acceptable combination of economic growth and the preservation of a good environment for future generations, which are specified in the Environmental Policy of OGK-2. Its main objectives are to reduce the adverse impact on the environment and to increase social responsibility in doing business in the regions where the Company operates.

OGK-2 carries out activities directly related to the use of natural resources and the impact on the environment. The generation of electrical and thermal energy has an adverse effect on the environment through:

- atmospheric emissions and greenhouse gases;
- wastewater discharges to water bodies;
- formation and disposal of industrial waste;
- noise, heat, vibration, electromagnetic fields.

Recognizing its responsibility to society for preserving a favorable environment and ensuring environmental safety, the Company has made commitments in line with the objectives set out in the Environmental Policy.

Tasks in accordance with the Environmental Policy	
Compliance with legal requirements	Ensuring compliance with legal requirements established by international legal acts in the field of environmental protection, the legislation of the Russian Federation, the legislation of the regions where the Company operates, internal regulations of the Company and its subsidiaries related to environmental aspects.
Precautions and preventive measures	Carrying out preventive actions to avoid negative environmental impacts, which means that preventive measures to avoid negative impacts are prioritized over measures to eliminate the consequences of such impacts.
Adverse impact reduction	Ensuring the reduction of adverse impacts on the environment and taking all possible measures to preserve biodiversity.
Commitment regarding greenhouse gas emissions	Taking measures to reduce specific greenhouse gas emissions.
Efficiency and rational use of resources	Improving the energy efficiency of production processes. Rational using natural and energy resources.

Use of the latest technologies	Applying the best available technologies at different stages of production activities.
Precautions in implementing investment projects	Minimization of risks of adverse environmental impact at all stages of investment projects, including natural objects with high vulnerability and objects whose protection and conservation is of particular importance.
Employee involvement	Employees involvement in activities to reduce environmental risks. Striving for continuous improvement in environmental performance.
Training	Increasing the competence and awareness of the role of employees in environmental issues.
Openness	Ensuring that environmental information related to environmental protection activities and solutions is open and accessible.

ALLOCATION OF RESPONSIBILITY FOR ENVIRONMENTAL PROTECTION ISSUES

[GRI 2-13]

Board of Directors → **Managing Director** → **Deputy Managing Director for Production – Chief Engineer**

Operational management of environmental protection activities in the regions of operation is carried out at all stages of the production process by structural units of the “Ecology” business line in accordance with the Company’s Environmental Policy and unified environmental standards.

KEY ACHIEVEMENTS OF THE REPORTING YEAR

- Specific greenhouse gas emissions in CO_2-eq. decreased to 0.502 tons/thousand kWh (from 0.570 tons/thousand kWh in baseline year 2018);
- Emissions of air pollutants decreased to 74,508 tons (from 227,192 tons in baseline year 2018).

GOALS AND PLANS

- Reduction of CO_2 emissions into the atmosphere (relative to the baseline year 2018), thousand tons of CO_2-eq./million kWh;
- Targets for reduction of greenhouse gas emissions into the atmosphere (target value 0.501 thousand tons of CO_2-eq./million kWh);
- Reduction in the share of waste sent for disposal (compared to the baseline year 2018);
- Reduction of the share of excessive charges for adverse environmental impact (compared to the baseline year 2018).

CARRYING OUT ENVIRONMENTAL AUDITS

[GRI 2-27]

The Company conducts its production activities in accordance with the requirements of environmental legislation, takes appropriate measures to prevent damage to the environment and strives to minimize the observations identified by supervisory authorities during environmental inspections.

For this purpose cross-audits are conducted in the Company, meaning that the compliance of one generating company's practices with environmental legislation is checked by the ecologists from the others.

The Company also carries out internal audits of compliance with environmental legislation. The results of the audits are summarized, communicated to the Company's management and analyzed to prevent the occurrence of similar observations in the future.

Inspections by supervisory authorities in the field of environmental legislation

	2021	2022	2023
Total number of inspections, incl.:	23	7	2
- scheduled inspections	3	1	2
- unscheduled inspections	20	6	0
Violations detected	20	5	16

In 2023, 2 inspections were carried out by the state environmental supervision bodies, and 16 violations were identified, of which 6 were appealed in court, 6 were eliminated, and 4 violations had not been eliminated by the end of the year.

[GRI 2-25]

Complaints on environmental issues received during the reporting period and their resolution

Total number of complaints received from the public, pcs			Percentage of complaints initiated in the reporting period, pcs / %			Percentage of complaints resolved in the reporting period, pcs / %		
2021	2022	2023	2021	2021	2022	2022	2023	2023
0	0	0	0	0	0	0	0	0

No complaints on environmental issues have been recorded for 3 years.

VIOLATIONS AND ACCIDENTS

OGK-2 keeps records and publishes statistics on environmental violations, accidents and catastrophes that occurred in the course of the Company's activities and resulted in significant negative environmental consequences. There were no such cases in the reporting year 2023.

The Company does not have an environmental management system. In 2023, 56 people were trained in environmental protection. There are no agreements with stakeholders aimed at environmental protection.

ENVIRONMENTAL PROTECTION COSTS

OGK-2 makes the environmental protection payments to the full extent necessary to meet the requirements of environment protection law. Investment activities are financed to the extent necessary to bring equipment performance in line with best available techniques (BAT), to meet regulatory targets and to comply with the requirements of the supervisory authorities in terms of environmental performance improvement. Significant environmental aspects of the Company's facilities include nitrogen oxide emissions, petroleum product discharges and noise impacts. The necessary measures to ensure the standards for these impacts are being implemented and provided with funding.

Total environmental protection costs in 2023 amounted to RUB 441,102 thousand. The detailed structure of environmental protection costs is given in Appendix 1.

02. EMISSIONS OF GREENHOUSE GASES AND AIR POLLUTANTS INTO THE ATMOSPHERE

THE COMPANY'S POLICY ON REDUCTION OF GREENHOUSE GAS AND POLLUTANT EMISSIONS

[GRI 3-3], [GRI 305-5]

The Company's Environmental Policy contains commitments to reduce the negative environmental impact in the regions where it operates. To this end, the Company is gradually replacing coal-fired generation with low environmental performance indicators with more efficient gas-fired generation.

We find it important to monitor the Company's environmental impact and take measures to reduce emissions.

Every year, OGK-2 PJSC approves environmental targets for future periods, which include greenhouse gas emissions and air pollutants.

Target indicators of generating companies on reduction of specific greenhouse gas emissions into the atmosphere, tons of CO_2-eq./thousand kWh[20]		
Target value – 2023	**Actual value – 2023**	**Target value – 2024**
0.532	0.502	0.501

In the reporting year 2023, the actual value was below the target value by 0.03 tons CO_2-eq./ thousand kWh.

At a number of OGK-2 thermal power plants, an automated system has been organized to monitor the quality and quantity of atmospheric

[20] The specific figures are calculated as the ratio of CO2-equivalent emissions to the indicated value of the electricity production.

emissions. The data obtained are used both, for internal control and management decision-making based on their analysis, and for their transfer to dedicated nature management and environment protection monitoring and regulatory companies.

In case of weather conditions resulting in dangerous levels of atmospheric air pollution, thermal power plants take prompt measures to reduce atmospheric emissions in accordance with the approved action plans.

In addition to the prompt reduction of atmospheric emissions, low-emission burners, flue gas recirculation schemes, two-stage combustion schemes and other high efficiency measures are being introduced in power and hot-water boilers at power plants.

Power plants regularly monitor the quantity and quality of emissions in accordance with the schedule for monitoring compliance with maximum permissible emissions standards for each source approved by the supervisory authorities. Regular control is carried out by accredited laboratories both directly at the sources of emission, and at specially selected points of urban development in order to monitor the state of atmospheric air in TPPs influence area.

Specialists of the Company's branches plan the atmospheric air protection activities based on the analysis of emissions intensity and composition data, condition of instruments and equipment, a set of implemented measures and the best existing technologies.

All types of emissions are controlled by special permits – standards for maximum permissible emissions based on the requirements of Federal Law No. 96-FZ dated May 04, 1999 “On the Protection of Atmospheric Air”, clause 8, Article 15.

CLIMATE CHANGE

[GRI 201-2]

Combating climate change and the energy transition – are challenges facing the global community. As a result of higher human impact on the environment, the concentration of greenhouse gases in the atmosphere increases, which leads to higher natural greenhouse effect and rise of the average temperature on the planet. As a result, the climate is changing and the likelihood of natural disasters is increasing. Joint efforts are needed to prevent negative consequences.

We are fully aware of the dangers of climate change both globally and to our operations. We understand that, as a power generation company, we can make a significant contribution to reducing the global carbon footprint.

We share the goals of the Paris Agreement and strive to contribute to elimination of the climate change adverse effect.

The Company in its activities is guided by climate goals, determined at the state level. In its activities in the field of low-carbon development, the Company is based on the Strategy for Social and Economic Development of the Russian Federation with Low Greenhouse Gas Emissions until 2050[21].

[21] Approved by Decree of the Government of the Russian Federation No. 3052-r dated October 29, 2021.

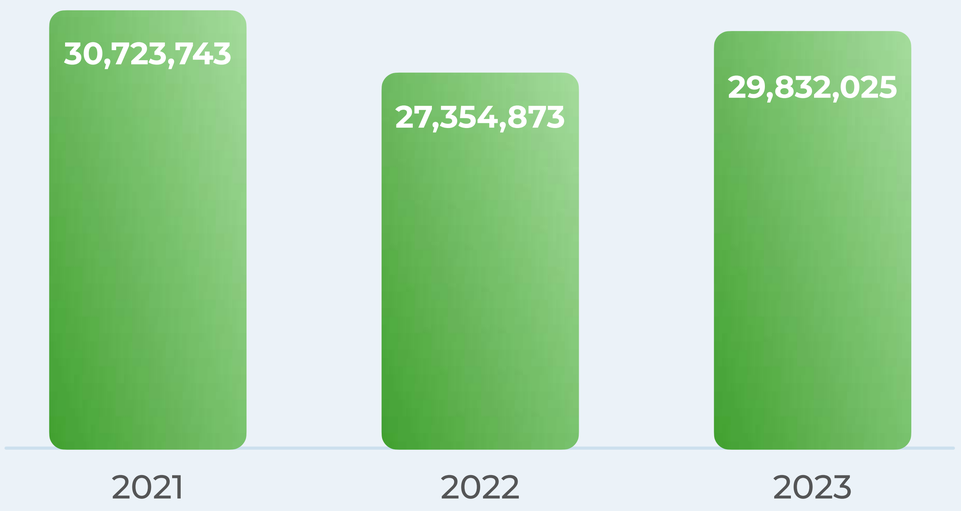
GREENHOUSE GAS EMISSIONS

[GRI 305-1], [GRI 305-4]

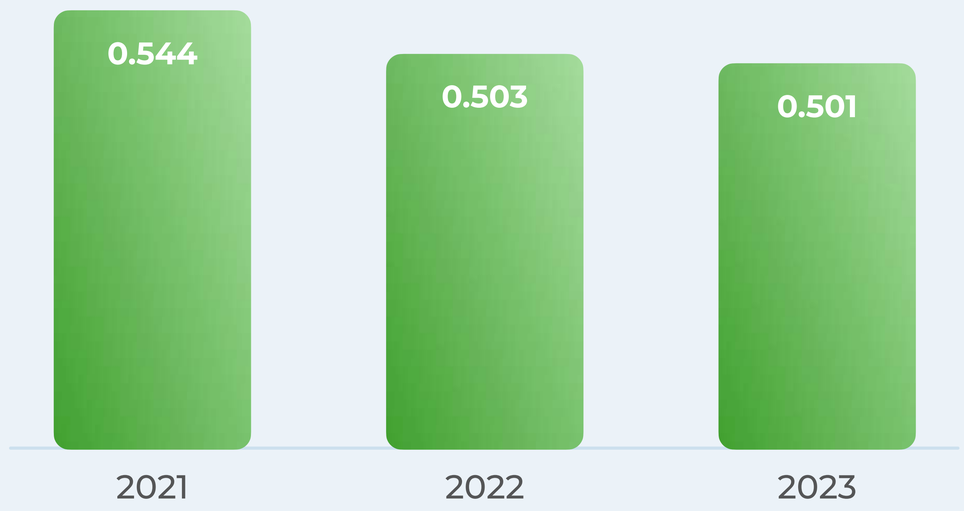
Greenhouse gas emissions are caused by the combustion of fuels, namely gas, coal and, in small quantities, fuel oil and diesel fuel.

The Company annually implements large-scale investment projects, ensuring the introduction of new highly efficient generating capacities and the decommissioning of obsolete and low-efficient equipment, as well as the replacement of coal-fired generation with gas-fired generation. The result is more energy-efficient and environmentally friendly production.

Direct greenhouse gas emissions, million tons CO_2-eq.



CO_2-eq. emissions per unit of production volume, tons of CO_2/thousand kWh



In 2023 the Company did not carry out operations on purchase and sale of emission quotas, however, in the light of formation and active development of the internal market of emission quotas OGK-2 considers application of this possibility for itself in the near future.

Achievements in reduction of greenhouse gas emissions per unit of production volume, tons of CO_2/thousand kWh

Change in emissions compared to previous year		Main reasons for changes in 2023
2022	2023	
-0.041	-0.002	Replacement of coal with gas in the fuel balance of Novocherkasskaya GRES

ATMOSPHERIC EMISSIONS

[GRI 305-7]

The main pollutants produced during fuel combustion are the following:

- nitrogen oxides (produced by combustion of any type of fossil fuel);
- sulphur dioxide (produced by burning coal and fuel oil);
- fuel oil ash (produced by burning fuel oil);
- ash (produced by burning coal);
- carbon oxide (produced by burning any type of fossil fuel).

Detailed information on the structure of air emissions of significant pollutants is given in Appendix 1.

[GRI 305-6]

No ozone-depleting substances (ODS) are produced at the Company's facilities and are not used in the manufacture of products.

Measures applied to reduce the volume and intensity of air pollutant emissions in 2023:

- sulphur dioxide emissions are reduced by purchasing low-sulphur solid fuel;
- nitrogen dioxide emissions are regulated by equipment operating modes;
- coal-fired generation is being systematically replaced by more environmentally friendly gas-fired generation.

03. ENERGY SAVING AND ENERGY EFFICIENCY IMPROVEMENT

The Company's energy efficiency and energy saving policy is a set of measures aimed at creating the necessary organizational, legal, financial, material and other conditions for the rational and economical use of fuel and energy resources (FER).

The technological process of heat and electricity generation involves the use of various fuels (gas, fuel oil and coal) as the main raw materials.

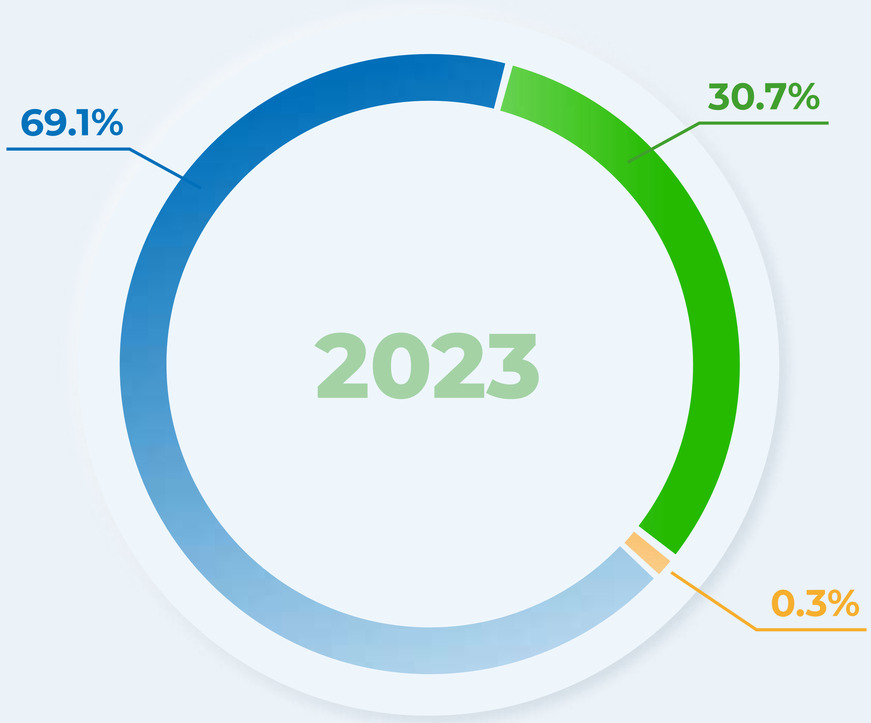
Energy consumption and energy efficiency management issues are governed by Federal Law No. 261-FZ.

Energy performance certificates obtained after audits

Certificate No.		Year of registration	Validity period
with the Ministry of Energy of the Russian Federation	with a self-regulatory organization		
11353/Э-026/2016	428-GPE/16	2016	2021

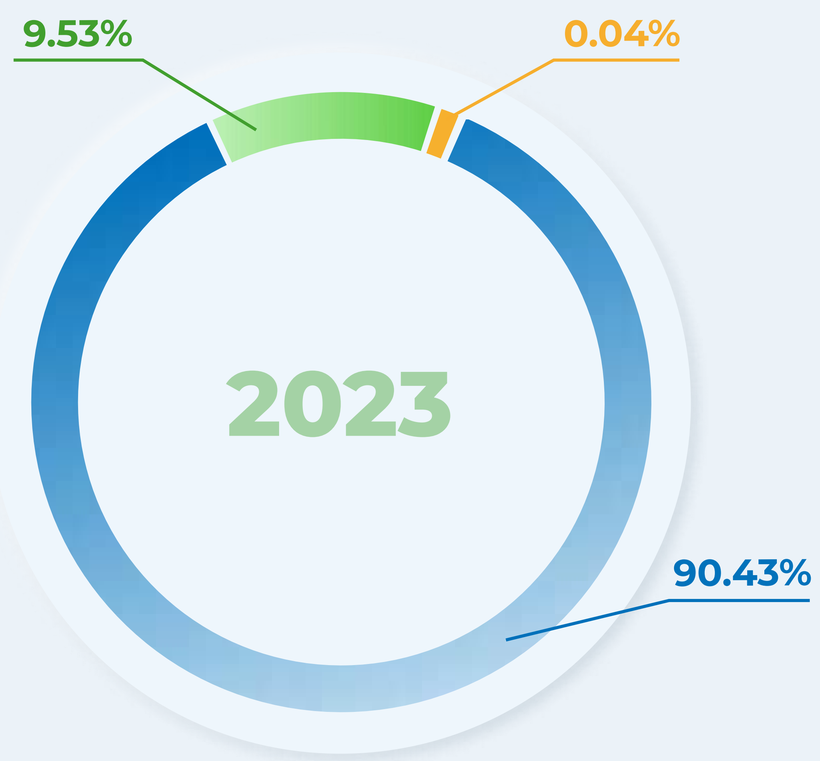
Pursuant to clause 5 Art. 15 of Federal Law No. 261-FZ dated November 23, 2009 (latest version) mandatory energy audits were abolished.

Structure of electricity generation by fuel types, %



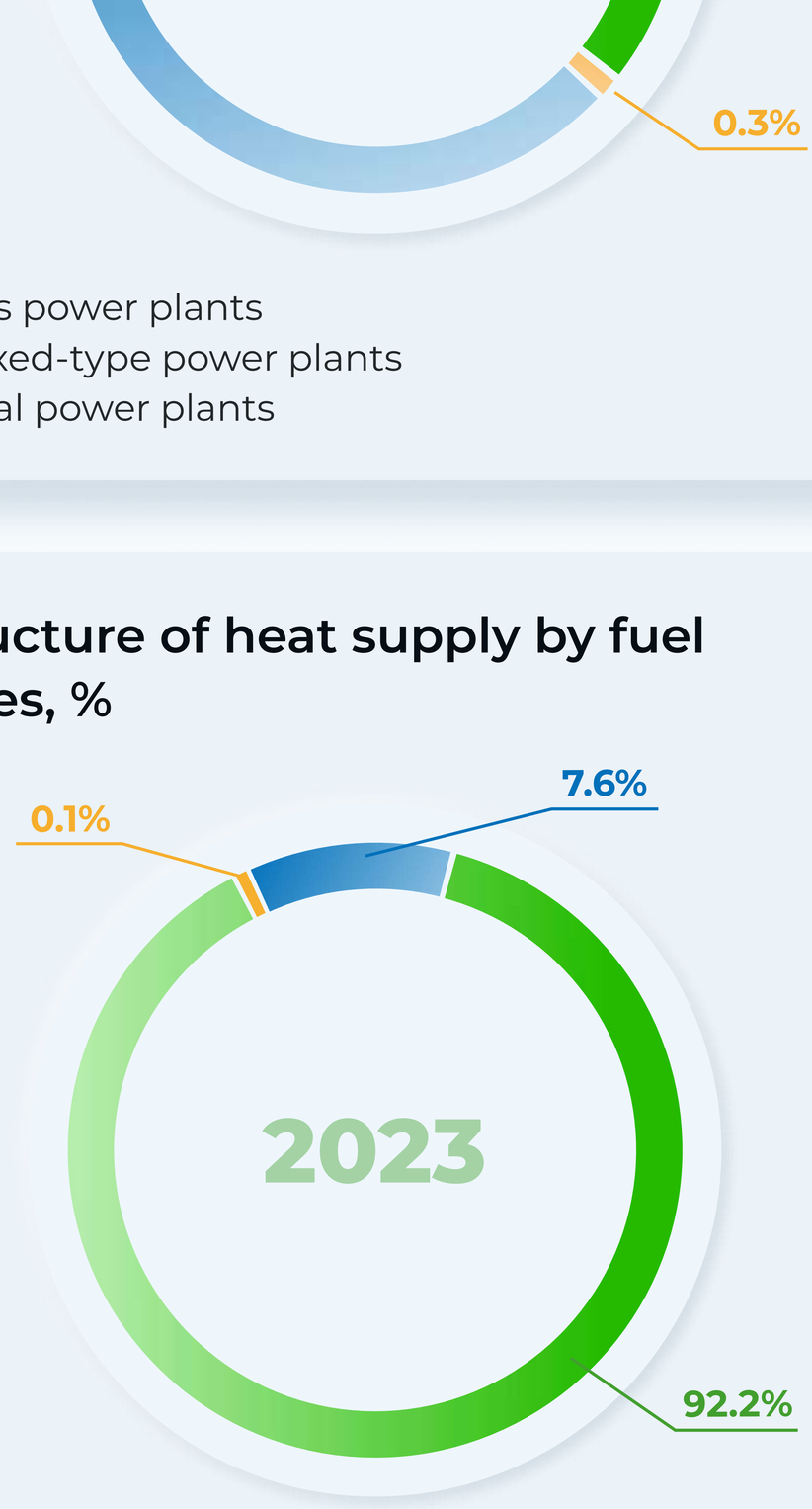
- Gas power plants
- Mixed-type power plants
- Coal power plants

Fuel balance, %



- Gas
- Coal
- Fuel oil and diesel fuel

Structure of heat supply by fuel types, %



- Gas power plants
- Mixed-type power plants
- Coal power plants

Gas power plants:

- Surgutskaya GRES-1
- Stavropolskaya GRES
- Kirishskaya GRES
- Serovskaya GRES
- Pskovskaya GRES
- Adlerskaya TPP
- Groznenskaya TPP

Mixed-type power plants:

- Ryazanskaya GRES
- Novocherkasskaya GRES
- Cherepovetskaya GRES

Coal power plants:

- Troitskaya GRES

[GRI 301-1], [GRI 302-1]

In 2023, total energy consumption for industrial needs was 17,629.4 thousand TFOE, including total fuel consumption from non-renewable sources of 17,628.19 thousand TFOE.

[GRI 302-4], [GRI 302-5]

OGK-2 has developed the Energy Saving and Energy Efficiency Improvement Program (hereinafter referred to as the Program) in accordance with Federal Law No. 261-FZ dated November 23, 2009 “On Energy Saving and Energy Efficiency Improvement and on Amendments to Certain Legislative Acts of the Russian Federation” (Federal Law No. 261-FZ), Decree of Government of the Russian Federation No. 340 dated May 15, 2010 “On the Procedure for Establishing Requirements for Energy Saving and Energy Efficiency Improvement Programs by

Organizations Carrying out Regulated Activities", Order of the Ministry of Energy of the Russian Federation No. 398 dated June 30, 2014 "On approval of requirements to the energy saving and energy efficiency improvement programs of companies with the participation of the state and municipality, companies engaged in regulated activities, and programs progress reporting".

Based on the geography of the regions where OGK-2 branches are located, as well as the need to take into account and comply with the requirements of the regulator for a particular region, the Program indicators are updated on a regular basis (annually). In particular, the following targets were set for 2023: total savings of fuel and energy resources – 7,615 TFOE, including electricity – 12,929 thousand kWh, heat energy – 1,306 Gcal, fuel – 3,598 thousand TFOE.

In fact, in 2023, as a result of the implementation of measures of the Energy Saving and Energy Efficiency Improvement Program, the total savings of fuel and energy resources amounted to 8,454 thousand TFOE, including 12,893 thousand kWh, 6,849 Gcal of heat energy, and 3,130 thousand TFOE.

The targets set for 2023 were exceeded due to the implementation of additional measures aimed at saving fuel and energy resources at Kirishskaya GRES, Troitskaya GRES, Pskovskaya GRES, Serovskaya GRES and Cherepovetskaya GRES, which were not previously included in the Energy Saving and Energy Efficiency Improvement Program.

The most significant economic effect was obtained as a result of optimization of costs for heat generation of OGK-2 branch – Cherepovetskaya GRES.

Costs for implementation of measures in the field of Energy Saving and Energy Efficiency Improvement in 2023 amounted to RUB 226.69 million. The cost of saved energy resources due to implementation of the energy saving program in 2023 amounted to RUB 45.16 million. The total economic effect from the implementation of the 2023 measures for the period 2023–2027 is planned to amount to RUB 460.6 million. The resulting economic effect is obtained from modernization, technical re-equipment and repair of the main and auxiliary equipment of power plants.

Detailed performance indicators of the Energy Saving and Energy Efficiency Improvement Program for 2021–2023 are given in Appendix 1.

04. UTILIZATION OF WATER RESOURCES

[GRI 303-1] [GRI 303-2]

Our use of water resources is guided by legal requirements and we strive to minimize the impact of our activities on them. All technological processes are carried out in accordance with the requirements of the Water Code of the Russian Federation No. 74-FZ dated June 03, 2006, aimed at reducing water consumption and water disposal, as well as the discharge of pollutants.

The production of heat and electricity is accompanied by the use of large quantities of water in the process cycle, as well as the discharge of wastewater.

The largest quantities of process water in thermal power plants are used in cooling systems where water is used for steam condensation.

Service water is also needed for cooling auxiliary equipment. After appropriate treatment in the water treatment plant, the process water is used to compensate for steam losses in the main cycle of the power plant and in the heat supply system. In addition, water is used to flush boiler heating surfaces, cleaning equipment (mainly boilers) from deposits. At coal TPP, water is used to remove the resulting ash and slag to the ash dumps.

The source of service water for most thermal power plants is surface water. Water from the municipal water supply system is used for domestic purposes.

OGK-2 branches have all permits for water intake from natural sources.

[GRI 304-1]

Surface water bodies where power plants operate, namely water intakes and spillways, are not classified as Specially Protected Natural Areas (SPNAs), territories of traditional residence of small indigenous peoples of Russia. All surface water bodies have been assigned a category of fishery value (from highest to second).

All OGK-2 branches keep records of water consumption and water discharge and control the impact on water bodies – continuous monitoring of pollutant concentrations.

In 2022, work was started in each branch to establish normative values of water consumption and water discharge. In 2023 (for the Company as a whole), drinking water consumption decreased by 10.4% compared to 2022. This reduction in water consumption is due to the implementation of organizational and technical measures aimed at constant monitoring of resource consumption and prompt elimination of identified damage to pipelines.

Measures to be applied in 2023 aimed at protecting and conserving water resources:

- reducing the use of acid and alkali in water treatment for own use and switching to membrane technologies;
- replacing direct cooling systems with circulating ones and installing cooling towers in the design of new facilities to prevent thermal pollution of natural water bodies;
- at Novocherkasskaya GRES – for the rational use of water resources in order to avoid water losses – carrying out metrological certification and maintenance of the SIRENA cooling water measuring system, as well as implementing measures aimed at reducing the use of water for production needs (reuse of wastewater from the discharge channel);
- at Pskovskaya GRES – replacing filter elements at local treatment plants facilities, as well as cleaning of the sewage sludge pond;
- at Serovskaya GRES, in order to reduce the discharge of contaminated and insufficiently treated wastewater into water bodies, repair work is carried out at the treatment facilities of household wastewater KOS-600 and industrial and oily wastewater BM-20K.
- at Novocherkasskaya GRES – works on clearing the feeder canal from siltation.

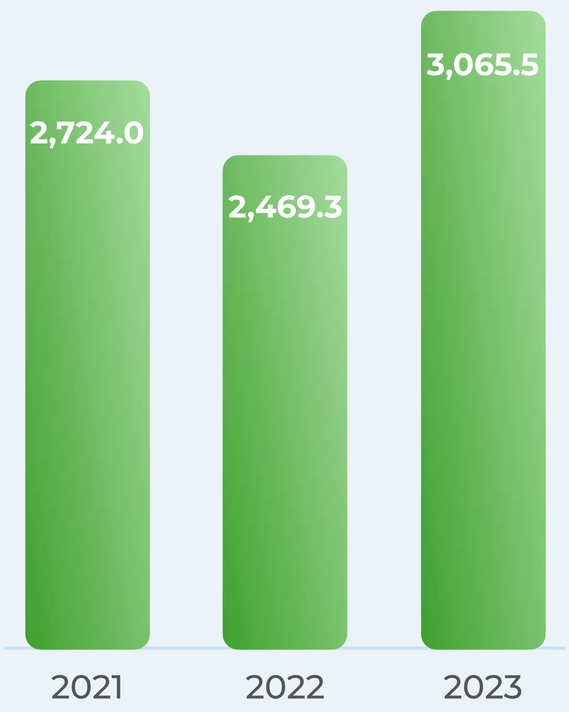
In order to reduce water consumption and water discharge, 7 power plants of OGK-2 implemented circulating equipment cooling systems – cooling towers, cooling ponds, splash pools.

All generating facilities have implemented schemes for the collection and treatment of oiled and fuel oiled wastewater and local treatment facilities.

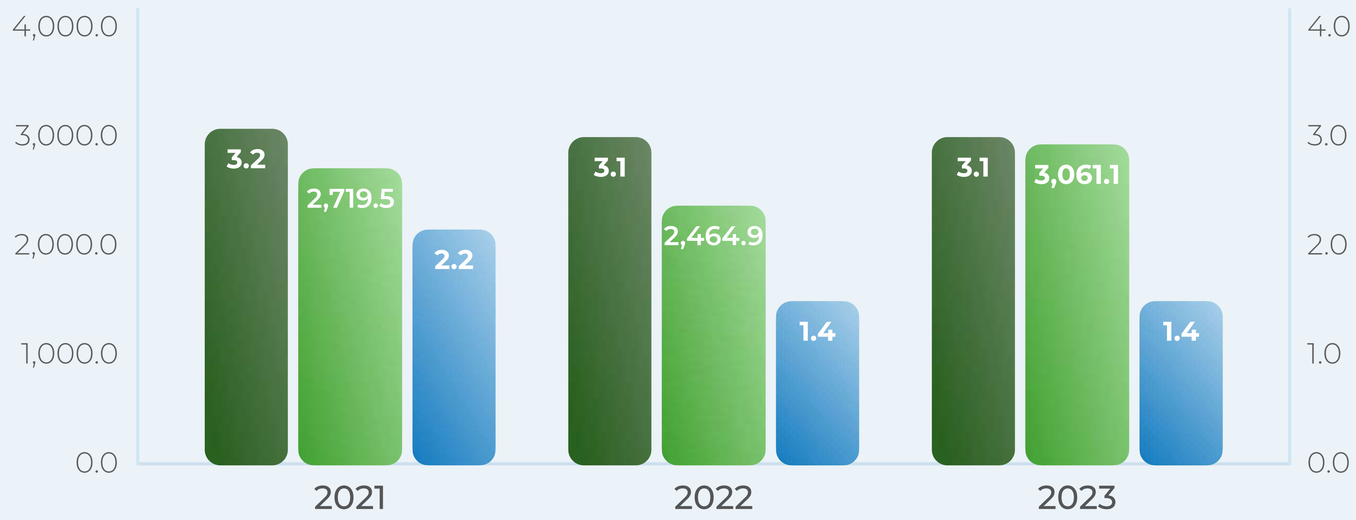
The increase in specific water consumption in 2022 was 7.3% compared to 2022. This indicator directly depends on electricity generation. In the reporting period, there was a decrease in electricity generation by 15.7%.

[GRI 303-3]

Waterintake, thous. m³

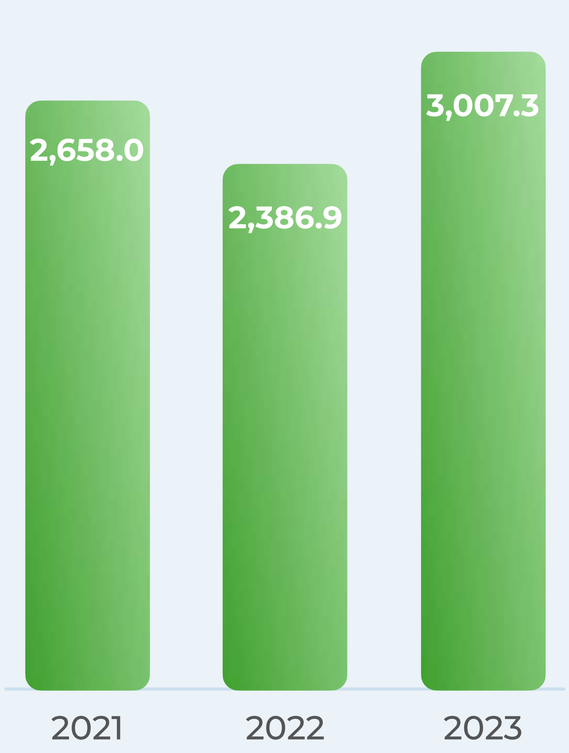


Water intake and receipt in the breakdown by source, thous. m³

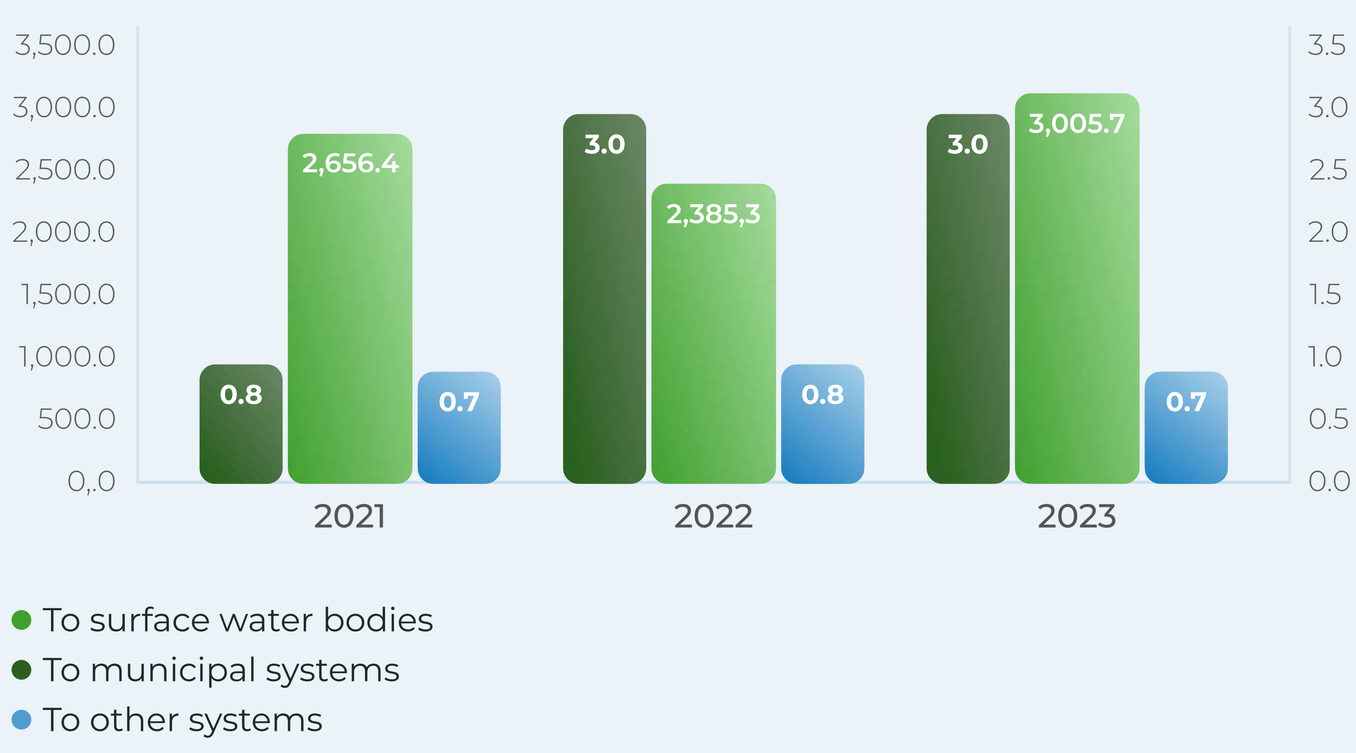


[GRI 303-4]

Wastewater disposal, thous. m³



Structure of wastewater disposal, thous. m³



More than 99% of wastewater discharged by OGK-2 branches is normatively clean. Most branches discharge water into surface water bodies. A number of branches discharge production water into the municipal sewage system. Household waters are supplied for treatment to water utilities.

Indicators characterizing the Company's water use in more detail are given in Appendix 1.

05. WASTE MANAGEMENT

[GRI 306-1], [GRI 306-2], [GRI 306-3], [GRI 306-5]

WASTE MANAGEMENT POLICY

[GRI 3-3]

OGK-2 Environmental Policy is the main document regulating waste management issues in the Company along with all other issues related to environmental protection.

The main objectives of the Company in the field of waste management are:

- reduction of waste generation;
- increase in the volume of reuse of generated waste.

Indicators characterizing in detail the Company's waste generation and its waste management activities are given in Appendix 1.

WASTE GENERATION AND MANAGEMENT

[GRI 306-1], [GRI 306-2]

All OGK-2 branches organized separate waste collection, excluding mixing of waste of different hazard classes. All Company’s branches have special authorization documents describing the procedure for waste management.

During the operation of thermal power plants, one of the significant associated environmental aspects is the impact of hazard class IV–V waste on ground and soil. All structural subdivisions of the Company exercise strict control over the process of waste management. Industrial waste is collected in special containers or at specially designated sites for temporary waste storage. The waste is disposed by third-party organizations licensed to carry out activities in this area, in accordance with environmental requirements.

Further, class waste I, II, III and some types of hazard class IV waste are disposed of or recycled by specialized enterprises.

The bulk of the waste is hazard class IV and V waste, which is transported to waste disposal sites for their subsequent storage or disposal.

Ash and slag waste from coal combustion also belong to this group of waste. Ash and slag waste are placed at their own facilities – ash dumps, designed in accordance with applicable law.

79% OF ALL GENERATED WASTES ARE ASH AND SLAG WASTE FROM COAL COMBUSTION, WHICH ARE CLASSIFIED AS HAZARD CLASS V WASTE, I. E., PRACTICALLY NON-HAZARDOUS.

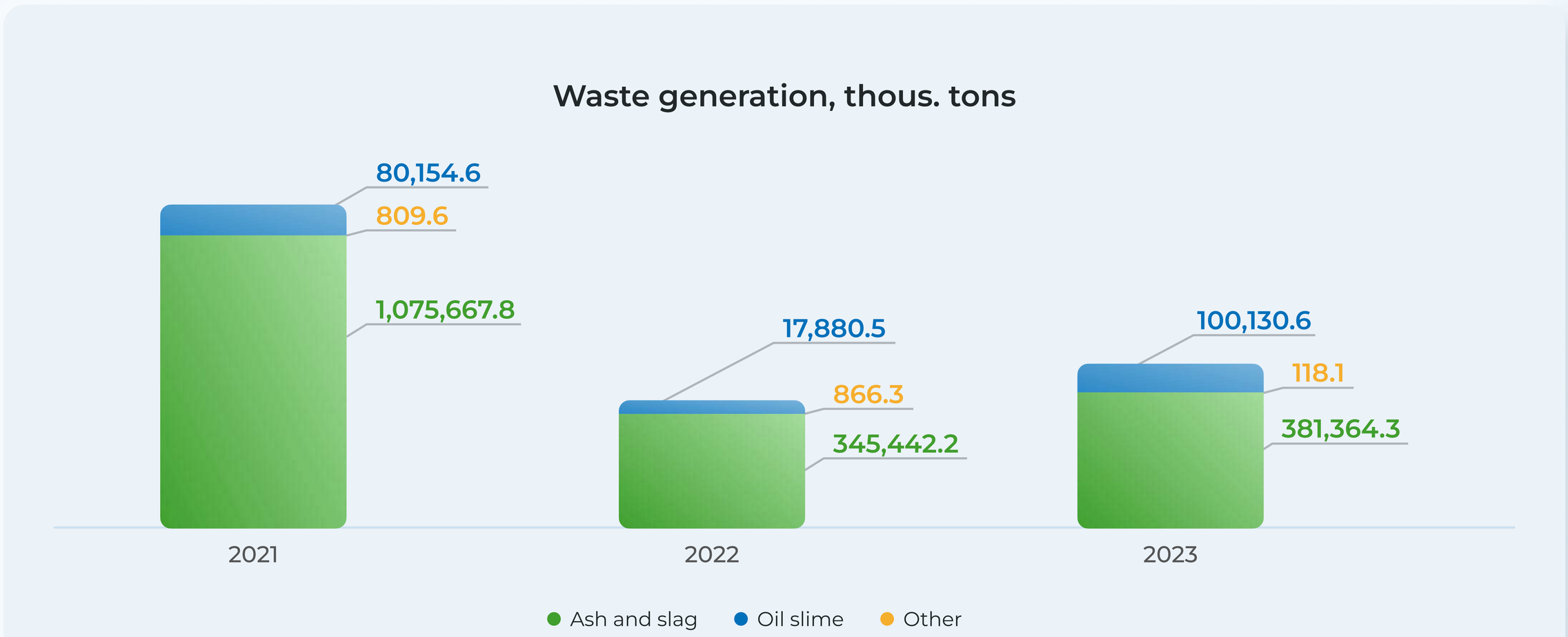
Among all wastes generated, only old fluorescent lamps belong to hazard class I.

Hazard class I–IV waste management activities are based on a perpetual license dated January 12, 2021 No. (26)-2600003-BR/P, which allows neutralizing hazard class II–IV wastes and disposing of hazard class III–IV wastes.

The Company has an Action Plan to reduce the accumulated waste. Work on waste management has been organized, the disposal of which is

prohibited, including separate accumulation of waste by separate storage by types of waste, groups of waste, groups of homogeneous waste. Collection of paper and cardboard waste from clerical and office work is organized for their transfer to third-party organizations for disposal.

Waste generation increased by 32.2% and amounted to 481.6 thousand tons, which is due to an increase in ash and slag waste (hereinafter – ASW) generation due to an increase in the amount of solid fuel combusted.



ASH AND SLAG WASTE MANAGEMENT

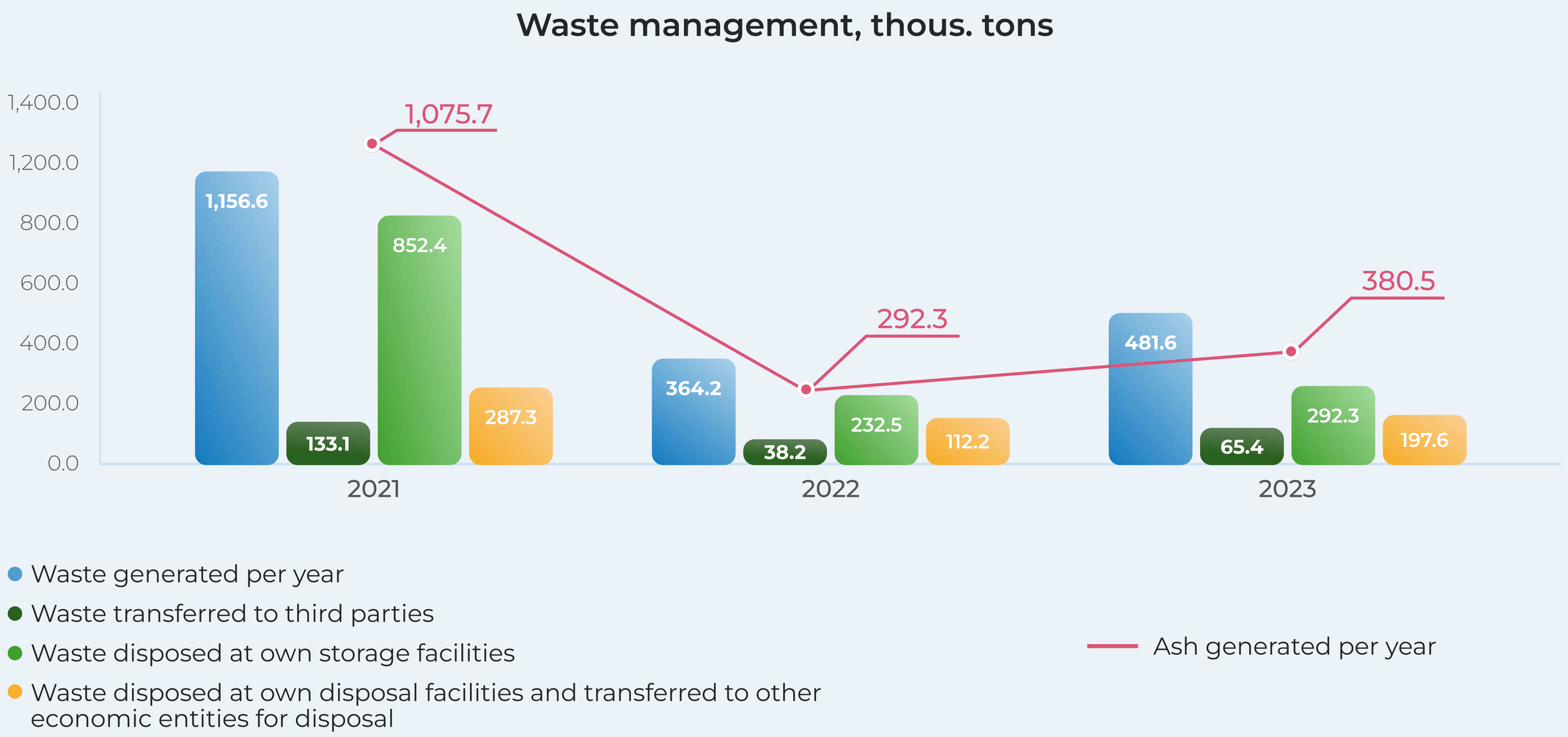
Ash and slag waste are hydrotransported to waste disposal facilities included in the state register. Ash obtained from dry ash removal is fully sold to the consumer as a product.

Since 2008, ash and slag waste (materials) from Ryazanskaya GRES have been sold, and since 2009 – from Novocherkasskaya GRES, Troitskaya GRES, Cherepovetskaya GRES. For 2023, OGK-2 sold a total of 333,300 tons of ash and slag waste, including 56,608.9 tons – at the Company's stations (for 2022 – 22,725.5 tons).

In order to increase the possibility of using ash and slag waste, a number of certificates have been obtained for products that can be used in the following areas:

- as a component for concrete, dry mixes and foam blocks (Ryazanskaya GRES, Novocherkasskaya GRES);
- in landfill reclamation (Ryazanskaya GRES, Novocherkasskaya GRES);
- in road construction (Ryazanskaya GRES, Novocherkasskaya GRES).

For each of the Company's branches, draft waste generation standards and waste disposal limits (DWGSWDL) have been developed and approved by the state supervisory authorities. These documents stipulate the types of waste management used by the Company, generated in the course of economic activity.



A significant part of the Company's capacities is coal-fired facilities, therefore, the disposal of ash and slag waste is especially relevant for the Company. In order to reduce their number and preserve the useful capacity of existing ash dumps, coal-fired OGK-2 branches are taking measures to ship ASW and dry ash directly from under the electrostatic precipitators to consumers for subsequent involvement in the economic turnover.

The ash dump in the salty lake Shubarkul, is used to dispose of ash and slag waste from Troitskaya GRES operated by OGK-2. It is located on the territory of the Kostanay region of the Republic of Kazakhstan, therefore, all environmental activities related to it are carried out in accordance with the Environmental Code of the Republic of Kazakhstan. In particular, the plant regularly monitors emissions at the ash disposal area. Production and environmental monitoring of the environmental impact from the ash dump, slurry pipeline of Troitskaya GRES, located in the Republic of Kazakhstan, is regularly carried out.

Activities carried out on a regular basis are aimed at protecting the atmospheric air by reducing ash dump dust:

- sowing of perennial grasses on slopes of dams of ash dump sections;
- planting of tree and shrub vegetation on dams of ash disposal area sections.

All activities are carried out in accordance with the Action Plan of Troitskaya GRES for 2022–2024 agreed with the Ministry of Environmental Protection of the Republic of Kazakhstan to reduce the adverse environmental impact of the ash dump in Lake Shubarkul.

At all ash dumps the Company conducts regular monitoring of the condition and pollution of the environment. Once the ash dump is filled, it needs to be reclaimed in order to restore the land disturbed by production activities.

NO LAND RECLAMATION WAS CARRIED OUT DURING THE REPORTING PERIOD.

06. BIODIVERSITY CONSERVATION

[GRI 304-2]

BIODIVERSITY CONSERVATION MANAGEMENT

Biodiversity conservation management issues are regulated in the Company through the OGK-2 Environmental Policy. All water intakes of the plants have fish protection devices, also Novocherkasskaya GRES and Pskovskaya GRES in 2023 continued to carry out work on stocking of water bodies, which are the source of water supply for these enterprises. In 2024, it is planned to conduct an ichthyologic survey of the area affected by Novocherkasskaya GRES in order to determine the real possible damage to aquatic biological resources.

Costs for biodiversity conservation measures, thous. RUB

The Company has an impact on aquatic biological resources (ABR) when water is taken from surface water bodies during the operation of power plants. In order to reduce the negative impact on ABR, fish protection structures have been installed at all water intakes of the Company's power plants.

The Company takes measures to stock water bodies with fish to minimize the negative impact on ABR. Also, every year a number of OGK-2 branches carry out compensatory measures in the form of planting young fish. For each planting of young fish the relevant documents are signed with Rosrybolovstvo (Federal Agency for Fishery).

In 2023, 226,435 juvenile sterlet were released. In the period 2021–2023, Novocherkasskaya GRES implemented a program to stock the Don River basin. During the implementation of this measure, the release of 679,307 juvenile sterlet was realized.

[GRI 304-1], [GRI 304-4]

Animals listed in the Red Books of various levels are not recorded in the TPP territories, their habitats are not affected by the Company. There are no areas of specially protected natural territories in the places where OGK-2 operates.

05 SOCIAL RESPONSIBILITY

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

SOCIAL RESPONSIBILITY

01. HUMAN RESOURCES AND SOCIAL POLICY MANAGEMENT

[GRI 2-16]

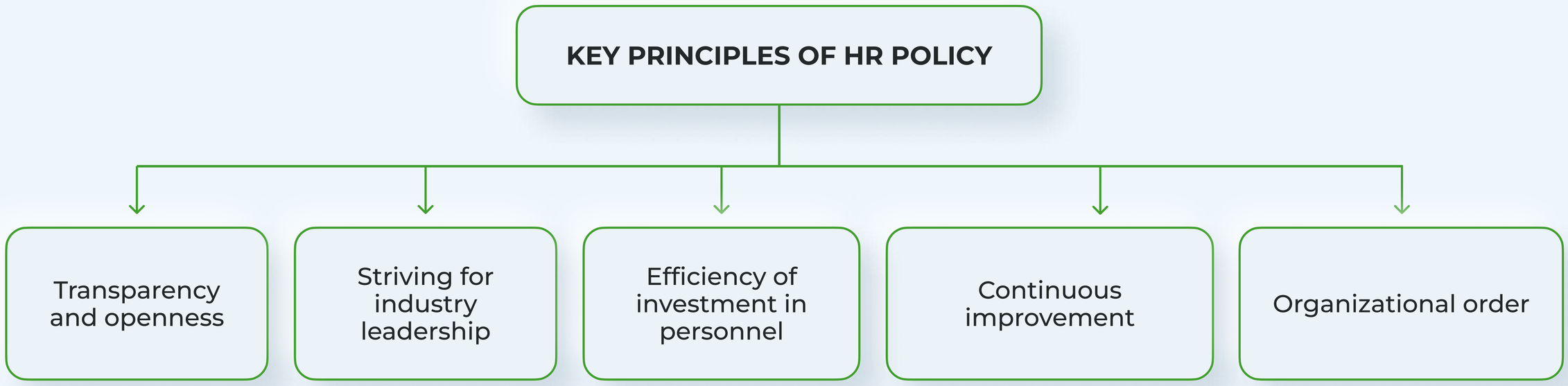
The list of key documents regulating the management of human resources and social policy issues in the Company is given in Appendix 2.

HUMAN RESOURCES POLICY

[GRI 3-3]

⚡ Our goal is to create an efficient company with a transparent corporate governance system that presents opportunities to maximize the potential of our employees.

The main objective of HR policy is to provide the Company with an optimal number of personnel having the necessary professional skills, sharing corporate values and focused on the implementation of the Company's strategic goals.



Coordination of interests of the parties is provided in the following forms:

- collective bargaining;
- mutual consultations;
- participation of employees and their representatives in managing of the Company;
- participation of representatives of employees and the employer in the resolution of labour disputes.

When selecting personnel, OGK-2 is guided by the principles of openness, fairness and equal opportunities, focusing on long-term cooperation with candidates who demonstrate a high level of technical and business competencies.

OGK-2 implements unified approaches to assessment of applicants' competencies regardless of age, gender or social groups. Detailed information on the structure of the personnel of the Company available at the end of the reporting year and hired in the reporting year by gender and age, as well as the share of disabled persons in the Company's staff is given in Appendix 1.

All personnel is selected and approved in accordance with the Regulations for the Recruitment of Personnel for Vacancies/ Professions at OGK-2 and guidelines of the managing company. This Regulation establishes the procedure of necessary and consecutive actions for search, selection, assessment, and coordination of candidates for vacant positions/

occupations of all categories of the Company's employees.

Information on available vacancies and employment conditions is posted on OGK-2's official website https://ogk2.ru/karera/ and on the corporate page of hh.ru.

Targeted work with candidate pool is used. In 2023, 733 Company's employees are included in the talent pool, 43 of whom have undergone targeted training.

The overall readiness of the candidate pool to promptly fill the managerial positions is 57.3%. The personnel reserve utilization rate is 58.57%.

ALLOCATION OF RESPONSIBILITY FOR HUMAN RESOURCES AND SOCIAL POLICY ISSUES

[GRI 2-13]

Board of Directors → Managing Director → Head of the Human Resources Department

KEY ACHIEVEMENTS OF THE REPORTING YEAR

- As of December 31, 2023, the headcount of OGK-2 (including external part-time employees) amounted to 6,631 people.

  [GRI 201-3]

- Financing of the pension insurance program in 2023 – 81.6 RUB million.
- Financing of personal insurance programs in 2023 – more than RUB 76 million (VHI, A&II, NERT).

GOALS AND PLANS

- Maintaining an optimal age composition of personnel and ensuring professional continuity between generations.
- Ensuring and maintaining social stability in the Company.
- Achieving an optimal balance of interests of the parties to social partnership (employees and employer) through collective bargaining and development of joint decisions on social and labour issues.

RESPECT FOR HUMAN RIGHTS

[GRI 2-23], [GRI 2-24]

Human Resources Department of OGK-2 is responsible for ensuring respect for human rights.

The Company is guided by the principles in the field of human rights protection set forth in international and Russian documents: The Universal Declaration of Human Rights, the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Labour Code of the Russian Federation, etc. Obligations to respect human rights are enshrined in the Code of Corporate Ethics and the Company's Sustainability Policy, which are binding for OGK-2 and its subsidiaries and recommendatory for contractors and other business partners.

OGK-2 considers respect for the rights of its employees to be mandatory for its stable functioning and development and guarantees its employees their right to work and leisure, their right to material support in the event of retirement and incapacity for work. The labour rights of employees are implemented in accordance with the requirements of the Labour Code of the Russian Federation, local regulations and the Collective Agreement.

HUMAN RIGHTS PRINCIPLES

In its activities, the Company considers discrimination on the basis of gender, age, nationality, religion and other grounds unacceptable.

The Company adheres to the principle of respect for the personality of each employee, recognizes the inviolability of human rights, including labour rights and the right to a favorable environment, and does not allow any form of their violation.

We are committed to providing our employees with a competitive wages combined with a social package, supporting their professional development and education.

[GRI 407-1]

The Company stands sentinel over the labour rights of employees to freedom of association and collective bargaining.

[GRI 408-1], [GRI 409-1]

We categorically do not allow the use of child and forced labour.

[GRI 2-27], [GRI 406-1], [GRI 408-1], [GRI 409-1]

There were no cases of discrimination, use of forced or child labour, or other violations of human rights in the Company in 2023.

OGK-2 ensures equal rights for women and men in all employment matters, such as:

- positions held (including the possibility of holding leadership positions);
- wage;
- conditions of work;
- social support.

When making decisions on hiring or transferring employees to another position, the Company is guided solely by their competencies and performance.

In 2023, the Company assessed the performance of its employees through appraisals (14 employees) and competency-based assessments (58 employees) and applied to two categories of employees:

- managers;
- specialists and officers.

Competency-based assessments were predominantly used for selection and recruitment purposes.

ENSURING THE PROTECTION OF HUMAN RIGHTS

The Company guarantees employees protection against any form of discrimination, as defined by the applicable law of the Russian Federation and by accepted provisions of international law. When administrating staffing policy, wage policy, social security policy, any preferences based on nationality, gender, age, etc. are prohibited.

[GRI 2-26]

Employees who believe that they are not protected from discrimination can apply for protection to the Commission on Corporate Ethics by:

- messages by e-mail: corpetic@ogk2.ru;
- by phone “hot line”: +7 (812) 646-13-52.

In 2023, training was conducted on employer respect of the employee labour rights. The following training courses were organized:

- Review of changes in the Labour Code of the Russian Federation in 2023: new amendments to labour legislation. Technologies of employee displacement, dismissal, legal aspects of termination of labour relations with employees: rights and obligations of the employer;
- Procedure for registration of labour relations. Labour contract. Legal precedents. Risks for the employer;
- Labour conflicts and dismissals. Legal regulation;
- Documentation and legal precedents;
- New in labour legislation. Complex issues of dismissal of employees. State Labour Inspectorate audits.

Key activities implemented by the Company in the framework of ensuring compliance with observance of human rights:

- ensuring a competitive level of wages and social benefits for employees;
- support and development of high-quality professional education for employees;
- comprehensive motivation of each employee to achieve OGK-2 goals;
- protection of labour rights, including freedom of association and the right to conduct collective bargaining;
- guaranteeing employees equal rights and protection from any form of discrimination, including on gender, ethnicity, age and other grounds;
- prevention of the use of child and slave labour;
- creation and development of an objective and effective system for evaluation of personal contribution of each employee of OGK-2;
- promotion of a healthy lifestyle and sports among employees and the population of the regions where the company operates;
- ensuring compliance of the professional level of employees with the OGK-2 requirements.

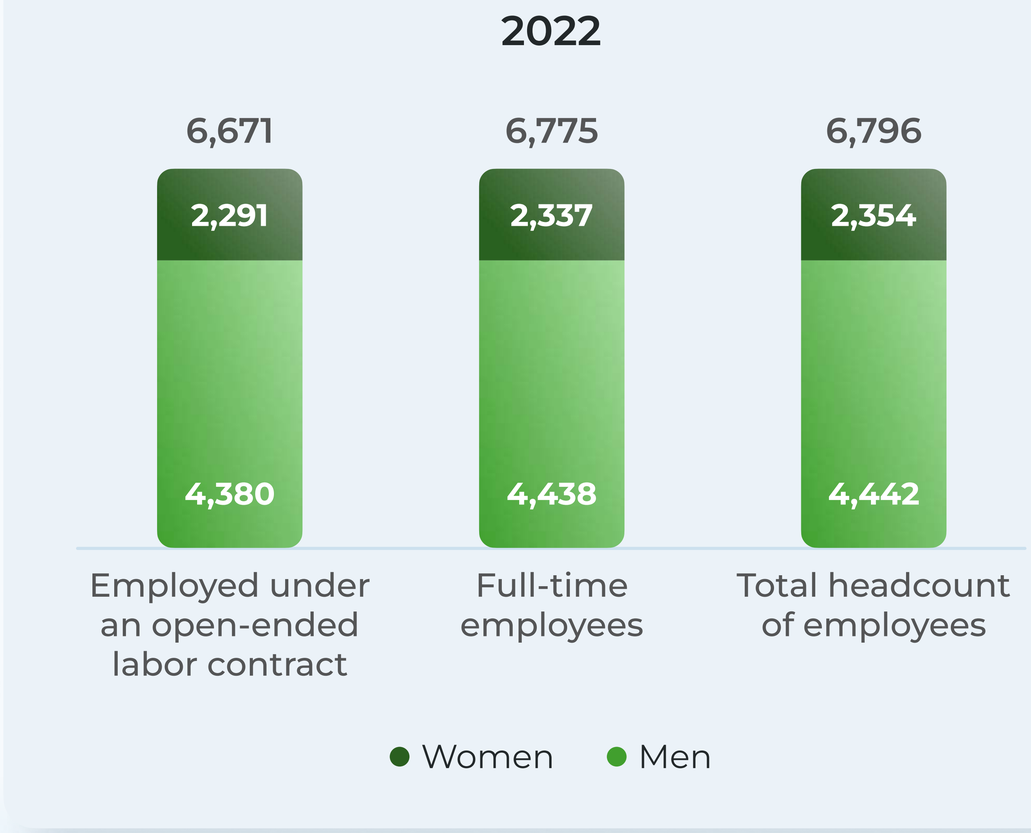
02. PERSONNEL STRUCTURE

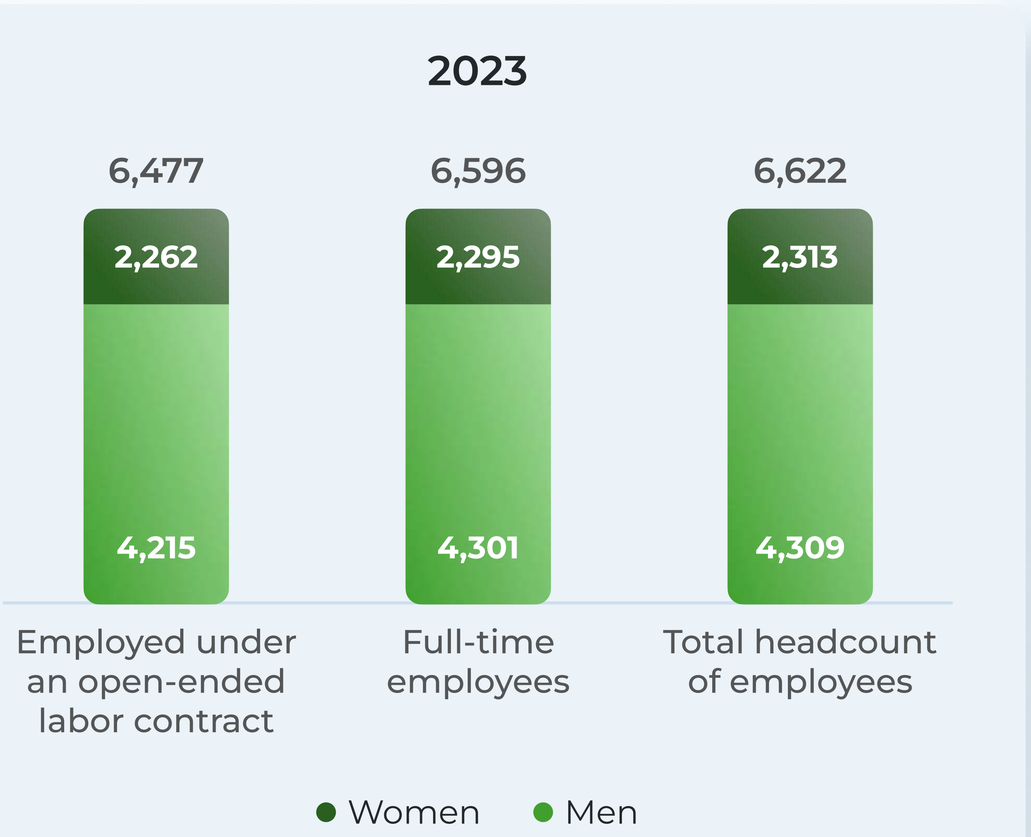
[GRI 2-7], [GRI 401-1]

As of December 31, 2023, the headcount of OGK-2 (including external part-time employees) amounted to 6,631 persons; as of December 31, 2022, it was 6,806. From December 31, 2022 to December 31, 2023, the number of staff decreased by 2.5% or 175 persons.

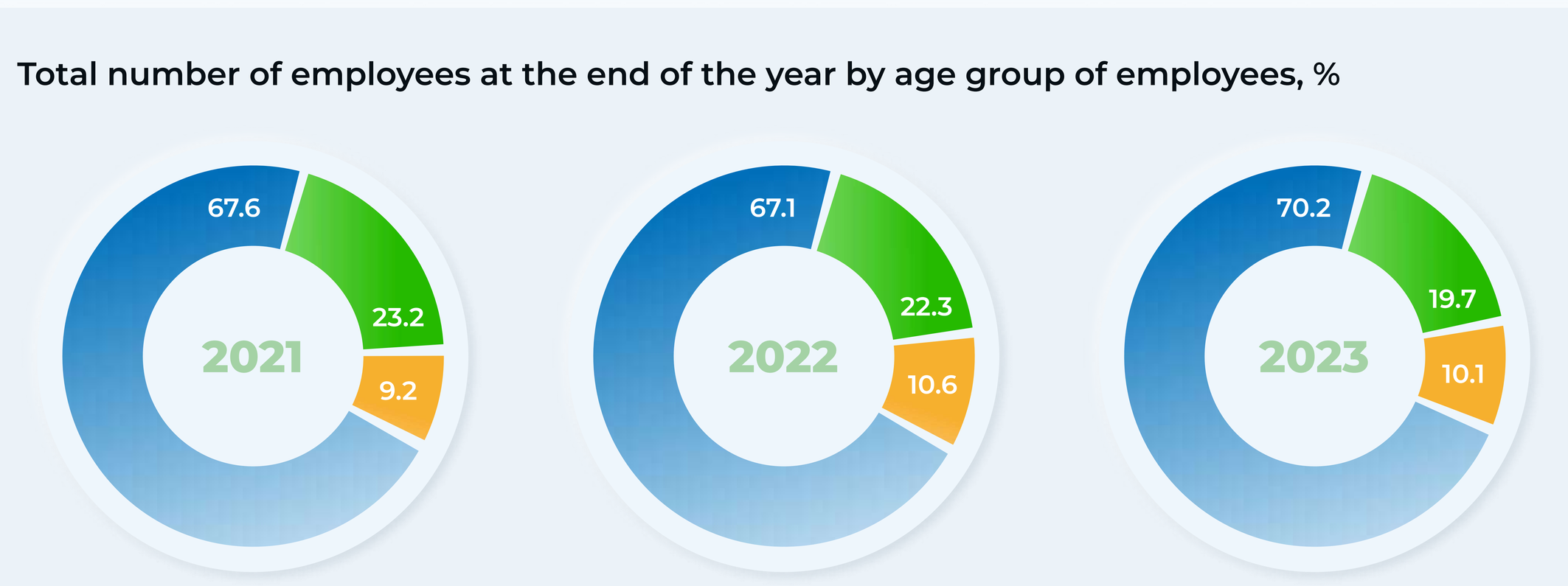
The Company's employees have labour relations with the Company on the basis of concluded labour contracts. The majority of labour contracts are open-ended.

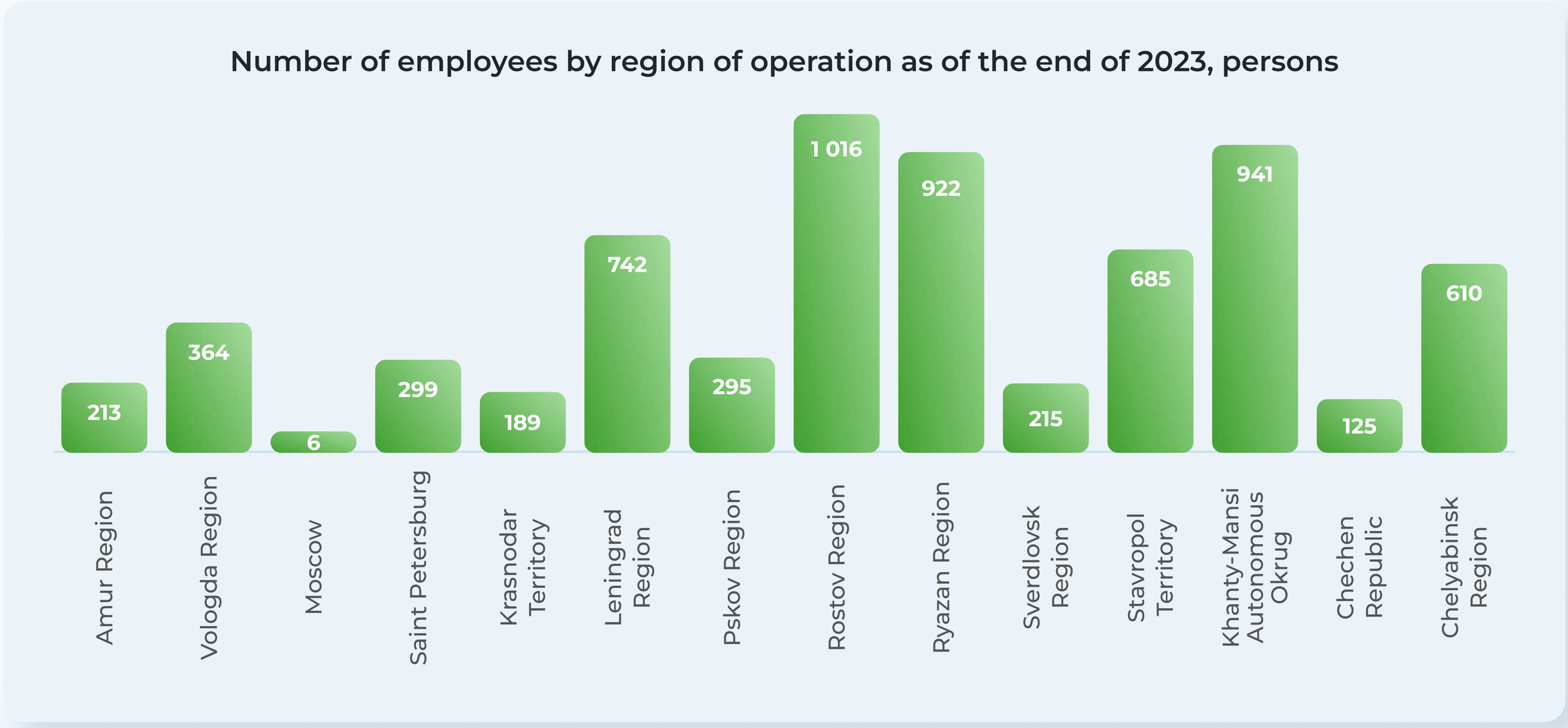
TOTAL NUMBER OF PERSONNEL AT THE END OF THE YEAR BY TYPE OF LABOUR CONTRACT AND GENDER (EXCLUDING EXTERNAL PART-TIME EMPLOYEES), PERSONS





TOTAL NUMBER OF EMPLOYEES AT THE END OF THE YEAR BY AGE GROUP OF EMPLOYEES, %





Indicators characterizing in detail the structure of the Company's personnel composition in various breakdowns are given in Appendix 1.

03. PROTECTING THE INTERESTS AND RIGHTS OF EMPLOYEES

SYSTEM OF MATERIAL MOTIVATION OF EMPLOYEES

Principles of OGK-2 employees' wages determination:

- wages depend on performance results – application of bonus payments ensures focus on achievement of set tasks;
- competitive level of labour remuneration is maintained – the level of employees' wages corresponds to the market level of labour remuneration due to:
  - systematic analysis of information on the use of the wage fund;
  - assessment of employees' wages in comparison with the market level on the basis of statistical reporting data;
  - indexation of wages and payment rates of employees;
  - assessment of the level of wages and applicable types of payments on the basis of expert examination of labour indicators.

The current remuneration system provides for a fixed and a variable part of the wages. The fixed part in the wages of employees is at least 60% of the Company’s total wage bill.

The fixed part of wages includes a fixed part of employees' remuneration and compensation payments that are directly related to the conditions and nature of labour.

The fixed part of salaries in production units is based on a wage system (or wage scales) reflecting the differences between the wage rates of employees depending on the complexity of the work performed.

The variable part includes incentive allowances and additional payments as a percentage of the salary (for example, allowances: for high professional skill, for high achievements in labour, for performance of especially important work, for personal contribution to the results of production activities).

The Company provides for one-time bonuses and remuneration of employees, which are aimed at stimulating and encouraging employees for high labour results, professional excellence, improvement of the quality of work, impeccable long-term labour, initiative, innovation in work and other achievements.

[GRI 202-1]

The level of remuneration exceeds the minimum wage in the respective regions and does not depend on the sex and age of employees.

Ratio of minimum wage (including compensation and incentive payments) to minimum wage in the regions of operation

SYSTEM OF NON-FINANCIAL MOTIVATION OF EMPLOYEES [GRI 401-2]

One of the key areas of the Company's policy in the HR sphere is to ensure the social security of employees.

MAIN SOCIAL BENEFITS AND PAYMENTS PROVISIONS

- Voluntary health insurance for employees
- Accident and illness insurance
- Organizing holidays for employees and/or their children
- Non-state pension provision
- Supporting World War II veterans and workers on the home front

TRADE UNIONS AND THE COLLECTIVE AGREEMENT

An important tool in the protection of employees' interests and maintenance of the social partnership between management and staff is interaction with trade unions.

Primary trade union organizations have been established in 10 branches and the Company's executive office and are members of the All-Russian Electroprofsoyuz public organization. Primary trade union organizations are united in the Council of Representatives of OGK-2 primary trade union organizations. 4,171 employees of the Company are members of trade union organizations, which is 63% of the total number of its personnel.

OGK-2 has a Commission that oversees the regulation of social and labour relations. In close cooperation with trade unions, the social policy on the organization of cultural, sporting and recreational events is being actively implemented.

OGK-2 Collective Agreement is concluded for 3 (three) years (2021–2023) and signed on 03.12.2020 by Managing Director of OGK-2 and Chairman of the Council of Representatives of OGK-2 primary trade union organizations.

The goals of the OGK-2 Collective Agreement are as follows:

- improvement and development of the social partnership mechanism in the form of a constructive dialog between the parties to the Collective Agreement;
- creation (based on the fulfillment of mutual obligations by the parties to the social partnership) of employees' interest in improving their own performance indicators and achieving planned results of the Company's activities;
- formation of unified approaches to solving the issues of protecting the interests of employees in the field of remuneration, employment, creation of safe working conditions, provision of benefits, guarantees and compensations;
- creation of an efficient mechanism for ensuring social stability in the Company.

The subject matter of the Collective Agreement is primarily the additional (to those set forth in the applicable laws of the Russian Federation) obligations of the parties in relation to working conditions, remuneration, employment, training, conditions for the employee displacement, working hours and leisure periods, improvement

of working conditions and occupational health and safety, social guarantees, youth policy and other issues.

In accordance with the Collective Agreement, employees are provided with the following social benefits, guarantees and compensations:

- financial assistance is provided in various life situations;
- compensation is paid for the maintenance of employees' children in preschool institutions;
- the cost of travel vouchers is reimbursed;
- additional vacation days are provided;
- allowance is paid to employees who are on parental leave;
- the mechanism of personal insurance is implemented.

[GRI 402-1]

The Collective Agreement stipulates that trade union organizations shall be notified two months in advance of upcoming reorganizations in the Company and shall be provided with information on reorganization decisions taken by the meeting of shareholders within 30 days from the date of the relevant decisions.

[GRI 2-30]

100% – percentage of employees, covered by the Collective Agreement. The Collective Agreement is applied to all employees of the Company.

Control over the implementation of the Collective Agreement is realized with the participation of the parties to the social partnership in the format of periodic (quarterly, semi-annual, annual) reports and conferences. To discuss issues related to the Collective Agreement, collegial bodies have been established, which include representatives of employers and employees (trade unions).

Based on the results of collective negotiations held in 2023, on December 04, 2023 a new OGK-2 Collective Agreement for 2024–2026 was concluded.

INSURANCE COVERAGE FOR EMPLOYEES

Caring for the health and protection of employees' property interests, the Company implements the following personal insurance mechanisms:

- voluntary health insurance (VHI);
- insurance coverage for employees;
- insurance of citizens traveling outside their permanent place of residence.

The total amount of funds allocated by OGK-2 to finance personal insurance programs for employees in 2023 amounted to over RUB 76 million.

VOLUNTARY HEALTH INSURANCE (VHI)

The VHI program applies to all OGK-2 employees and includes the following medical care:

- inpatient care (may additionally include medical transportation);
- emergency and urgent medical care;
- outpatient care (including immunization, dental care, home care);
- rehabilitation and recuperation and sanatorium treatment.

INSURANCE AGAINST ACCIDENTS AND SERIOUS ILLNESSES

With the financial participation of the Company, the Company insures its employees in case they or their close relatives suffer from a serious illness requiring high-tech medical care.

The Company also provides voluntary accident and illness insurance for employees, which provides additional protection in the event of accidents and illnesses involving loss of working capacity (including temporary disability).

NON-STATE PENSION INSURANCE [GRI 201-3]

The Company has the Regulation “On Non-State Pension Provision of OGK-2 Employees”, according to which the system of non-state pension provision (NSPP) is implemented by entering into NSPP contracts with non-state pension funds under the corporate plan and (or) parity plan. In order to implement pension programs, the Company interacts with such non-state pension funds.

The non-state pension provision (NSPP) system is implemented in accordance with the terms of the NSPP agreements concluded by OGK-2 with the fund, the fund’s Charter and Rules by making and distributing pension contributions to individual pension accounts of Participants (employees eligible to participate in the NSPP program) opened with the fund. The level of pension contributions depends on tenure and official salary. All employees over 30 years of age with more than 5 years’ experience in the electricity (gas) sector are eligible for the program.

In 2023, financing of non-state pension provision contracts amounted to RUB 81.5 million. In future it is planned to keep the amount of contributions to the pension funds at least at the existing level.

CULTURAL, MASS, SPORTS AND RECREATIONAL EVENTS

On a regular basis, the Company organizes cultural, mass, sports and recreational events aimed not only at the Company's employees, but also at their family members, veterans, youth, as well as local population in the regions of presence.

In order to maintain and strengthen the corporate spirit of labour collectives, the Company annually holds a corporate event called Power Engineer's Day aimed at uniting and rallying employees of OGK-2 branches, as well as industry veterans. The event highlights the results of the Company's work, holds an award campaign, evaluates the achievements of innovators and the Youth Council.

Competitions, sports and creative events aimed at popularization of the power engineering profession, creative self-development of employees and family members are held as part of the Power Engineer's Day celebration. For example, in 2023, the following were held:

- a video clip contest on the topic “Generating the Future”;
- a drawing and crafts contest “Energy Drakosha”.

The Company organizes and holds events to support corporate traditions and values. Over the past few years, in order to preserve traditions and succession of generations, power plant anniversaries were celebrated, and events dedicated to the celebration of Victory Day were held. In particular, in 2023, among them:

- a children's drawing contest “I Draw Victory Day” was held;
- congratulations to the Great Patriotic War veterans were organized.

Company has a variety of activities for schoolchildren and students, including career guidance tours, topic-related classes at schools, lectures, information lessons, quests for schoolchildren on issues related to the energy industry, energy saving in all regions where OGK-2 operates.

[GRI 403-6]

The Company regularly holds events aimed at popularizing a healthy lifestyle among employees and their family members.

The Company supports employee initiatives to fulfill the standards of the All-Russian physical culture and sports complex “Ready for Labour and Defense” (RLD).

The list of the Company's sports events includes many competitions in various sports held at various levels, from inter-shop branch competitions to tournaments of the Ministry of Energy of the Russian Federation, the governments of Moscow and St. Petersburg. OGK-2 Spartakiada and corporate spartakiades are held annually.

Corporate sports events traditionally include tournaments with participation of OGK-2 teams:

- skiing tournament;
- mini-football tournament;
- hockey tournament.

In 2023 the XII OGK-2 Spartakiada was held in Sochi, where 13 teams of branches and executive office took part. The participants tried their hand in 6 sports.

In recent years, online competitions and trainings in various sports were organized on the specialized electronic platform “Vmarafone”. This has made it possible to organize industry and corporate sports events regardless of the location of the participants. OGK-2 employees took an active part in the “Vmarafone” project, athletes from Kirishskaya, Ryazanskaya, Stavropolskaya and Cherepovetskaya GRESes won prizes among companies in the fuel and energy industry.

More detailed indicators characterizing the protection of interests and rights of the Company's employees are given in Appendix 1.

04. EMPLOYEES TRAINING AND DEVELOPMENT

MANAGEMENT OF EMPLOYEE TRAINING AND DEVELOPMENT

OGK-2 creates conditions for professional development and improvement of personal, business and technical competencies of employees through the corporate training and development system: there are specialized programs for management, personnel reserve and high potential employees, which teach creation of effective management mechanisms, development of personal efficiency and business communication skills, as well as promote professional growth. OGK-2 has the Regulation on Personnel Training and Development in OGK-2 (approved by OGK-2 order No. 47 dated March 23, 2021), which defines goals, types and forms of training and development, as well as unified requirements for planning, organization and evaluation of training, responsibility of certain categories of employees for training and development in OGK-2.

[GRI 404-2]

OGK-2 annually develops and approves the Program of training, retraining and advanced training of the Company's employees, based on

which professional education and development of managers and specialists, professional training of workers during their employment with the Company is organized on the basis of their existing level of education (for the benefit of the employee and the employer).

In 2023, the employees were trained in accordance with the Rules of Work with Personnel in the Entities of the Power Industry of the Russian Federation (approved by the order of the Ministry of Energy No. 796 dated September 22, 2020, amendments to Order No. 1271 dated November 30, 2022) and other regulations governing the procedures for personnel training.

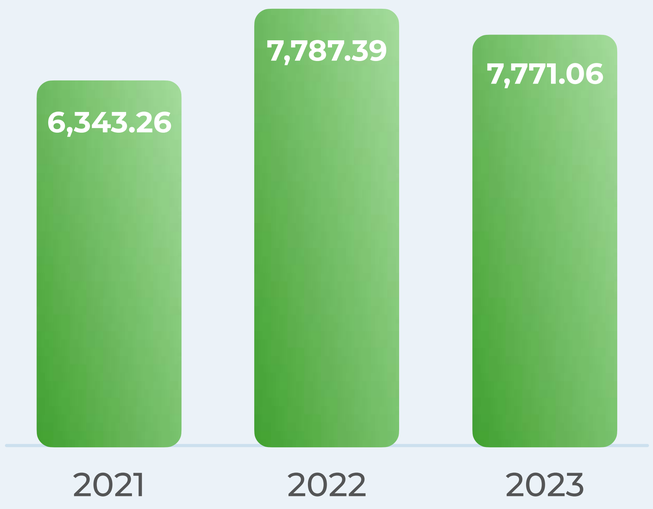
The collective agreement provides for payment for OGK-2 employees training in higher and secondary vocational education schools on a part-time (evening) and part-time basis in those education schools that have state accreditation, in profile specialties that are relevant to the Company.

In 2023, the corporate unified distance learning system (UDLS) and distance learning technologies (DLT) were intensely used.

In 2023, 250 workers and 1,270 managers, specialists and employees were trained using DLT. 4,393 persons were trained through the UDLS in various e-courses/ programs in 2023.

[GRI 404-1]

Average training and professional development costs per employee, RUB



Average number of training hours per employee per year

PROFESSIONAL STANDARDS

In respect of a number of OGK-2 employees, current regulatory legal acts of the Russian Federation stipulate the necessity to undergo independent qualification assessment (IQA) in order to confirm compliance of their qualification level with the provisions of professional standards established by federal laws or other regulatory legal acts of the Russian Federation.

In 2023, 34 employees of the Company were sent to qualification assessment centers to undergo IQA and confirmed their qualification level.

OGK-2 annually develops and approves the Action Plan for application of professional standards and the List of professional standards to be applied in the Company. In 2023, the approved professional standards covered 79.4% of full-time employees whose specialization is among the main types of activities in the electric power industry, which is 2.5% higher than in 2022.

In 2023, OGK-2 together with the All-Russian Industrial Association of Employers of Energy Suppliers (Union “RAES”) continued to participate in the work on professional standards in the power industry. With the participation of OGK-2 experts, the following works were carried out:

- a draft of a new professional standard “Employee for the operation and repair of solid and liquid fuel supply equipment at a thermal power plant” was developed;
- the professional standard “Employee for operational management of thermal power plant facilities” was updated taking into account the practice of application and adapted to the requirements of energy companies.

Both of these standards are being harmonized in due course.

Also in 2023 OGK-2 experts took part in updating of previously approved professional standards:

- “Employee for the operation of equipment, pipelines and valves of heat networks” (approved by Order of the Ministry of Labour of Russia No. 1164n dated December 28, 2015);
- “Employee for the formation of electricity and capacity consumption forecasts” (approved by Order of the Ministry of Labour of Russia No. 391n dated June 18, 2018);
- “Employee for planning regimes of hydroelectric power plants / hydro-storage power plants” (approved by Order of the Ministry of Labour of Russia No. 173n dated March 19, 2015).

PROFESSIONAL SKILLS COMPETITIONS

Professional skill competitions are held annually for operational personnel for the following reasons:

- increasing the level of professional training of operational personnel in ensuring the power system reliability;
- exchange of advanced experience in organizing and carrying out the operational management of thermal power plants equipment;
- improvement of forms and methods of work aimed at ensuring the quality and safety of equipment maintenance.

ATTRACTING AND DEVELOPING YOUNG PROFESSIONALS

One of the strategic objectives in the field of the Company’s staff policy is maintaining the optimal age structure of the staff and ensuring professional continuity of generations.

OGK-2 has a Regulation on Work with Students and Young Professionals, which sets out the main approaches and mechanisms for working with young people, including, for example, the organization of internships and onboarding.

The Council of Young Professionals in all branches and in executive office continues to operate in the Company.

As the main tools for attracting young employees, the Company uses:

- cooperation with educational institutions in order to attract and recruit graduates for employment at production sites;
- organizing internships for students of higher and secondary vocational education institutions;
- open days, roundtables with the Company's experts;
- participating in job fairs and posting vacancies on the corporate website, educational organizations, social media and the mass media;
- corporate targeted training programs for young professionals.

In 2023, OGK-2 had a wide range of human resources activities, including interaction with educational institutions, holding sports, recreation and cultural events, training and development programs for personnel that have a positive impact on the employer's brand and help attract highly qualified work force.

The Company regularly holds events and programs aimed at developing the potential of young professionals:

- Annual Young Professionals and Innovators Competition;
- Young Professionals' School;
- TRIZ SCHOOL: Technology for Dealing with Inventive, Managerial and Operational Issues;
- Annual participation in the International Engineering Championship "CASE-IN" (special league of the "Energy" shift).

In 2023 OGK-2 for the first time took part in the International Engineering Championship "CASE-IN" in the specialty of "Thermal Power Engineering" for students of power engineering universities in order to evaluate and select students for internship (traineeship) and employment of graduates, as well as to promote the Company's brand among the target audience.

In 2023, OGK-2 joined the controlling shareholder's Environmental Camp for children of employees of subsidiary companies and organizations, which was held at the Prometey children's health camp near Yekaterinburg. Participation in this event was aimed at engaging children of the Company's employees in discussing environmental issues.

Indicators characterizing the Company's activities in the area of employee training and development, as well as performance evaluation are given in Appendix 1.

06 OCCUPATIONAL HEALTH AND SAFETY

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

OCCUPATIONAL HEALTH AND SAFETY

OGK-2 responsibly approaches its own role of a socially oriented employer. The Company is convinced that protection of physical and mental health of employees, including road safety, ensuring industrial and fire safety requirements, is a basic and inalienable obligation in the course of all types of activities and an important factor in increasing the efficiency and reliability of electricity and heat generation. The Company intends to consistently, based on the results already achieved, improve the occupational health and safety management system for its employees, employees of contractors and visitors.

01. OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

[GRI 2-16]

The list of key documents regulating the occupational health and safety management issues in the Company is given in Appendix 2.

MANAGEMENT APPROACH

[GRI 3-3], [GRI 403-1], [GRI 403-8]

Occupational health and safety procedures are implemented in accordance with the Regulation “On Occupational Health and Safety Management System (OSMS)”, which contains requirements for the organization of occupational health and safety management in the Company.

Main objectives of OSMS functioning:

- ensuring occupational safety at OGK-2 by means of compliance with established regulatory requirements for occupational safety, taking into account specifics of activity, assumed obligations and on the basis of international, interstate and national standards, guidelines;
- application of a uniform approach to creation, implementation and functioning of OSMS at OGK-2.

Provisions of the OSMS apply to all employees working in the Company in accordance with the labour legislation of the Russian Federation. The OSMS takes into account activities at all workplaces, in all structural subdivisions, including OGK-2 executive office, branches, territories, buildings, facilities and other objects managed by the Company.

Control of occupational health and safety status and functioning of the Company's OSMS consists in daily operational control. To daily maintain a systematic and coordinated process of ensuring occupational safety, employee health, injury prevention, timely elimination of violations in the field of occupational health and safety, industrial safety, fire and road safety, the “Safe Production Culture” program was developed and implemented. The main goal of the “Safe Production Culture” is to achieve zero injury rate in the Company's subdivisions by organizing continuous monitoring and identification of risks arising in the production process caused by deviations in the condition and operating modes of equipment from the established standards due to wear and tear, aging, damage during operation, poor quality maintenance, actions of contractors in order to eliminate, minimize and prevent them in a timely manner.

Night rounds and inspections of workplaces are conducted to ensure that personnel are ready to work at the branch facilities. Bypasses and inspections of workplaces are performed by:

- the branch director / technical director – chief engineer – at least once a half-year;
- deputy director – chief engineer / deputy chief engineer – at least once a quarter;
- deputy chief engineer (for operation or repair), if available – at least once every 2 months;
- heads of production structural subdivisions – at least once a month.

During bypasses and inspections of workplaces the following is checked:

- compliance of employees with the requirements of industry acts and instructional and technical documents, maintenance of the established technological mode of equipment operation;
- compliance of employees with the order of shift turnover, maintenance of operational documentation, production and labour discipline;
- timely identification by employees of existing defects and malfunctions in the operation of equipment and promptly taking the necessary measures to eliminate them;
- correct application by employees of the established system of work permits when performing repair and special work;
- maintenance of labour hygiene at the workplace by employees;
- serviceability and availability of tools, protective equipment and devices at workplaces.

Occupational Health and Safety Days (hereinafter referred to as OHSD) are held monthly in accordance with the program and topics. Implementation of the OHSD is carried out by the heads of subdivisions/workshops of the branch, controlled by the Occupational Health and Safety and Industrial Control Service. OHSD is aimed at reducing the occupational injury rate, improving working conditions of employees, intensifying preventive work on occupational injury prevention, fire safety and prevention of occupational diseases. In the course of the OHSD, measures to eliminate the identified deficiencies and deadlines for their implementation are determined.

In accordance with the schedules, audits (inspections) of the OSMS functioning are performed by managers and specialists of the Company's executive office. The audits (inspections) are aimed at controlling and analyzing the results of activities of managers and specialists of the branches with regard to compliance with the established requirements for occupational health and safety, work with personnel, industrial and fire safety, serviceability and reliability of the main equipment, buildings, structures, technical devices, technological systems of power plants, ensuring the proper level of technical operation, maintenance and repair of equipment, as well as energy efficiency and environmental management at the facilities of the branches. Management decisions are prepared to improve safety, reliability and energy efficiency of branches.

The results of assessment of OSMS functioning efficiency are given in the annual report on OSMS functioning, which is communicated to all OGK-2 employees.

The procedure for internal inspections of compliance with industrial safety requirements at OGK-2 consists of three stages:

- stage 1 – at the level of managers and engineering technicians of workshops (services) and their deputies responsible for production control in certain areas and specific production facilities (is advisory depending on local conditions);
- stage 2 – at the level of managerial employees of the branch and employees of the occupational health and safety and production control service of the branch responsible for production control in the branch as a whole;
- stage 3 – at the level of employees of the occupational health and safety and production control service of the Technical Services Organization Department and OGK-2 Production Department.

In 2023, audits were organized and conducted:

- internal technical audits by the commission of OGK-2 executive office: Ryazanskaya GRES, Troitskaya GRES, Novocherkasskaya GRES,

Adlerskaya TPP, Groznenskaya TPP, Svobodnenskaya TPP;

- cross technical audits of OGK-2 branches of Mosenergo PJSC and TGC-1 PJSC: Groznenskaya TPP, Stavropolskaya GRES, Surgutskaya GRES-1, Troitskaya GRES, Svobodnenskaya TPP, Novocherkasskaya GRES, Ryazanskaya GRES, Kirishskaya GRES, Pskovskaya GRES, Serovskaya GRES, Adlerskaya TPP;
- cross technical audits in commissions with representatives of OGK-2 employees: TGC-1 PJSC, Avtovskaya CHPP-15; TGC-1 PJSC, Vasileostrovskaya CHPP-7; TGC-1 PJSC, Pervomayskaya CHPP-14; TGC-1 PJSC, Petrozavodskaya CHPP; TGC-1 PJSC, Apatitskaya CHPP;
- technical audits by commissions of the controlling shareholder and Gazprom Gaznadzor LLC.

Within the framework of state supervision of OGK-2 branches in 2023:

- 16 inspections were carried out by the Federal Service for Environmental, Technological and Nuclear Supervision (in the course of inspections 491 violations were revealed, of which 134 were eliminated, 357 violations were not due);
- 4 inspections by the Federal Service for Supervision of Consumer Rights Protection and Human Welfare (Rospotrebnadzor) (in the course of inspections 20 violations were revealed, of which 6 were eliminated, 14 violations were not due).

No inspections were conducted by the State Labour Inspectorate in 2023.

⚡ In Q3 2023, OGK-2 successfully passed the first inspection (supervisory) audit and confirmed compliance with the requirements of the international standard ISO 45001:2018 and the Russian standard GOST R ISO 45001-2020. Russian Register Certification Association was selected as a certification body.

GOALS AND OBJECTIVES	KEY ACHIEVEMENTS FOR 2023
• Preservation of life and health of OGK-2 employees: ◦ absence of fatal injuries; ◦ frequency coefficient with temporary loss of working capacity – not more than 0.28.	• The goal was not fully (partially) achieved: ◦ achieved, no fatalities were recorded in OGK-2 in 2023; ◦ the frequency rate with temporary disability at the end of 2023 amounted to 0.45 (three (3) accidents were recorded with the total number of victims equal to five (5).
• Reduction of risks from accidents and incidents at HPF of OGK-2 branches.	• The target was achieved, there were no accidents and incidents at OGK-2 branches in 2023.
• Ensuring fire safety at OGK-2 facilities.	• The goal was not achieved – one OGK-2 branch recorded a fire in 2023.
• Reducing the risk of road traffic accidents and ensuring road safety	• The goal was achieved, there were no accidents involving the Company's equipment in 2023.

Plans for the medium and long term:

- approval/adjustment/adherence to the controlling shareholder's program documents (policies, codes, etc.) taking into account factors in the field of sustainability;
- approval/adjustment of local regulations of OGK-2 in the field of Occupational Health and Safety in accordance with regulations issued under the “regulatory guillotine”;
- carrying out technical re-equipment, reconstruction or overhaul of a hazardous production facility.

DISTRIBUTION OF RESPONSIBILITIES AND DUTIES ON OCCUPATIONAL HEALTH AND SAFETY ISSUES

[GRI 2-13]

Board of Directors → Managing Director → Deputy Managing Directors for business divisions → Occupational health and safety and production control service

Implementation and compliance with the OSMS in general is ensured in the Company by the Managing Director, in the Company's branches – by branch managers.

IMPACT OF THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM ON OTHER AREAS

The functioning of the occupational health and safety management system indirectly affects the production, commercial, economic, social and environmental spheres of the Company's activities, as well as provides the necessary safe environment for the production process and personnel work.

OCCUPATIONAL HEALTH AND SAFETY ISSUES MANAGEMENT FOR CONTRACTOR EMPLOYEES

Occupational health and safety issues of contractor employees are regulated in OGK-2 by the following internal documents:

Internal documents	
Title and details	**Brief description**
Regulation “On industrial safety management system in OGK-2” No. 72 dated April 13, 2021, approved by the order of OGK-2 Managing Director.	It defines the Company's tasks on implementation of industrial safety policy, functions, rights and duties of managers, their deputies, employees in the field of industrial safety.
OGK-2 policy in the field of occupational health and safety, fire safety and road traffic safety, approved by the order of Managing Director of	It fixes that contractors, when performing works (rendering services) at OGK-2 branches, should ensure compliance with the same industrial safety and occupational health and safety

OGK-2 No. 281 dated October 26, 2020.	requirements adopted by OGK-2.
Order “On Approval of Standard Terms and Conditions of Contracts, in the performance of which works are performed (services are rendered) on the territory under control of another employer (other person), and Industrial Safety Requirements for third-party organizations when performing works and (or) rendering services” approved by Acting Managing Director of OGK-2 No. 124 dated April 19, 2023.	It establishes industrial safety requirements for third-party organizations when performing works and/or rendering services at HPFs of OGK-2 branches.

Main objectives to ensure industrial safety and occupational health and safety requirements for contractors when performing works and/or rendering services at OGK-2 facilities:

- prevention of occupational injuries;
- reduction of negative impact on operating equipment, buildings, structures, environment;
- application of safe production processes.

The distribution of responsibility and duties on issues of occupational health and safety of employees of contractor is determined in accordance with the contracts concluded with contractors.

Control of occupational health and safety and compliance with the Company's OSMS requirements by employees of contractors performing works and/or rendering services at OGK-2 facilities consists in holding Occupational Health and Safety and Fire Safety Days, operational control performed by occupational health and safety and production control employees when visiting workplaces of subdivisions and work sites, as well as in audits (inspections) of OSMS functioning. Control of occupational health and safety and compliance with the Company's OSMS requirements by employees of contractors performing works and/or rendering services at OGK-2 facilities consists in holding Occupational Health and Safety and Fire Safety Days, operational control performed by occupational health and safety and production control employees when visiting workplaces of subdivisions and work sites, as well as in audits (inspections) of OSMS functioning. If gross violations of labour conditions are detected, works (services) are immediately suspended.

⚠️ **The Company does not assess the occupational health and safety system of contractors.**

The Regulations on structural divisions and job descriptions of the Company state that an employee must immediately inform the employer or immediate supervisor about any situation that poses a threat to the life and health of people, safety of the employer’s property (including the property of third parties held by the employer, if the employer is responsible for the safety of this property).

💡 **EMPLOYEES HAVE THE RIGHT TO REFUSE TO PERFORM WORK THAT DIRECTLY THREATENS THEIR LIFE AND HEALTH**

Such possibility for employees is stipulated by the Labour Code of the Russian Federation and the labour contract concluded between the Company as an employer and each employee, and is reflected in the OGK-2 Policy in the field of occupational health and safety, fire and road safety. In order to protect themselves, employees notify the employer or their immediate supervisor in writing of refusal to perform work that directly threatens their life and health. The employer, having received such notice, shall provide the employee with another job for the period of elimination of the said danger. In the absence of such an opportunity, the employer shall pay for the employee's idle time.

02. DEVELOPMENT OF SAFETY CULTURE IN THE COMPANY

The OGK-2 Collective Agreement includes Occupational Health and Safety Section, which provides for joint actions of the parties to the social partnership to improve working conditions and occupational health and safety, prevent occupational injuries and diseases, organize industrial and trade union control of occupational health and safety at workplaces in order to prioritize the employees life and health protection. The Company's branches also conclude annual occupational health and safety Agreements, which contain a specific list of measures to be implemented annually by the employer to improve working conditions and occupational health and safety.

[GRI 403-4]

Employer-employee cooperation on occupational health and safety issues is an essential element of the OGK-2 Occupational Health and Safety Policy.

OGK-2 branches have occupational health and safety committees (commissions), which are composed of employer's representatives and representatives of the elected body of the primary trade union organization on a parity basis. Occupational health and safety committees (commissions) organize the following joint actions of the employer and employees:

- ensuring occupational health and safety requirements;
- preventing occupational injuries and diseases;
- conducting inspections of working conditions and occupational health and safety at workplaces;
- informing employees about the results of inspections;
- collecting proposals for the Occupational Health and Safety Section of the Collective Agreement and (or) contract.

03. TRAINING IN THE FIELD OF OCCUPATIONAL HEALTH AND SAFETY

[GRI 403-5]

According to the order of OGK-2 No. 244 dated September 01, 2022 "On Occupational Health and Safety Briefing", an introductory Occupational Health and Safety Briefing is carried out prior to the work with all newly hired persons, temporary workers, seconded workers, contractors, pupils and students who arrived for industrial training or practice, and with all other persons involved in the Company's production.

Number of employees who have undergone mandatory occupational safety training, persons

The Company ensures that all categories of employees receive ongoing occupational health and safety training. Employees receive training specific to the work they do. Occupational health and safety training and testing (briefings, training in safe work methods and techniques, apprenticeships and other measures) are carried out in conjunction with other forms of training. Employees occupational health and safety training provides for training based on the nature and content of the work they perform, their existing qualifications and competence necessary for the safe performance of their job duties.

In October 2023, 20 employees of OGK-2 were trained under the advanced training program “Internal Auditor of Occupational Health and Safety Management System in accordance with the requirements of ISO 45001:2018 (GOST R ISO 45001-2020)” in ANO DPO Training Center “Russian Register – Baltic Inspectorate”.

04. MEASURES TAKEN TO ENSURE SAFE WORKING CONDITIONS

[GRI 403-3], [GRI 403-10]

In accordance with the Labour Code of the Russian Federation and other regulatory legal acts containing labour law provisions, OGK-2 ensures:

- sanitary services for employees;
- special assessment of working conditions in the workplace;
- production control of harmful production factors;
- provision of personal protective equipment to employees;
- conducting mandatory preliminary (upon employment) and periodic (during employment) medical examinations, mandatory psychiatric examinations of employees, extraordinary medical examinations of employees in accordance with medical recommendations;
- pre-shift medical inspections (examinations) of operational personnel.

CONTROL OF EMPLOYEES’ HEALTH STATUS

On a regular basis, the Company monitors the health of its employees by conducting:

- mandatory preliminary medical examinations (upon employment);
- periodic medical examinations (during employment);
- mandatory psychiatric examinations;
- extraordinary medical examinations in accordance with medical recommendations;
- pre-shift medical examinations (check-ups) of operating personnel.

ACCIDENT RESPONSE, ACTION PLAN AND RESPONSIBILITIES

Health posts have been organized at all production sites. The procedure for actions and responsibility in case of accidents is defined.

The procedure for organizing investigation and accounting of incidents at the Company's production facilities is established by the “Model Regulation “On the Procedure for Investigation of Incident Causes at the Facilities of OGK-2 Branches Supervised by the Federal Service for Environmental, Technological and Nuclear Supervision”.

Investigation of the causes of accidents is carried out in accordance with the Labour Code of the Russian Federation No. 197-FZ dated December 30, 2001, Federal Law No. 116-FZ dated July 21, 1997 “On Industrial Safety of Hazardous Production Facilities” and Regulations on the Specifics of Investigation of Industrial Accidents in Certain Industries and Organizations, approved by Resolution of the Ministry of Labour and Social Development of the Russian Federation No. 223н dated April 20, 2022.

The standard plan of action when an accident occurs is as follows:

- organization of first aid to the victim;
- preventing an emergency or other situation from developing and affecting other persons;
- preserving the situation as it was at the time of the accident (if possible) until the accident investigation begins;
- sending an accident notification;
- formation/establishment of an accident investigation commission;
- accident investigation;
- formalization of the investigation materials;
- accident registration and record keeping;
- consideration of disagreements on the issues of investigation, registration and accounting of accidents (if necessary).

Detailed quantitative indicators characterizing the Company's activities in the field of occupational health and safety are given in Appendix 1.

INSPECTION RESULTS BY CATEGORY

The procedure for internal inspections of compliance with industrial safety requirements provides for a three-stage system consisting of the following stages:

- stage 1 – managers and engineering technicians of workshops (services) (and their deputies), responsible for PC for separate areas and specific HPFs (is recommendatory depending on local conditions);
- stage 2 – management employees of the branch and Occupational Safety and Production Control Service employees of the branch responsible for PC in general for the branch;
- stage 3 – employees of Occupational Safety and Production Control Service, Technical Services Organization Department and Production Department of OGK-2.

The Collective Agreement of OGK-2 includes Occupational Health and Safety Section, which provides for joint actions of the parties to the social partnership to improve working conditions and occupational health and safety, prevent occupational injuries and diseases, organize industrial and trade union control of occupational health and safety at workplaces in order to prioritize the employees life and health protection. The Company’s branches also conclude annual Occupational Health and Safety Agreements, which contain a specific list of measures to be implemented annually by the employer to improve working conditions and occupational health and safety.

ENSURING FIRE SAFETY

Within the framework of fulfillment of the legislation of the Russian Federation in the field of fire safety in 2023, OGK-2 approved the following regulatory documents:

- Regulation of procedure “Procedure for control and maintenance of fire safety and fire extinguishing means”, OGK-2 order No. 27 dated January 30, 2023;
- Fire Safety Rules for facilities of OGK-2 PJSC, OGK-2 order No. 49 dated February 16, 2023;
- “On preparation of branches for spring and summer fire hazardous period”, OGK-2 order No. 66 dated March 06, 2023.

OGK-2 branches with installed capacity of more than 1,000 MW (Ryazanskaya GRES, Novocherkasskaya GRES, Kirishskaya GRES, Stavropolskaya GRES, Surgutskaya GRES-1), as well as Cherepovetskaya GRES and Troitskaya GRES with installed capacity of less than 1,000 MW have established and maintain private fire department units, which exceeds the standards established by legal requirements[22].

Branches with installed capacity of less than 1,000 MW (Pskovskaya GRES and Serovskaya GRES) contain contractual firefighting units of the federal firefighting service of the Russian Ministry of Emergency Situations.

Private fire protection in branches with installed capacity of less than 1,000 MW (Adlerskaya TPP, Groznenskaya TPP and Svobodnenskaya TPP) has not been established. Coverage of these facilities is provided by government agencies.

All protected facilities have fire alarm systems (FAS), warning and evacuation control systems (WECS), automatic fire extinguishing systems (AFES), and primary fire extinguishing equipment. Based on the available licenses, the personnel of in-house power workshops at Ryazanskaya GRES, Novocherkasskaya GRES, Serovskaya GRES and Cherepovetskaya GRES maintain the installed FAS, WECS, AFES fully independently, at Troitskaya GRES, Surgutskaya GRES-1, Pskovskaya GRES and Stavropolskaya GRES – partially independently, partially by employees of specialized contractors. At Kirishskaya GRES, Adlerskaya TPP, Groznenskaya TPP and Svobodnenskaya TPP maintenance of FAS, WECS, AFES has been fully transferred to specialized contractors.

External and internal firefighting water supply of OGK-2 facilities is inspected and maintained both by own personnel and contractors under concluded contracts in due time and is in satisfactory condition. Inspection and maintenance of fire plugs and fire hydrants in branches is carried out in accordance with OGK-2 Instruction “On the procedure for inspection of serviceability of internal and external fire protection water supply systems of the territory, buildings and structures”, enacted from February 28, 2022. Contracts with specialized organizations were concluded for maintenance and recharging of fire extinguishers.

OGK-2 employees responsible for fire safety and fire protection personnel engaged on a contractual basis regularly carry out preventive work at the Company's facilities. Information on detected violations is reported daily to the management of the Company's facilities and responsible persons.

OGK-2 executive office controls the issue of fire protection on a scheduled basis. In 2023, employees of the Company's executive office units conducted inspections of branches on fire safety issues and cross audits with participation of representatives of TGC-1 PJSC and Mosenergo PJSC.

In OGK-2 branches, fire safety issues are brought to monthly meetings with managers on key issues of the line of business, identified violations are discussed, and measures are taken to eliminate them. Minutes of the meetings are sent to the executive office for monitoring and analysis. Fire safety issues are discussed on a weekly basis at conference calls of technical managers and the occupational health and safety and production control service.

Fire safety training of the Company's employees is conducted under fire safety briefing programs and additional professional programs in the form of advanced training and professional retraining. Introductory, initial and repeated fire safety briefings are carried out.

During 2023, in accordance with the requirements of OGK-2 Regulation “On the procedure for organization and implementation of fire control at OGK-2 facilities”, the following organizational measures in the field of fire protection were taken:

- inspections of the fire protection condition of the operating protection facilities, vehicles and their accommodation and maintenance places,

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[22] In accordance with the Federal Law of the Russian Federation No. 69-FZ dated 21.12.1994 “On Fire Safety” (Art. 37 “Rights and Obligations of Organizations in the Field of Fire Safety”) and the Federal Law of the Russian Federation No. 123-FZ dated 22.07.2008 “Technical Regulations on Fire Safety Requirements” (Art. 97 “Placement of Fire Protection Units and Fire Depots at Production Facilities”), thermal power plants with a capacity of 1,000 MW and more must establish and maintain fire protection units.

places of temporary accommodation of contractors' employees at the facilities where construction and reconstruction works are underway, housing stock, were carried out;

- OGK-2 branches and subsidiaries' facilities were audited for temporary constructions, buildings and structures with unidentified ownership, which are not on the balance sheet or belong to third-party organizations;
- a ban on the use of temporary constructions, buildings and structures under construction located on the territory of OGK-2 branches and subsidiaries for human habitation, including employees of contractors was established;
- inspections of fire safety condition of OGK-2 branches: Groznenskaya TPP, Ryazanskaya GRES, Troitskaya GRES, Pskovskaya GRES, Cherepovetskaya GRES, Surgutskaya GRES-1.

All inspection results are formalized in accordance with the Regulations on Industrial Control, and measures aimed at eliminating identified non-compliances and violations of fire safety requirements are developed.

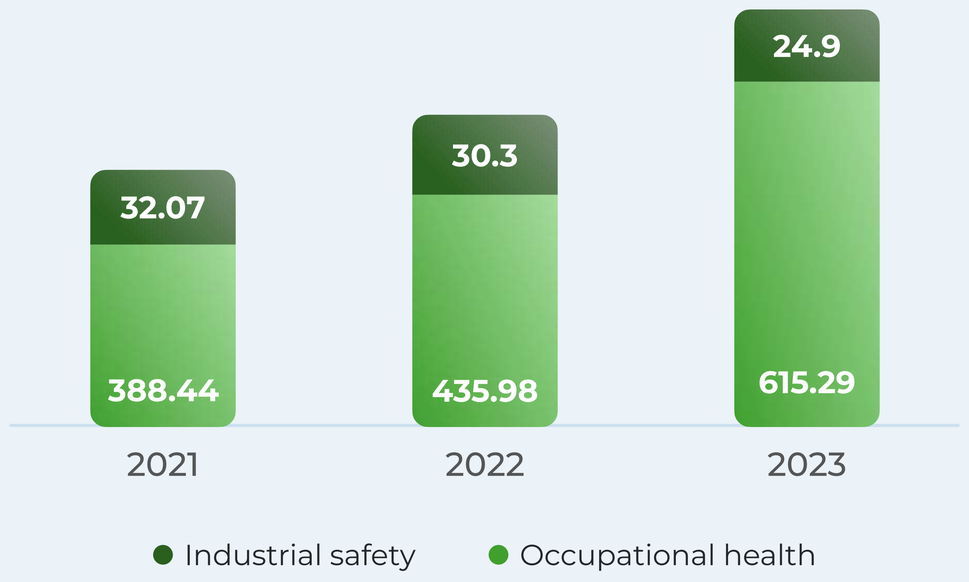
THE COSTS OF ENSURING SAFE WORKING CONDITIONS AND OCCUPATIONAL HEALTH AND SAFETY

[GRI 403-7]

The costs of ensuring safe working conditions and occupational health and safety include:

- carrying out periodic medical examinations;
- training in occupational health and safety;
- purchasing special clothing, footwear, personal protective means, detergents and disinfectants;
- storage, cleaning, washing and drying of special clothing;
- special assessment of working conditions;
- monitoring the compliance with sanitary regulations and the implementation of sanitary and epidemic-prevention (proactive) measures, including instrumental measurements and analyses of hazardous and harmful production factors;
- other activities, including those included in the occupational health and safety improvement program (agreement).

Allocation of occupational health and industrial safety costs, million RUB



Industrial safety costs include:

- special activities licensing costs;
- costs for registration of hazardous production facilities;
- industrial safety expert review;
- civil liability insurance for damage caused by an accident at a hazardous production facility;
- training and certification of employees in industrial safety;
- other costs.

05. OCCUPATIONAL INJURIES

The main factor of work-related health deterioration for OGK-2 employees is occupational injuries.

[GRI 403-2]

ZERO INJURY RATE IS OUR STRATEGIC TARGET

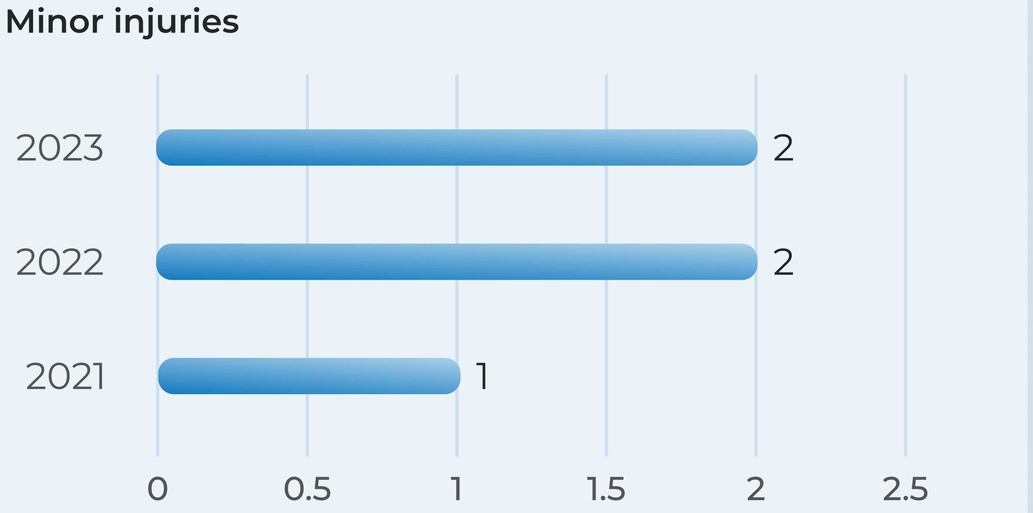
There were three accidents in 2023, one of which was classified as minor and the other two as severe. The causes of the accidents were: in the first case – carelessness, haste of the victim, in the second – unsatisfactory organization of high-risk work, in the third – violation of work order and discipline by the employee.

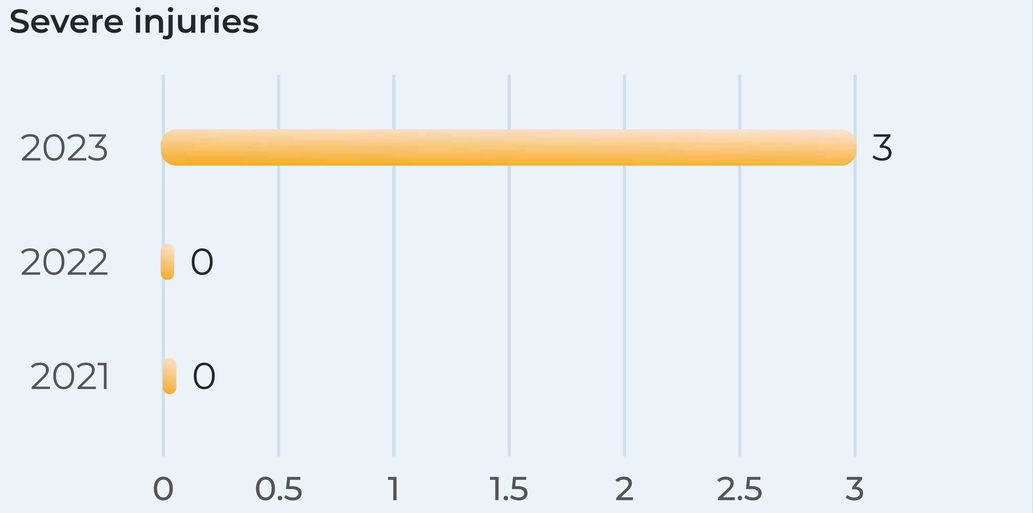
[GRI 403-9]

Circumstances of accidents

Place	Number of injured persons	Category of injury	Cause	Measures to eliminate
OGK-2 executive office	1	minor	Inattention, haste, fatigue, physical overexertion	1. Conducting occupational health and safety training and testing of knowledge of occupational health and safety requirements for the head of the TED department under the training program on general occupational safety issues and operation of the occupational health and safety management system.
Novocherkasskaya GRES	3	severe severe minor	Unsatisfactory work organization	1. Familiarizing all employees with the circumstances and causes of the group accident. 2. Unscheduled occupational health and safety briefing with repeated delivery of technical documentation to the employees of boiler-turbine shops. 3. Unscheduled certification in the field of industrial safety of the head of works.
Stavropolskaya GRES	1	severe	Violation of labour regulations and discipline by an employee; Inconsistency of performers' actions, lack of interaction between services and departments; Insufficient control over labour and production discipline.	1. Unscheduled briefing of operating personnel performing switching operations in electrical installations on the procedure of switching operations in operating electrical installations. 2. Unscheduled briefing of electrical personnel on the mandatory use of kits for protection against thermal arc risks, as well as personal protective equipment and electrical protective equipment when performing operational switching and work in existing electrical installations. 3. Conducting an unscheduled testing of knowledge of the shift supervisor of the Electrical workshop, of the senior electrician for electrical equipment maintenance of power plants of the grade 7, of the senior electrician for electrical equipment maintenance of power plants of the grade 7. 4. Conducting an unscheduled special assessment at the workplace “Senior electrician for electrical equipment maintenance of power plants of the grade 7”. 5. Assessment of occupational risks at the workplace of the senior electrician for electrical equipment maintenance of power plants of the grade 7. 6. Introduction of video recording of operational switching operations.

INJURIES BY SEVERITY AND OCCUPATIONAL DISEASES





LTIFR (Lost time injury frequency rate equal to the number of casualties resulting from lost time accidents / total number of hours worked by all personnel × 1,000,000)

0 FATALITIES IN THE LAST 3 YEARS

⚡ For 2019–2023, OGK-2 has not identified any employees with occupational diseases.

DESCRIPTION OF WORK-RELATED HAZARDS THAT POSE A RISK OF IMPAIRING HEALTH

Hazardous factors that create a risk of health deterioration are factors of the production environment and labour process, the actual values of which exceed the established standards (hygienic standards) for working conditions.

Typical hazardous (harmful) factors include: the severity of the labour process, noise, aerosols of mainly fibrogenic action, chemicals, ultraviolet radiation, general vibration.

PROCEDURE AND RESPONSIBILITY IN CASE OF ACCIDENTS

The procedure for organizing the investigation and recording of incidents at the Company's production facilities is established by the Model Regulation of OGK-2 “On the procedure for investigating the causes of incidents at the facilities of OGK-2 branches supervised by the Federal Service for Environmental, Technological and Nuclear Supervision”.

Investigation of the causes of accidents is carried out in accordance with the Labour Code of the Russian Federation No. 197-FZ dated December 30, 2001, Federal Law No. 116-FZ dated July 21, 1997 “On Industrial Safety of Hazardous Production Facilities” and “Regulations on the Specifics of Investigation of Industrial Accidents in Certain Industries and Organizations” approved by Order

of the Ministry of Labour and Social Development of the Russian Federation No. 223n dated April 20, 2022.

The standard plan of action when an accident occurs is as follows:

- priority measures:
  - organization of first aid to the victim;
  - preventing an emergency or other situation from developing and affecting other persons;
  - preserving the situation as it was at the time of the accident (if possible) until the accident investigation begins;
- sending an accident notification;
- formation/establishment of an accident investigation commission;
- accident investigation;
- formalization of the investigation materials;
- accident registration and record keeping;
- consideration of disagreements on the issues of investigation, registration and accounting of accidents (if necessary).

Detailed quantitative indicators characterizing the Company's activities in the field of occupational health and safety are given in Appendix 1.

OPEN

DEVELOPMENT OF REGIONS OF OPERATION AND INTERACTION WITH LOCAL COMMUNITIES

01. CONTRIBUTION TO THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGIONS OF OPERATIONS

[GRI 2-16], [GRI 203-1]

The list of key documents regulating the management of issues related to the social and economic development of the regions of operations is provided in Appendix 2.

MANAGEMENT APPROACH

[GRI 3-3]

The Company pays attention not only to financing and production, but also to the social component of its activities, actively engaging with municipal authorities, non-profit organizations and local communities and taking their interests into account when making decisions. The Company regularly participates in sponsorship and charity projects of a social and humanitarian nature.

The power plants and other production facilities of OGK-2 are large industrial facilities, and their activities do not go unnoticed for the environment and public life in the regions where they are located, despite all preventive measures taken. When implementing infrastructure investment projects, the Company may cause inconvenience to local residents. Every time new construction projects are initiated at OGK-2 industrial facilities, open hearings are held with the participation of the public, regulators, federal and municipal authorities and environmental organizations.

KEY ACHIEVEMENTS OF THE REPORTING PERIOD

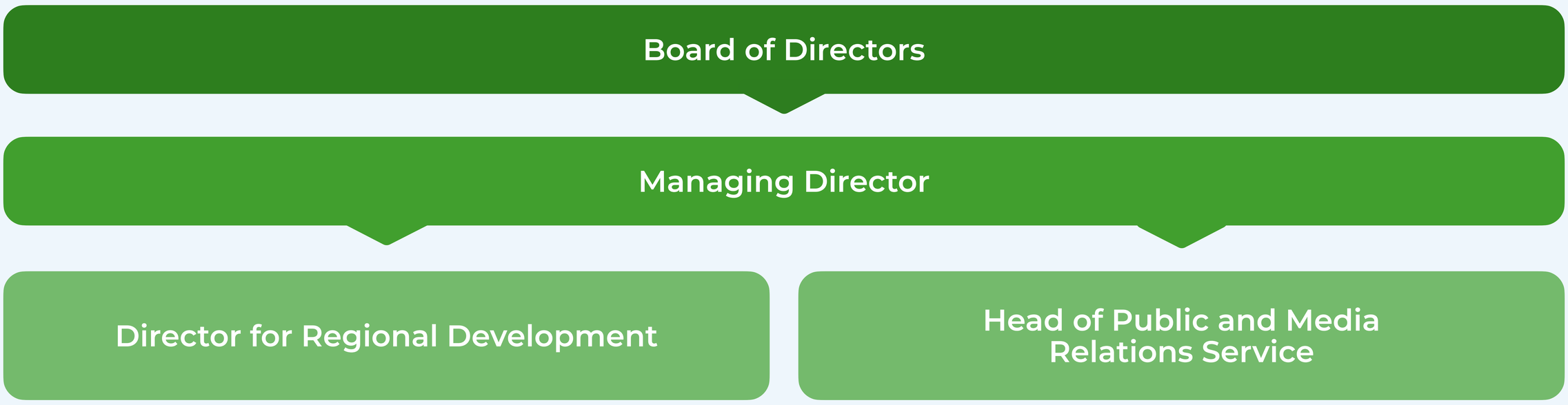
- Throughout 2023, as part of the state program for modernization of demanded generating capacities, OGK-2 worked with the Ministry of Industry and Trade in accordance with Order No. 4790 dated December 30, 2020 to obtain an opinion on confirmation of production of industrial products in the territory of the Russian Federation. As a result of the work, the conclusion on confirmation of production of industrial products in the territory of the Russian Federation was obtained for steam turbine G-1T at Kirishskaya GRES.
- In 2023, the heat supply scheme of Surgut for 2024 was updated, which takes into account the prospective increase in heat supply from OGK-2 branch – Surgutskaya GRES-1.

GOALS AND PLANS

- Implementation of the state program for modernization of in-demand generating capacities and interaction with the Ministry of Industry and Trade within the framework of Surgutskaya GRES-1 modernization projects.

DISTRIBUTION OF RESPONSIBILITY FOR SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGIONS OF OPERATIONS AND INTERACTION WITH LOCAL COMMUNITIES

[GRI 2-13]



IMPACT OF THE COMPANY'S OPERATIONS ON REGIONAL DEVELOPMENT

[GRI 103-2]

The Company pays attention not only to financing and production, but also to the social component of its activities, actively engaging with municipal authorities, non-profit organizations and local communities and taking their interests into account when making decisions. The Company regularly participates in sponsorship and charity projects of a social and humanitarian nature.

[GRI 415-1]

OGK-2 does not participate in political activities and does not finance political parties and organizations. However, Company does not restrict the right of employees to participate in social and political activities, as long as these are not carried out during working hours and do not require the use of the Company’s resources.

[GRI 413-1]

In the regions where OGK-2 operates, it is a major employer and one of the largest taxpayers. Thus, we can speak of a predominantly positive effect of OGK-2 on local communities and the regional economy. The Company invests in the creation of small infrastructure facilities of social significance on a grant basis. The amount of these investment is insignificant to the Company’s budget and cannot have a significant impact on the financial sustainability of the business, but they are of great social importance and contribute both to improving the quality of life of local communities and improving the image of OGK-2.

INTERACTION WITH REGIONAL AUTHORITIES

OGK-2 has built long-term partnerships with state authorities and local governments, public organizations in the regions where it operates. The most important area of cooperation is the implementation of regional development projects, environmental, socially significant activities and projects.

OGK-2 branch – Kirishskaya GRES – is a member of the Leningrad Regional Chamber of Commerce and Industry (LRCCI). Membership in the chamber maintains loyalty to the company on the part of the government of the Leningrad Region, local administration, makes it possible to participate in events organized and held by LRCCI, including to strengthen business ties.

CHARITY AND SPONSORSHIP

OGK-2 within the framework of charitable activities supports thirteen regions of the Company's presence: branches and executive office Determination of the form of charitable aid and distribution of funds takes place in the framework of in-person and extramural meetings

of the Charity and Sponsorship Commission, acting on the basis of the relevant Regulation, and requests received by the Company and its branches.

The Company identified priority areas for the allocation of charitable funds, such as career guidance: assistance was provided to institutions of secondary vocational education in the Leningrad and Ryazan regions to be able to equip workplaces and upgrade the material and technical base necessary for practical training of students of specialized energy specialties.

OGK-2 pays the greatest attention to support of disabled children and educational institutions in the regions where the Company operates. In 2023, charity events for children with disabilities in the regions where the Company operates were regularly organized.

OGK-2 charity expenses for 2023 amounted to RUB 4.8 million.

Charity expenses for 2023, million RUB

CORPORATE VOLUNTEERING

Our employees regularly participate in volunteer projects.

Volunteer projects		
Volunteer project	**Objectives**	**Measures taken**
Communal days in urban areas (Energetikov village, Sverdlovsk Region).	Cleaning the streets of the settlement.	Cleaning up garbage in Energetikov village.
Helping a shelter for dogs and cats (Sochi, Krasnodar Region).	Improving the conditions of the shelter pets.	Visiting the shelter on a regular basis, purchasing feed and equipment.
Tree planting in the Natural Ornithological Park in the Imereti Lowlands (Sirius Federal Territory, Krasnodar Region).	Improving the ecological situation.	Purchasing and planting trees in a protected area.

Production litter pick (Surgut, Tyumen region).	Cleaning the branch territory.	Cleaning the branch territory from the garbage.
Ecological quest “Clean Games” as part of the gathering of urban youth associations “On the Wing!” (Surgut, Tyumen region).	Improvement of the ecological situation, promotion of a responsible attitude towards the environment.	City area cleaning from garbage.
Communal day in the Dedovichi village (Pskov Region).	Cleaning the streets of the settlement.	Clearing of last year's leaves. Removal of sand from roadsides.
Tidying up the grave of Hero of the Soviet Union L. Golikov (Ostraya Luka village, Pskov Region).	Maintaining in proper condition the burial place of the Hero of the Soviet Union – Leonid Golikov. Preservation of the memory of the heroes of the Second World War.	Clearing of last year's leaves. Shrub cutting, grass mowing.
Communal day on the Meshkov alley of the first builders. (Dedovichi village, Pskov Region).	Alley cleaning. Memorizing the legendary director of Pskovsksya GRES, honorary citizen of the Dedovichi District Alexei Meshkov and all builders of the power plant.	Clearing of last year's leaves. Shrub cutting, grass mowing. Painting trees and fences.
Participation in the All-Russian environmental action “Water of Russia” (Novomichurinsk, Ryazan region).	Cleaning the banks of Galina River.	Clearing of last year's leaves.
Hosting a charity event “A Special Friend: With the Energy of Kindness” (Saint Petersburg).	Help for disabled animals.	Purchase of medicines, food, etc.

More detailed indicators characterizing the Company's activities in the field of social and economic development of the regions of operation are given in Appendix 1.

EMERGENCY PREVENTION

In 2023, measures to protect OGK-2 employees and property from natural and man-made emergencies were planned and implemented taking into account the requirements, instructions and recommendations of the Russian Ministry of Emergency Situations, the Russian Ministry of Energy and the controlling shareholder.

During this period, focused work continued to improve the civil protection system of OGK-2. Normative and regulatory documents were enacted defining measures to protect workers and production facilities from the hazards of emergencies.

Coordination of emergency prevention and elimination activities in OGK-2 branches is carried out by the Department for Civil Defense and Emergency Situations directly reporting to the Managing Director / General Director. The Company also has three specialized commissions reporting to the Managing Director / General Director:

- OGK-2 emergency situations commission;
- OGK-2 fire safety commission;
- OGK-2 sustainability enhancement commission.

The following is carried out on a regular basis:

- ensuring the readiness of power plants, heat supply facilities and checking the readiness of heat consuming units of consumers to work in the heating season;
- organizing training exercises in preparation for

the winter season on the actions of facility forces to practice coordinated actions in the performance of emergency recovery work at facilities in low temperatures;

- formation of the Central Flood Commission to coordinate actions on preparation of branches for floods, control over its passage and promptly inform Management of OGK-2;
- planning and carrying out measures for passing fire hazardous seasons.

The Company's branches developed civil defense and emergency response training programs for employees, and briefings are held for newly hired employees. The main efforts of OGK-2 in organizing training are aimed at improving the readiness of employees to act skillfully and appropriately in case of the threat and emergence of hazards inherent in accidents and characteristic for the area where energy facilities are located.

Exercises and drills are conducted with employees to improve their practical skills. Employees of the Company's branches, non-staff emergency rescue teams, representatives of emergency services of the territorial emergency services, as well as forces and means of territorial bodies of the Russian Ministry for Emergency Situations are involved in the exercises and drills. In the course of the exercises and drills, the management bodies of OGK-2 branches' emergency prevention and elimination system demonstrated the ability to make quick, weighted decisions, employees acted in an organized manner and showed good practical skills.

Emergency drills and exercises conducted in 2021–2023, pcs

2021	2022	2023
46	65	62

02. TAX POLICY

MANAGEMENT APPROACH

[GRI 2-16], [GRI 3-3], [GRI 207-1], [GRI 207-2]

Achieving sustainability goals is impossible without strict compliance with tax laws, full and timely payment of taxes and fees.

We strictly comply with the requirements of the tax legislation of the Russian Federation in determining our tax liabilities.

On taxation issues, we work in active contact with the Ministry of Economic Development of Russia, the Ministry of Energy of Russia, the Federal Tax Service of Russia and other government bodies related to taxation. We are in constant contact with representatives of rating agencies, immediately commenting on their questions regarding the tax burden.

OGK-2 is one of the largest taxpayers among the Russian energy companies.

The Company tax payments comply with the tax strategy and policy, based on the basic principles:

- legality based on permanent and strict compliance with the requirements of tax legislation;
- integrity and transparency, involving the disclosure to the tax authorities of all facts and circumstances in a timely and clear manner;
- rationality, optimality and reasonable prudence of tax planning: the mechanisms and possibilities of tax planning should be used rationally, taking into account the interests of shareholders and the strategic goals of the Company;
- flexibility and efficiency: tax policy shall quickly respond to a dynamically changing environment and adapt to the new conditions;

- centralization and unification: taxation management processes should be coordinated on a systematic basis from a single methodological center represented by managing company.

Tax payment management is aimed maintaining a balance between the optimization of the tax burden and tax risks with permanent and strict observance of the tax law and fees, instructions of regulatory authorities, taking into account the established judicial practice.

The Company applies tax incentives provided by the legislation on taxes and fees. The legitimacy of the application of benefits is confirmed, among other things, by the absence of claims of the tax authorities as a result of tax control measures.

The Company fully complies with the requirements of the legislation on tax price control (transfer pricing).

The Company does not use transfer pricing as a tax planning tool; transactions with affiliates are carried out on the basis of the principle of independence of the participants in the transaction. At the same time, the prices and tariffs applied by the Company in intra-group transactions are economically justified.

DISTRIBUTION OF RESPONSIBILITY FOR TAX POLICY IMPLEMENTATION ISSUES

[GRI 2-13]

The implementation of tax policy in the Company is attributed to the functionality of the Accounting block. The division has specialists with profound knowledge and necessary experience in the tax field. In order to improve competencies and to address specific issues, additional consultants from major consulting, legal and auditing companies are engaged.

INTERACTION WITH STAKEHOLDERS ON TAXATION ISSUES

[GRI 207-3], [GRI 2-29]

The Company is subject to tax control by the tax authorities in accordance with Chapters 14.7, 14.8 of the Tax Code of the Russian Federation. The Company has a risk management and internal control system in accordance with the standards of the Federal Tax Service of Russia. Information on risks according to the forms of the Federal Tax Service of Russia is provided on a quarterly basis in accordance with Order of the Federal Tax Service of Russia No. ED-7-23/518@ dated May 25, 2021.

Large, significant and complex transactions are coordinated by the Company with the tax division of the managing company where optimal business solutions are jointly elaborated.

The key principle of interaction with stakeholders is openness, since building a constructive dialogue is essential to form the basis for making economically sound management decisions, business development, and the implementation of the Company's strategic goals.

Indicators characterizing the Company's activity in terms of tax policy implementation are given in Appendix 1.

03. SUPPLY CHAIN DEVELOPMENT

The list of key documents regulating the management of procurement and supply chain development issues in the Company is provided in Appendix 2.

MANAGEMENT APPROACH

[GRI 3-3]

The main purpose of activities of OGK-2 in the field of procurement is to satisfy the Company's needs for goods, works and services in a timely and complete manner, to enhance the procedure and improve the efficiency of procurement activities.

Main principles of OGK-2 procurement policy in 2023:

- creating conditions for satisfying the Company's needs for goods, works, services in a timely and complete manner, and finding a supplier (a contractor, a provider) capable to meet the demands of the customer efficiently and in due time with price, quality and reliability as requested;
- ensuring safe operation of hazardous electric power facilities;
- disclosure in the field of procurement;
- equality, justice, non-discrimination and no undue competition restrictions towards bidding participants;
- targeted and economically efficient expenditure of the Company's cash funds for procurement of goods, works and services (taking into account the life cycle costs of purchased products when necessary) and implementation of measures to reduce the customer's costs and minimize tax risks;
- no restrictions on eligibility for participation in the procurement by establishing unmeasurable requirements for procurement participants;
- creating conditions for competition between business entities in the procurement process in order to obtain the best conditions to meet the Company's needs in terms of price, quality and delivery times in the relevant commodities market;
- maintaining the balance of costs for organizing and conducting procurement procedures and expected economic benefits from their results.

ORGANIZATION OF PURCHASES AND CONCLUSION OF CONTRACTS WITH SUPPLIERS AND CONTRACTORS

Relationships with counterparties that have an impeccable reputation, comply with the law and adhere to corporate and business ethics are established on an unconditional and priority basis. The Company generally selects its suppliers and contractors on a competitive basis. The relationships with all the suppliers, regardless of their share in the supply structure, are built on the principles of responsible partnership. OGK-2 strives to maintain long-term, stable and mutually beneficial relationships with suppliers.

The model contract may provide for the obligation to comply with environmental requirements of the legislation of the Russian Federation. All products are supplied to the Company with advisory safety data sheets explaining possible hazards in handling the products and the necessary precautions.

The waste management and disposal contracts include requirements to have a license for the right of handling the corresponding waste. The appendices to the contracts contain information on penalties for non-compliance with the environmental laws. The ecologists monitor contractors' compliance with waste management requirements during site visits.

[GRI 414-2]

The Company has not yet introduced the practice of monitoring the Company's suppliers and contractors for the application of sustainability principles in their activities, but OGK-2 takes into account their business reputation and their compliance with labour and environmental legislation when making decisions on starting cooperation with suppliers and contractors.

When conducting procurement in 2023, the Company complied with the legal requirements for procurement announcement, namely:

- all information about planned purchases (Procurement Plan) was posted on the official website http://zakupki.gov.ru in the prescribed form;
- all open procurement procedures on a competitive basis were conducted on the official website http://zakupki.gov.ru.

Pursuant to the Russian Federation Government Decree No. 616 dated June 21, 2012 “On Approval of the Range of Goods, Works and Services for Procurement in Electronic Format”, and the Annual Complex Procurement Program, approved for 2023, 100% of the open procurement procedures were conducted in the electronic format on the electronic trading platform ETP GPB https://etpgpb.ru/.

KEY ACHIEVEMENTS OF THE REPORTING PERIOD

- Uninterrupted supply of the Company's branches with process fuel for electricity and heat generation.
- Optimization of the fuel balance in order to minimize costs, providing for maximum possible substitution of expensive fuel with other types of fuel.
- Expansion of the suppliers' resource base in order to reduce the risks of failure to provide the Company's branches with technological fuel.

GOALS AND PLANS

- Compliance with the requirements of the legislation of the Russian Federation and local regulatory documents of the Company within the framework of organization of provision of the Company's needs in goods, works, services, other objects of civil rights.
- Organization of efficient supply of material and technical resources (hereinafter – MTR) to the Company's branches for implementation of repair, re-equipment and reconstruction programs, capital construction.
- Optimization of aggregate procurement costs (order frequency, order volume, order moment, stock balance).

SUPPLY CHAIN

[GRI 2-6]

The main resource procured by OGK-2 for the production of electric and thermal energy is fuel.

Fuel costs also dominate the Company’s variable costs[23].

[23] According to RAS accounts.

Indicators	UoM	2021	2022	2023
Fuel costs	RUB mln	65,276	67,570	85,445
Variable costs[24]	RUB mln	76,483	77,520	97,767
Share of fuel costs in variable costs, %	%	85	87	87

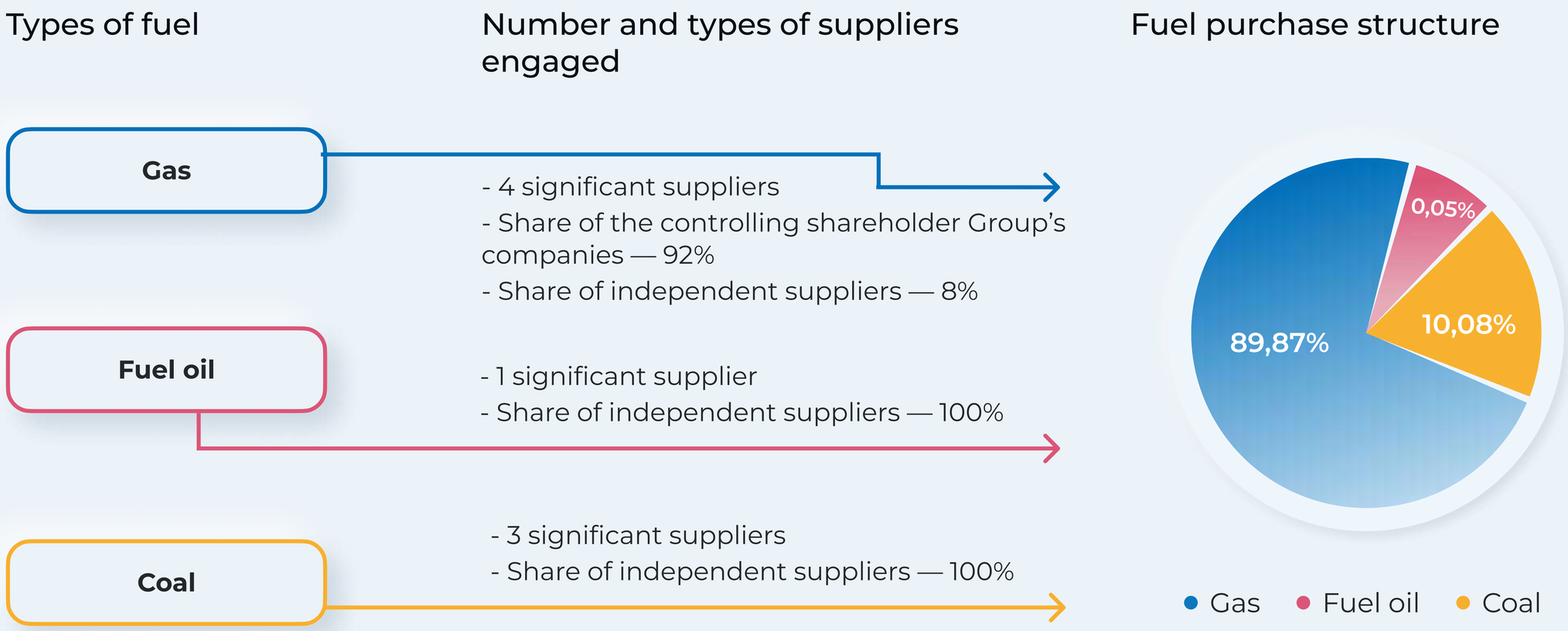
The structure of fixed costs prevail over the staff costs, repairs and maintenance, as well as taxes.

The strategy pursued by OGK-2 in the field of fuel supply is aimed at optimizing the fuel balance in order to minimize costs. It provides for the maximum possible replacement of expensive fuel with other types of fuel, purchase of fuel through competitive procedures, conclusion of long-term contracts for the supply of fuel.

The Company's capacities are dispersed across 12 regions of Russia. In this regard, OGK-2 actively cooperates with regional coal suppliers and optimizes fuel costs through the use of gas and various types of coal by power plants. For the needs of OGK-2 branches, coal is purchased directly from producers under long-term supply contracts.

There were no significant changes in the Company's supply chain during 2023.

SUPPLY CHAIN DIAGRAM



[24] Variable expenses are calculated based on IFRS reporting data and include fuel expenses, expenses for purchased electricity, heat and capacity, expenses for water use, expenses for purchase of other consumables, expenses for heat and electricity transmission services.

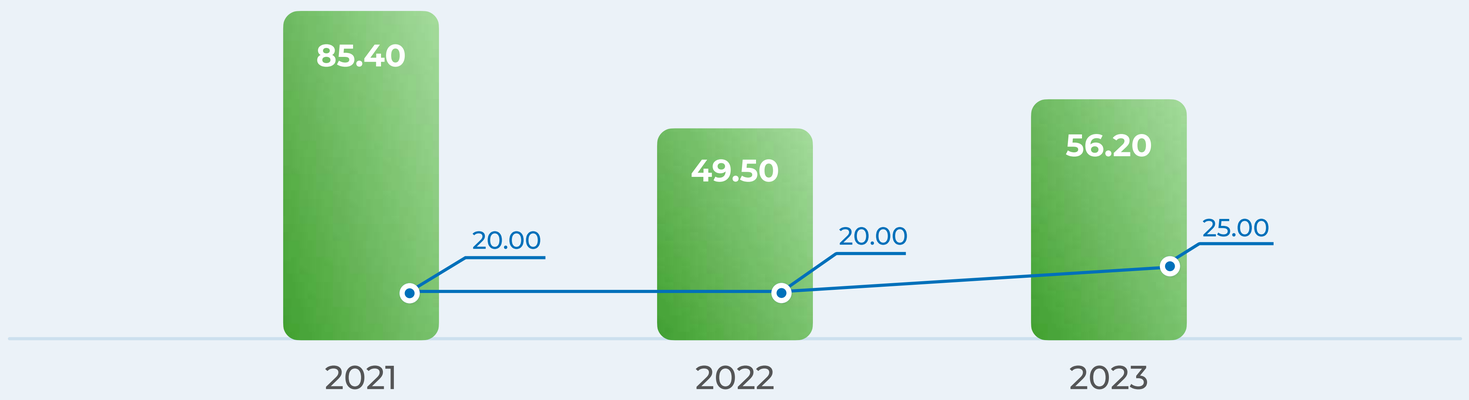
The supply chain of OGK-2 reflects the most significant suppliers and their share in the Company's expenses for the purchase of the main types of raw materials used – gas, coal, fuel oil and diesel fuel. When selecting the most significant suppliers, we were guided by the principle of essentiality – the scheme below shows suppliers whose share is more than 10% in the total cost of deliveries of this type of raw material for 2023.

SUPPORT FOR SMES AND LOCAL SUPPLIERS

[GRI 204-1]

The activities of OGK-2 directly affect the economic well-being of the regions where the Company operates. The company actively cooperates with local suppliers, helping them to develop their business and improve the well-being of the territories where they operate. We strive to support local suppliers in the regions where we operate.

Share of SMEs in the total annual volume of contracts concluded as a result of all purchases, %



Due to the complicated geopolitical situation in the world, OGK-2 pursues a policy of reducing the purchase of imported goods and services. Foreign equipment is gradually replaced by Russian equipment. As part of the import substitution program, measures are taken to re-engineer GTU/CCGT spare parts in order to localize and produce spare parts for foreign-made turbines in Russia.

Indicators characterizing the Company's procurement are given in Appendix 1.

04. INNOVATION ACTIVITIES

The list of key documents regulating the management of innovation activities in the Company is given in Appendix 2.

MANAGEMENT APPROACH

[GRI 2-16], [GRI 3-3]

The introduction of innovative technologies is an important element in solving fundamental tasks for the Company: reducing costs and increasing the efficiency of business processes. OGK-2 has great scientific and engineering potential, specialists in various fields who are dedicated talented people being able to develop the most advanced technologies and solutions.

Innovation policy pursued by OGK-2 is structured in accordance with the national policy in the area of innovation activities, which focuses on the early transition of the Russian economy to an innovative type of development.

KEY ACHIEVEMENTS OF THE REPORTING PERIOD

- Information technologies were not implemented in the reporting period.

GOALS AND PLANS

Objectives:

- Improving the competitiveness of Group companies in the energy market by optimizing the production and technological potential of power plants.

Plans for 2024:

- Creation of a complex computer simulator of CCGT-180 unit at Adlerskaya TPP for training and advanced training of the plant's operating personnel by practicing the procedure of actions and ways of response to non-standard and emergency situations arising during operation of the CCGT unit equipment.
- Creation of a complex computer simulator of a 215 MW condensing power unit at Surgutskaya GRES-1 for training and advanced training of the plant's operating personnel by practicing the procedure of actions and ways of responding to non-standard and emergency situations arising during operation of the condensing power unit equipment.

In order to achieve the set goals, work is being done in the following areas:

- minimization of specific consumption of fuel for electricity and heat production due to the introduction of advanced technologies and modern highly economical equipment;
- optimization of repair and maintenance of equipment, buildings and structures of power plants;
- compliance with environmental regulations in accordance with accepted international obligations and national standards;
- increasing the level of automation of electricity and heat production to reduce the costs for managing technological processes and reduce the cost of production.

Currently, the following innovative technologies are used:

- bearings based on polymer antifriction materials on the booster electric pump of 12PD-8 type with electric motor;
- indiscriminate cleaning of heat exchange surfaces of plate heat exchangers;
- innovative autonomous ultrafiltration line with membrane elements of domestic production.

In 2023, the Company carried out research and development work in the area of “Improving the qualifications of the plant's operating personnel by practicing the procedure of actions and ways of responding to non-standard and emergency situations arising during the operation of equipment of power units and CCGT unit”.

DISTRIBUTION OF RESPONSIBILITY FOR INNOVATION POLICY IMPLEMENTATION ISSUES

[GRI 2-13]

Board of Directors → Managing Director → Director for Regional Development

INTRODUCTION OF DIGITAL SOLUTIONS INTO THE COMPANY’S ACTIVITIES

OGK-2 participates in the implementation of the controlling shareholder's digital transformation strategy approved by Board of Directors of the controlling shareholder (resolutions No. 3877 dated December 28, 2022 and No. 4065 dated April 03, 2024), coordinated by the Ministry of Finance of Russia and the Ministry of Energy of Russia (letters No. MP-P11-070-57686 dated December 09, 2021 and No. PS-14799/10 dated December 01, 2021), in terms of measures, indicators and performance indicators of OGK-2's transition to the predominant use of domestic software, as well as performance indicators of domestic software procurement by OGK-2.

When implementing IT projects, OGK-2 gradually switches to the preferential use of domestic software included in the Unified Register of Russian Programs for Electronic Computing Machines and Databases, as well as equipment included in the Unified Register of Material and Technical Resources approved for use at the Company’s facilities.

OGK-2's accounting systems were finalized to organize information interaction with the tax authority. The mechanism was implemented as part of tax monitoring by the Tax Control Information and Management System (TCIMS).

Innovation performance indicators	UoM	2021	2022	2023
Amount of investment in R&D	thous. RUB	46,990.90	35,891.66	21,247.89
Number of patents obtained per calendar year	pcs	0	1	0

08 APPENDICES

01. Address by the OGK-2 PJSC management to shareholders 03

02. About the Company 05

03. Sustainability management 21

04. Environmental protection 71

05. Social responsibility 86

06. Occupational health and safety 100

07. Development of regions of operation and interaction with local communities 113

08. Appendices 125

APPENDICES

APPENDIX 1. BASIC QUANTITATIVE DATA

[GRI 2-9]

Indicators characterizing the work of the Board of Directors

Board of Directors	UoM	2021	2022	2023
Number of directors on the Board	people	11	11	11
Executive Directors	people/%	-	-	-
Non-executive directors	people/%	-	-	-
Independent directors	people/%	2	2	1
Managing Director's membership in the Board of Directors	yes/no	yes	yes	yes
Number of meetings, incl.:	pcs	20	21	21
face-to-face meetings	pcs	-	-	-
Level of participation in meetings of the Board of Directors	%	100	100	80.96
Work period	**UoM**	**2021**	**2022**	**2023**
Up to 1 year	%	-	-	-
From 1 to 7	%	-	-	-
From 7 years and above	%	100	100	100
Issues considered by the Board of Directors	**UoM**	**2021**	**2022**	**2023**
Total number of questions	pcs	72	68	83
Issues related to sustainability	pcs	7	8	9

[GRI 405-1]

The indicators characterizing the diversity of the structure of the Board of Directors

Composition of the Board of Directors by gender and age	UoM	2021	2022	2023
Up to 30	-	-	-	-
Men	people	0	0	0
Women	people	0	0	0
30–50 years old	-	-	-	-
Men	people	7	7	6
Women	people	1	1	2
Over 50 years old	-	-	-	-
Men	people	3	3	3
Women	people	0	0	0

Indicators characterizing the work of the Committees under the Board of Directors				
Committees under the Board of Directors	**UoM**	**2021**	**2022**	**2023**
Strategy and Investment Committee of the Board of Directors[25] / Strategy, Investment and Sustainability Committee				
Total number, incl.:	people	8	10	9
Executive Directors	people	0	0	0
Non-executive directors	people	1	1	1
Independent directors	people	2	2	0
Chairman – independent director	yes/no	No	No	No
Number of meetings	pcs	5	2	3
Number of issues related to sustainability addressed	pcs	3	1	3
Audit Committee under the Board of Directors				
Total number, incl.:	people	3	3	3
Executive Directors	people	0	0	0
Non-executive directors	people	1	1	2
Independent directors	people	2	2	1
Chairman – independent director	yes/no	Yes	Yes	Yes
Number of meetings	pcs	7	4	9
Number of issues related to sustainability addressed	pcs	2	2	4
Human Resources and Remuneration Committee of the Board of Directors				
Total number, incl.:	people	5	6	6
Executive Directors	people	0	0	0
Non-executive directors	people	5	4	4
Independent directors	people	2	2	2
Chairman – independent director	yes/no	No	No	No
Number of meetings	pcs	7	4	3
Number of issues related to sustainability addressed	pcs	1	2	4
Reliability Committee of the Board of Directors[26]				
Total number, incl.:	people	-	-	-
Executive Directors	people	-	-	-
Non-executive directors	people	-	-	-
Independent directors	people	-	-	-
Chairman – independent director	yes/no	No	No	No
Number of meetings	pcs	4	4	9
Number of issues related to sustainability addressed	pcs	5	5	4

[25] The Committee was abolished by resolution of the Board of Directors dated 14.09.2023.

[26] Members of the Board of Directors of OGK-2 PJSC in the period from 2021 to 2023 (inclusive) were not members of the Reliability Committee of the Board of Directors of OGK-2 PJSC.

Structure of remuneration to the members of the Board of Directors				
Indicator title	**UoM**	**2021**	**2022**	**2023**
Remuneration for participation in the management body activities	thous. RUB	34,519	36,538	74,792
Wages*	thous. RUB	33,573	28,411	-
Bonuses*	thous. RUB	18,170	15,884	-
Commission fees	thous. RUB	0	0	-
Other types of remuneration*	thous. RUB	661	7	-
TOTAL paid	thous. RUB	86,923	80,840	74,792

* Amount of wages, bonuses and other types of remuneration paid to the members of the Company's Board of Directors as its employees.

[GRI 2-25], [GRI 2-26], [GRI 2-27], [GRI 205-2], [GRI 205-3]

Indicators characterizing the Company's activities in the field of ethics and anti-corruption				
Indicator title	**UoM**	**2021**	**2022**	**2023**
Number of employees to whom corporate ethics standards have been communicated	people	7,018	6,796	6,623
Number of employees trained in corporate ethics standards	people	2,059	704	3,697
Number of cases of conflict of interests of the SEB of the Company	pcs	0	0	0
Number of employees trained on anti-corruption topics	people	0	333	235
Number of requests to the hotline	pcs	0	0	0
Result of the investigation	pcs	0	0	0
Confirmed cases of corruption	pcs	0	0	0
Confirmed cases of dismissal or punishment of employees for corruption	pcs	0	0	0
Confirmed cases of termination or non-renewal of contracts with business partners due to corruption-related violations	pcs	0	0	0
Confirmed cases of violations of the Code of Corporate Ethics[27]	pcs	0	0	4[28]
Legal actions related to violation of antimonopoly legislation[29] **[GRI 206-1]**	pcs	0	0	0
Lawsuits related to violation of 223-FZ during procurement procedures[30]	pcs.	0	0	0

[27] Cases of consideration of employee complaints on violation of the Code's provisions by the Commission are indicated.

[28] The Commission received 4 appeals on violation of requirements to personal conduct of employees.

[29] Legal actions related to violation of antimonopoly legislation mean all actions filed in connection with violation of national laws aimed at maintaining the efficiency of competitive market operation, including but not limited to cases of mergers and acquisitions, price collusions between market participants, formation of artificial barriers to entry of new participants into the market. It is necessary to indicate all claims in the process of litigation in the reporting period, both those filed before the beginning of the reporting period and those finalized before the end of the reporting period.

[30] It is necessary to specify cases (if any) that are not directly subject to antimonopoly legislation, but became the subject of proceedings of antimonopoly authorities and court disputes during procurement procedures under 223-FZ.

[GRI 201-1]

Formation of created direct, distributed and undistributed economic value[31]					
Indicators	**UoM**	**Stakeholder group**	**2021**	**2022**	**2023**
Direct economic value created	mln RUB	-	**142,468**	**146 843**	**166 091**
Revenue	mln RUB	Broad stakeholder group	141,574	143,377	165,176
Income from financial investment	mln RUB		1,284	2,696	1,053
Share of associates and joint ventures in the financial result	mln RUB		-390	770	-138
Distributed economic value	mln RUB	-	**147,928**	**147,519**	**165,634**
Operational costs[32]	mln RUB	Suppliers and contractors	122,432	114,460	138,296
Wages and other payments and benefits to employees[33]	mln RUB	Top management, employees and trade union organizations	8,984	10,141	10,347
Payments to investors	mln RUB	Financial community	9,613	14,899	9,482
Governmental payments	mln RUB	State authorities	6,894	8,014	7,504
Investment in local communities / charity [GRI 203-1]	mln RUB	Local communities	5	5	5
Retained economic value	mln RUB	-	**- 5,460**	**- 676**	**457**

Structure of expenditures on environmental protection				
Indicators	**UoM**	**2021**	**2022**	**2023**
Total environmental protection (EP) expenditures	thous. RUB	400,613	413,724	441,102
Share of total EP in revenue	%	0.3	0.3	0.3
Number of fines imposed for non-compliance with environmental laws and regulations [GRI 2-27]	pcs	3	3	1
Fines paid for violation of environmental legislation in the Russian Federation [GRI 2-27]	thous. RUB	370	10	150
Payment for negative environmental impact [GRI 2-27]	thous. RUB	108,946	42,965	45,651
Number of employees who have undergone environmental training	people	25	94	78
Development and approval of permits	thous. RUB	5,892	5,410	1,480
Industrial environmental control and monitoring	thous. RUB	25,683	27,413	24,455

[31] Based on IFRS data.

[32] The indicator is adjusted for depreciation, profit/loss on disposal of fixed assets, accrual of provisions, wages costs, taxes other than income tax, investments in local communities (charity).

[33] The indicator includes the following components for calculation: wages and wages of employees, payments to the state on behalf of employees (taxes, fees, unemployment insurance payments), as well as pension and insurance payments, costs of medical services provided to employees, severance payments and other forms of employee support.

Fixed capital investment allocated to environmental protection, incl.:	thous. RUB	0	0	0
protection of water resources	thous. RUB	0	0	0
protection of atmosphere air	thous. RUB	0	0	0
protection of soil	thous. RUB	0	0	0
protection and reproduction of fish stock	thous. RUB	0	0	0
disposal, decontamination and burial of toxic waste	thous. RUB	0	0	0
other areas	thous. RUB	0	0	0
Current (operating) costs for environmental protection, incl.:	thous. RUB	400,613	413,730	441,102
protection of atmosphere air	thous. RUB	161,265	166,918	182,321
mitigation of climate change [GRI 201-2] [GRI 201-2]	thous. RUB	0	0	0
collection and treatment of wastewater	thous. RUB	195,265	199,541	196,760
waste management	thous. RUB	24,813	27,390	39,334
protection and rehabilitation of soils, surface water and ground water	thous. RUB	9,248	8,468	9,470
protection of the environment from noise, vibration and other physical impacts	thous. RUB	4,063	4,546	4,706
other costs	thous. RUB	5,959	6,867	851,111

[GRI 305-1], [GRI 305-4], [GRI 305-7]

Structure of air emissions of significant pollutants

Indicators	UoM	2021	2022	2023
Gross emissions of pollutants into the atmospheric air from stationary sources, incl.:	tons	139,839	65,703	74,508
hydrocarbons (including methane)	tons	238	237	238
solids emitted	tons	23,698	7,237	9,543
gaseous and liquid substances emitted	tons	116,141	58,466	64,964
carbon oxide	tons	12,935	7,606	7,517
nitrogen oxides (converted to NO_2)	tons	39,236	28,586	32,877
sulphur dioxide	tons	63,540	21,151	24,244
volatile organic compounds (VOC)	tons	186	85	181

[GRI 301-1], [GRI 302-1], [GRI 302-4], [GRI 302-5]

Performance indicators of the energy saving and energy efficiency improvement program

Indicators	UoM	2021	2022	2023
Total energy consumption, incl.:	thous. TFOE	16,589.3	15,909.2	17,629.4
electricity consumption for own technological needs	mln kWh	3,170,9	2,924.0	3,108.0
heat consumption for own technological needs	thous. Gcal	734.3	737.0	705.2
energy consumption from non-renewable sources, incl.:	thous. TFOE	16,587.99	15,907.98	17,628.19
natural gas	thous. TFOE	13,495.9	14,580.8	15,940.7
coal	thous. TFOE	3,059.3	1 319.5	1 679.8
fuel oil	thous. TFOE	32.79	7.68	7.69
Fuel and energy resources (FER) saving due to the implementation of the energy saving program	thous. TFOE	9.98	6.14	8.45
Cost of energy resources saved due to energy saving program	thous. RUB	34,717.9	36,483.4	45,158.7

[GRI 303-3], [GRI 303-4], [GRI 303-5]

Indicators characterizing the Company's water use

Water intake	UoM	2021	2022	2023
Water intake, total, including:	m^3	2,723,972	2,469,273	3,065,459
from surface and underground sources	m^3	2,719,462	2,464,889	3,061,125
from public water supply systems	m^3	3,248	3,121	3,128
rainwater collecting	m^3	-	-	-
from underground sources	m^3	2,212	1,405	1,417
brine water	m^3	0	0	0
Water use, total	m^3	2,716,036	2,462,186	3,057,537
Volume of back and reused water	m^3	3,637,324	3,570,935	3,784,497
Share of recirculating (back and reused) water	%	133	144	123
Wastewater disposal, total, incl.:	m^3	2,658,020	2,386,923	3,007,291
water discharge to surface water bodies	m^3	2,656,357	2,385,279	3,005,652
Share of normatively clean (without treatment) and normatively treated water	%	99	99	99
Share of wastewater without treatment in the total volume of discharge	%	0.006	0.008	0.002
Water drainage to the terrain	m^3	0	0	0
Drainage to underground layers	m^3	0	0	0
Drainage to irrigation fields	m^3	0	0	0

Drainage to absorption fields	m^3	0	0	0
Water drainage to storage tanks	m^3	0	0	0
Drainage to municipal systems	m^3	831	3,005	3,020
Drainage to other systems	m^3	732	755	747
Water discharge	**UoM**	**2021**	**2022**	**2023**
Fresh water (total dissolved solids ≤1,000 mg/l)	m^3	2,658,020	2,386,923	3,007,291
Other water (total dissolved solids >1,000 mg/l)	m^3	0	0	0

[GRI 306-3], [GRI 306-5]

Indicators characterizing the Company's activities in the field of waste management

Waste	UoM	2021	2022	2023
Waste generation, incl.:	tons	**1,156,634**	**364,189**	**481,613**
hazard class I	tons	7	3	2
hazard class II	tons	13	0	13
hazard class III	tons	1,394	2,197	1,396
hazard class IV	tons	8,262	8,364	6,890
hazard class V	tons	1,146,956	353,625	473,312
Share of class IV (low-hazard) and class V (practically non-hazardous) wastes	%	99	99	99
Share of class I (extremely hazardous) and class II (highly hazardous) wastes	%	0.002	0.0008	0.005
Ash and slag waste	%	93	95	79
Oil slime	%	0.07	0.23	0.02
Waste utilized and neutralized	tons	55,943	11,727	56,611
Waste was transferred to other economic entities for storage:	tons	13,307,829	38,206	65,422
for processing	tons	424	3,141	24,863
for disposal	tons	51,469	28,280	30,598
for decontamination	tons	1,145	1,137	250
for storage	tons	13,248,866	136	82
for burial	tons	5,925	5,512	9,629
Waste disposed at own storage facilities	tons	852,441	232,524	292,257
Waste disposed at own disposal facilities and transferred to other economic entities for disposal	tons	287,268	112,198	197,585
Land resources	**thous. hectares**	**2021**	**2022**	**2023**
Area of disturbed land	thous. hectares	1,564	1,564	1,591
Recultivated disturbed lands	thous. hectares	0	0	0

[GRI 2-7], [GRI 401-1]

Indicators characterizing the structure of the Company's personnel structure[34]				
Average number of employees, persons	**UoM**	**2021**	**2022**	**2023**
Year-end headcount	people	7,018	6,796	6,622
Average headcount for the year	people	7,033.6	6,881.4	6,571.0
Number of employees by type of employment contract and gender	**UoM**	**2021**	**2022**	**2023**
Employees under open-ended labour contract [GRI 2-8]	**people**	**6,910**	**6,671**	**6,477**
men	people	4,547	4,380	4,215
women	people	2,363	2,291	2,262
Full-time employees	**people**	**6,999**	**6,775**	**6,596**
men	people	4,598	4,438	4,301
women	people	2,401	2,337	2,295
Number by region of operation	**people**	**7,018**	**6,796**	**6,622**
Amur Region	people	171	196	213
Vologda Region	people	399	358	364
Moscow	people	3	6	6
Saint Petersburg	people	300	303	299
Krasnodar Region	people	191	199	189
Leningrad Region	people	764	754	742
Pskov Region	people	274	272	295
Rostov Region	people	1,078	1,079	1,016
Ryazan Region	people	940	940	922
Sverdlovsk Region	people	220	229	215
Stavropol Region	people	696	704	685
Khanty-Mansi Autonomous Region	people	931	939	941
Chelyabinsk Region	people	924	689	610
Chechen Republic	people	127	128	125
Number by position	**people**	**7,018**	**6 796**	**6 622**
Managers	people	1,336	1,338	1,341
Specialists and officers	people	1,830	1,838	1,789
Workers	people	3,852	3,620	3,492
Share of disabled employees in the staff composition	%	0.9	0.8	1.1
Share of working pensioners in the staff composition	%	9.2	10.6	10.1
Proportion of personnel under 35 years of age	%	23.2	22.3	19.7
Number of employees hired in the reporting period and employee turnover (broken down by geography) [GRI 401-1]	**UoM**	**2021**	**2022**	**2023**
Number of employees hired	**people**	**616**	**725**	**639**
By gender	-	-	-	-

[34] Without external part-time employees.

men	people	409	458	423
women	people	207	267	216
Age	-	-	-	-
employees under 30 years of age	people	236	327	276
employees from 30 to 50 years of age	people	320	332	282
employees over 50 years of age	people	60	66	81
By region of operation	-	-	-	-
Amur Region	people	72	42	39
Vologda Region	people	11	58	96
Moscow	people	0	1	0
Saint Petersburg	people	42	38	31
Krasnodar Region	people	24	34	24
Leningrad Region	people	43	75	57
Pskov Region	people	18	31	41
Rostov Region	people	75	87	46
Ryazan Region	people	53	91	98
Sverdlovsk Region	people	18	22	22
Stavropol Region	people	74	85	57
Khanty-Mansi Autonomous Region	people	101	108	93
Chelyabinsk Region	people	66	39	25
Chechen Republic	people	19	14	10
Staff turnover	**%**	**7.60**	**6.07**	**7.65**
By gender	-	-	-	-
men	%	71.25	65.15	68.39
women	%	28.75	34.85	31.61
Age	-	-	-	-
employees under 30 years of age	%	22.90	24,29	27,43
employees from 30 to 50 years of age	%	45.90	42,56	48,71
employees over 50 years of age	%	31.20	33.16	23.86
By region of operation	-	-	-	-
Amur Region	%	1.92	1.80	2.71
Vologda Region	%	11.50	10.45	11.07
Moscow	%	0.00	0.00	0.00
Saint Petersburg	%	3.09	3.48	4.31
Krasnodar Region	%	4.47	2.75	4.18
Krasnoyarsk Region	%	0.75	-	-
Leningrad Region	%	7.03	8.98	8.49
Pskov Region	%	2.77	3.48	2.21
Rostov Region	%	15.97	9.08	13.41
Rostov Region	%	14.38	9.61	14.27
Sverdlovsk Region	%	3.09	1.37	4.43
Stavropol Region	%	12.14	8.13	9.35

Khanty-Mansi Autonomous Region	%	11.08	10.56	11.19
Chelyabinsk Region	%	9.80	28.93	12.79
Chechen Republic	%	2.02	1.37	1.60
Gender structure of employees	**UoM**	**2021**	**2022**	**2023**
Number of men among employees	people/%	4,601 / 65.6%	4,442 / 65.4%	4,309 / 65.1%
Number of women among employees	people/%	2,417 / 34.4%	2,354 / 34.6%	2,313 / 34.9%
Number of men among executives	people/%	1,052 / 78.7%	1,052 / 78.6%	1,059 / 79.0%
Number of women among executives	people/%	284 / 21.3%	286 / 21.4%	282 / 21.0%
Number of men among professionals and employees	people/%	801 / 43.8%	795 / 43.3%	745 / 41.6%
Number of women among professionals and employees	people/%	1,029 / 56.2%	1,043 / 56.7%	1,044 / 58.4%
Number of men among workers	people/%	2,748 / 71.3%	2,595 / 71.7%	2,505 / 71.7%
Number of women among workers	people/%	1,104 / 28.7%	1,025 / 28.3%	987 / 28.3%

[GRI 201-3]

Indicators characterizing the protection of interests and rights of the Company's employees

Indicators	**UoM**	**2021**	**2022**	**2023**
Average monthly wages	thous. RUB	74.65	84.94	93.37
Social expenditures	thous. RUB	417,503	402,151	373,417
direct social payments	thous. RUB	118,762	114,456	144,459
housing program	thous. RUB	154,606	154,542	91,910
medical care	thous. RUB	71,117	51,521	55,583
non-state pension provision	thous. RUB	73,018	81,632	81,465
number of employees participating in the corporate pension program	thous. RUB	5,232	4,370	4,936
Labour costs	thous. RUB	6,305,091	7,018,979	7,369,053
Costs of voluntary health insurance (VHI) programs	thous. RUB	63,355	76,067	74,989
Number of pension program participants receiving pensions	thous. RUB	295	214	201
Number of employees insured under the VHI system, including pensioners and family members of employees	thous. RUB	6,981	6,938	6,571

Ratio of minimum wage (including compensation and incentive payments) to minimum wage in the regions of operation [GRI 202-1]	**UoM**	**2021**	**2022**	**2023**
By region of operation	-	-	-	-
Amur Region	-	3.14	2.82	3.37
Vologda Region	-	1.66	1.32	1.84
Moscow	-	6.12	4.33	4.31
Saint Petersburg	-	3.72	3.70	3.61
Krasnodar Region	-	2.48	1.91	2.26
Leningrad Region	-	1.93	1.31	2.19

Pskov Region	-	1.48	1.57	1.47
Rostov Region	-	1.31	1.37	1.43
Ryazan Region	-	1.66	1.35	1.61
Sverdlovsk Region	-	1.79	1.36	1.78
Stavropol Region	-	1.47	1.58	1.36
Tyumen Region		1.84	1.25	1.57
Khanty-Mansi Autonomous Region	-	1.84	1.25	1.57
Chelyabinsk Region	-	1.78	1.26	1.72
Chechen Republic	-	2.87	3.19	2.7

Indicators characterizing the Company's activities in the field of training and development of employees, as well as assessment of their work efficiency

Employees training and development [GRI 404-1]	UoM	2021	2022	2023
Average number of hours of training:	-	-	-	-
per manager, specialist, employee	hour	43.8	48	48.9
per worker	hour	57.1	60.5	52.8
Number of employees trained under advanced training and professional retraining programs:	-	-	-	-
managers, specialists and other employees	courses/people	3,993	4,519	4,609
workers	courses/people	1,218	1,161	2,289
Number of students who have undergone industrial practice at OGK-2 / including at university's sites	people/people	123/62	309/62	240/62
Number of graduates of educational organizations of secondary vocational and higher education employed by the Company	people	44	28	48
Number of partner universities	pcs	7	12	10
Number of students enrolled in higher education institutions by target enrollment	people	1	1	1
Number of students enrolled in higher education institutions by target enrollment	people	26	35	18
Labour productivity, (million RUB/person)[35]	thous. RUB/ people	20,055	20,981	25,369

Indicators characterizing the Company's activities in the field of occupational health and safety

Industrial safety of the Company [GRI 403-9]	UoM	2021	2022	2023
Number of people injured in accidents, incl.:	people	1	2	5
number of deaths	people	0	0	0
number of victims with severity degree “severe”	people	0	0	3
number of victims with a severity degree “mild”	people	1	2	2
Number of fires	pcs	1	0	1

[35] According to RAS data.

Number of accidents and incidents in the field of industrial safety, incl.:	pcs	48	4	2
number of industrial safety incidents	pcs	48	4	2
number of accidents in the field of industrial safety	pcs	0	0	0
Injury frequency rate[36]	-	0.14	0.29	0.76
Lost Time Injury Frequency Rate (LTIFR)[37]	-	0.09	0.17	0.45
Fatal Injury Rate (FAR)[38]	-	0	0	0
Occupational disease rate (ODRIFR)[39]	-	0	0	0
Total hours worked by all personnel, thousand hours	-	11,628,817	11,538,238	11,079,727
Occupational health and safety expenses	mln RUB	388.44	435.98	615.29
Industrial safety expenses	mln RUB	32.07	30.3	24.9
Number of employees trained in occupational safety	people	5,632	3,561	6,451

Occupational diseases of the Company's employees [GRI 403-10]	**UoM**	**2021**	**2022**	**2023**
Cases of occupational diseases of employees	un.	0	0	0
Number of occupational diseases resulting in death of an employee	un.	0	0	0
Number of employees recognized as disabled as a result of occupational disease	un.	0	0	0

Occupational diseases of contractors' employees at the Company's facilities [GRI 403-10]	**UoM**	**2021**	**2022**	**2023**
Cases of occupational diseases of employees	un.	not detected	not detected	not detected
Number of occupational diseases resulting in death of an employee	un.	not detected	not detected	not detected
Number of employees recognized as disabled as a result of occupational disease	un.	not detected	not detected	not detected

Employees covered by the occupational health and safety management system	**UoM**	**2021**	**2022**	**2023**
Number of all Company employees covered by such system	people	7,046	6,796	6,623
Share of all Company employees covered by such system	%	100	100	100
Number of all Company employees covered by such a system that has been internally audited	people	7,046	6,796	6,623
Share of all Company employees covered by such a system who have undergone internal audits	%	100	100	100
Number of all Company employees covered by such a system that has been externally audited or certified by an external party	people	7,046	6,796	6,623
Share of all Company employees covered by such a system that has been externally audited or certified by an external party	%	100	100	100

[36] Number of people injured in accidents / average number of employees × 1,000.
[37] Number of people injured in accidents / average number of employees × 1,000.
[38] Number of people injured in fatalities / total number of hours worked by all personnel × 100,000,000.
[39] Number of cases of occupational diseases detected for the first time / total number of hours worked by all personnel × 1,000,000.

Indicators characterizing the Company's activities in the field of social and economic development of the regions of operation				
Local communities	**UoM**	**2021**	**2022**	**2023**
Number of charity and sponsorship events financed by the Company	pcs	18	15	8
State support received [GRI 201-4]	**UoM**	**2021**	**2022**	**2023**
Tax exemptions and tax credits	mln RUB	-	-	-
Subsidies for tariff differences on heat sales	mln RUB	41.3	51.8	29.0
Tax vacation	mln RUB	-	-	-

[GRI 207-4]

Indicators characterizing the Company's activity in terms of tax policy implementation[40]			
Payments to the budgets of the Russian Federation and regions	**UoM**	**2022**	**2023**
Accrued payments to the budgets of the Russian Federation and regions, incl.:	**thous. RUB**	**16,381,790**	**14,246,675**
taxes and fees	thous. RUB	12,769,228	10,033,252
insurance premiums	thous. RUB	2,046,161	2,192,651
other mandatory payments	thous. RUB	1,566,401	2,020,772
Payments to the budgets of the Russian Federation and regions, incl.:	**thous. RUB**	**19,472,546**	**18,001,473**
taxes and fees	thous. RUB	16,387,948	13,633,873
insurance premiums	thous. RUB	1,525,446	2,449,553
other mandatory payments	thous. RUB	1,918,047	1,559,152
Accrued payments to the budgets of the regions of operations, incl.:	**thous. RUB**	**10,225,952**	**9,962,985**
Chechen Republic	thous. RUB	110,986	152,498
Krasnodar Region	thous. RUB	384,176	363,853
Krasnoyarsk Region	thous. RUB	2,747	-
Stavropol Region	thous. RUB	1,495,654	1,639,177
Amur Region	thous. RUB	241,085	289,162
Arkhangelsk Region	thous. RUB	8	8
Vologda Region	thous. RUB	640,055	564,428
Leningrad Region	thous. RUB	926,827	1,140,105
Pskov Region	thous. RUB	209,609	224,527

[40] The indicators are determined in accordance with the provisions of the Tax Code of the Russian Federation (Chapter 8 “Fulfillment of the obligation to pay taxes, fees, insurance contributions”), as well as the data of accounting (financial) statements and tax reporting of the organization.

Rostov Region	thous. RUB	1,853,753	1,832,010
Ryazan Region	thous. RUB	834,334	805,276
Sverdlovsk Region	thous. RUB	464,896	249,570
Chelyabinsk Region	thous. RUB	1,820,723	1,303,836
Moscow	thous. RUB	7,780	8,235
Saint Petersburg	thous. RUB	263,055	390,407
Khanty-Mansi Autonomous Region	thous. RUB	970,264	999,893
Payments paid to the budgets of the regions of operation, incl.:	**thous. RUB**	**10,542,467**	**10,023,200**
Chechen Republic	thous. RUB	102,983	117,695
Krasnodar Region	thous. RUB	418,016	346,479
Stavropol Region	thous. RUB	1,410,443	1,643,828
Amur Region	thous. RUB	215,633	303,038
Arkhangelsk Region	thous. RUB	8	8
Vologda Region	thous. RUB	661,180	557,286
Leningrad Region	thous. RUB	921,896	1,139,601
Pskov Region	thous. RUB	205,501	213,155
Rostov Region	thous. RUB	1,908,923	1,784,645
Ryazan Region	thous. RUB	818,092	814,445
Sverdlovsk Region	thous. RUB	749,947	405,891
Chelyabinsk Region	thous. RUB	1,934,797	1,323,124
Moscow	thous. RUB	10,809	7,563
Saint Petersburg	thous. RUB	271,878	355,276
Khanty-Mansi Autonomous Region	thous. RUB	912,361	1,011,166

Indicators characterizing the Company's procurement

Supply chain development	UoM	2021	2022	2023
Share of purchases of goods, works and services from small and medium-sized businesses in the total volume of purchases from Russian organizations	%	85.4	49.5	56.2
Volume of contracts with small and medium-sized enterprises	mln RUB	10,603.66	6,677.07	8,540.87
Reduction of the Company's costs through contracting based on the results of competitive procurement and market research	mln RUB	148.14	149.24	643.86
Share of e-procurement in the total volume of competitive procurement and market research	%	97.10	96.70	97.60

APPENDIX 2. MAIN REGULATORY DOCUMENTS

MAIN REGULATORY DOCUMENTS IN THE FIELD OF SUSTAINABILITY MANAGEMENT

INTERNAL DOCUMENTS

- OGK-2 PJSC Policy in the field of sustainability, approved by the decision of the Board of Directors dated September 19, 2022, Minutes No. 286;
- Action Plan of OGK-2 PJSC in the field of sustainability, approved by the decision of the Board of Directors dated September 29, 2023, Minutes No. 308;
- OGK-2 PJSC Policy in the field of occupational health and safety, approved by Order of OGK-2 PJSC No. 281 dated October 26, 2020;
- Statement on OGK-2 PJSC industrial safety policy;
- Environmental Policy of OGK-2 PJSC, approved by resolution of the Board of Directors No. 231 dated December 31, 2020.

EXTERNAL DOCUMENTS

International

- Universal Declaration of Human Rights, adopted by the UN General Assembly on December 10, 1948;
- International Bill of Human Rights;
- International Labour Organization Declaration on Fundamental Principles and Rights at Work dated June 18, 1998;
- Guiding Principles on Business and Human Rights, endorsed by UN Human Rights Council Resolution No. 17/4 dated June 16, 2011;
- United Nations Global Compact Principles;
- Resolution “Transforming Our World: The 2030 Agenda for Sustainability,” adopted by the United Nations General Assembly on September 25, 2015;
- Paris Agreement adopted on December 12, 2015. Paris Agreement adopted by the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change on December 12, 2015;
- Global Reporting Initiative Standards;
- International Stakeholder Engagement Standard AA1000 (AccountAbility Stakeholder Engagement Standard);
- International Standard ISO 26000:2010 Guidelines for Social Responsibility (national standard of the Russian Federation GOST R ISO 26000-2012 Guidelines for Social Responsibility).

Russian

- Constitution of the Russian Federation;
- Labour Code of the Russian Federation;
- Civil Code of the Russian Federation;
- Federal Law dated January 10, 2002 No. 7-FZ “On Environmental Protection”;
- Federal Law dated December 21, 1994 No. 68-FZ “On Protection of Population and Territories from Natural and Technogenic Emergencies”;
- Federal Law No. 223-FZ dated July 18, 2011 “On Procurement of Goods, Works, and Services by Certain Types of Legal Entities”;
- Federal Law No. 135-FZ “On Protection of Competition” dated July 26, 2006;
- Decree of the President of the Russian Federation “On National Goals and Strategic Objectives of Development of the Russian Federation for the Period until 2024” No. 204 dated May 07, 2018;
- Decree of the President of the Russian Federation “On National Goals of Development of the Russian Federation for the Period until 2030” No. 474 dated July 21, 2020;
- Concept for the Development of Public Non-Financial Reporting and Action Plan for the Implementation of the Concept for the Development of Public Non-Financial Reporting, approved by Order of the Government of the Russian Federation No. 876-p dated May 05, 2017;
- Corporate Governance Code approved by the Board of Directors of the Bank of Russia on March 21, 2014;

- Energy Security Doctrine of the Russian Federation approved by Decree of the President of the Russian Federation No. 216 dated May 13, 2019;
- Energy Strategy of the Russian Federation for the period until 2035, approved by the Order of the Government of the Russian Federation No. 1523-p dated June 09, 2020.

MAIN REGULATORY DOCUMENTS IN THE FIELD OF ENVIRONMENTAL MANAGEMENT

INTERNAL DOCUMENTS

- Environmental Policy of OGK-2 PJSC (approved by Resolution of the Board of Directors No. 231 dated December 31, 2020);
- Regulation “Waste Management Procedure at OGK-2” (approved by Order No. 322 dated November 07, 2022);
- Regulation “Organization of the Accounting Process in Water Use at OGK-2” (approved by Order No. 18 dated January 24, 2023).

EXTERNAL DOCUMENTS

- Federal Laws of the Russian Federation;
- Regulatory legal acts in the field of protection of environment and aquatic biological resources;
- Orders of federal agencies, ministries and departments in the field of environmental safety and sanitary and epidemiological welfare of the population;
- National standards in the field of ecology.

MAIN REGULATORY DOCUMENTS IN THE FIELD OF HUMAN RESOURCES AND SOCIAL POLICY

INTERNAL DOCUMENTS

- OGK-2 PJSC Collective Agreement for 2021–2023 (signed on December 03, 2020 by Managing Director of OGK-2 and by Chairman of the Council of Representatives of OGK-2 primary trade union organizations);
- OGK-2 PJSC Personnel Management Policy;
- OGK-2 PJSC Code of Corporate Ethics (approved by OGK-2 Board of Directors No. 299 dated May 18, 2023);
- Regulation on Personnel Management by OGK-2 PJSC competencies (approved by OGK-2 order No. 421 dated May 15, 2014);
- OGK-2 PJSC Regulation “On certification of managers, specialists and other employees of OGK-2” (approved by OGK-2 order No. 169 dated June 05, 2023);
- Regulation on personnel training and development in OGK-2 PJSC (approved by OGK-2 order No. 47 dated March 23, 2021);
- Regulation “On remuneration of labour of top managers of OGK-2” (approved by the decision of BOD of OGK-2 dated November 09, 2020, Minutes No. 247);
- Regulation on remuneration of labour and motivation of employees of OGK-2 PJSC executive office (approved by OGK-2 order dated April 10, 2019 No. 94/1);
- Regulation on remuneration of labour and motivation of certain categories of executive employees of OGK-2 PJSC branches (approved by OGK-2 order dated December 31, 2019 No. 378);
- Regulation “On labour remuneration and motivation of employees of OGK-2 branches” (approved by OGK-2 order No. 262 dated October 25, 2021);
- Regulation on work with students and young specialists in OGK-2 PJSC (approved by OGK-2 order No. 337 dated December 31, 2020);
- Procedure for work with personnel in OGK-2 PJSC (approved by OGK-2 order No. 76 dated March 10, 2023).

In 2023, the following LRs were developed and approved (effective from 01.01.2024):

- Regulation “On labour remuneration of OGK-2 employees” (approved by OGK-2 order No. 321 dated October 23, 2023);

- Regulation “On labour remuneration of OGK-2 top managers” (approved by BOD of OGK-2 decision dated 23.10.2023, Minutes No. 309, enacted by OGK-2 order No. 325 dated October 23, 2023);
- Based on the results of collective negotiations held in 2023, on December 04, 2023 a new OGK-2 PJSC Collective Agreement for 2024–2026 was concluded.

EXTERNAL DOCUMENTS

- Russian Federation legislation norms;
- Human resources management policies of the controlling shareholder, its subsidiaries and organizations.

MAIN REGULATORY DOCUMENTS IN THE FIELD OF OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

INTERNAL DOCUMENTS

Name and details

- OGK-2 PJSC Collective Agreement for 2021–2023 dated December 21, 2020, concluded between the employer and employees of the Company who have labour relations with it, represented by: employer's representative – Managing Director of OGK-2, authorized representative of employees – Chairman of the Council of Representatives of Primary Trade Union Organizations of OGK-2;
- Policy in the field of occupational health and safety, fire and road safety, approved by the order of Managing Director of OGK-2 PJSC No. 281 dated October 26, 2020;
- Regulation on Occupational Health and Safety Management System (OSMS) in OGK-2 PJSC, approved by order of Managing Director of OGK-2 No. 314 dated October 31, 2022;
- Order “On enactment of Procedure of work with personnel in OGK-2”, approved by order of Managing Director of OGK-2 No. 76 dated March 10, 2023;
- Program of measures for improvement of OGK-2 PJSC labour conditions and occupational health and safety for 2023, approved by Deputy Managing Director for Production of OGK-2 dated December 27, 2022;
- Regulation “On industrial safety management system in OGK-2” No. 72 dated April 13, 2021, approved by order of Managing Director of OGK-2;
- Regulation “On organization and implementation of industrial control over compliance with industrial safety requirements” No. 324 dated November 15, 2022, approved by order of Managing Director of OGK-2;
- Statement on industrial safety policy of OGK-2 PJSC No. 419 dated December 19, 2023, approved by order of Managing Director of OGK-2;
- Occupational health and safety instructions.

EXTERNAL DOCUMENTS

- Labour Code of the Russian Federation No. 197-FZ dated December 30, 2021 (as amended);
- Order of the Ministry of Energy of Russia No. 796 dated September 22, 2020 “On approval of the Rules for working with personnel in organizations of the electric power industry of the Russian Federation”;
- Resolution of the Government of the Russian Federation No. 2464 dated December 24, 2021 “On the procedure for occupational health and safety training and testing knowledge of occupational health and safety requirements”;
- Order of the Ministry of Labour of Russia No. 776 dated October 29, 2021 “On Approval of the Model Provision on Occupational Health and Safety Management System”;
- Occupational Health and Safety Rules, as well as other regulatory legal acts containing state normative requirements for occupational health and safety;
- Federal Law “On Industrial Safety of Hazardous Production Facilities” No. 116-FZ dated July 21, 1997;
- Resolution of the Government of the Russian Federation “On Approval of Requirements for Documentary Support of Industrial Safety Management Systems” No. 1243 dated August 17, 2020;
- Resolution of the Government of the Russian Federation “On Organization and

Implementation of Industrial Control over Compliance with Industrial Safety Requirements” No. 2168 dated December 18, 2020;

- Federal Law “On Licensing of Certain Types of Activities” No. 99-FZ dated April 22, 2011;
- Federal Law “On Compulsory Liability Insurance of the Owner of a Hazardous Facility for Damage Caused by an Accident at a Hazardous Facility” No. 225-FZ dated July 27, 2010.

MAIN REGULATORY DOCUMENTS IN THE FIELD OF MANAGEMENT OF ISSUES RELATED TO SOCIAL AND ECONOMIC DEVELOPMENT OF THE REGIONS OF OPERATION

INTERNAL DOCUMENTS

- Regulation on coordination of position in interaction with state authorities and organizations, approved by OGK-2 order No. 249 dated September 22, 2020;
- Regulation on charitable and sponsorship activities of OGK-2 PJSC, approved by OGK-2 order No. 128 dated May 20, 2024.

EXTERNAL DOCUMENTS

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KEY REGULATORY DOCUMENTS IN THE AREA OF PROCUREMENT MANAGEMENT AND SUPPLY CHAIN DEVELOPMENT

INTERNAL DOCUMENTS

- OGK-2 PJSC Articles of Association, approved by the OGK-2 Annual General Meeting of Shareholders dated 27.06.2023 (Minutes No. 17 dated June 30, 2023);
- Regulations on procurement of goods, works, services of OGK-2, approved by the Board of Directors of OGK-2 PJSC (Minutes No. 257 dated April 21, 2021) with amendments approved by resolutions of Board of Directors of OGK-2 (Minutes No. 262 dated June 29, 2021, Minutes No. 265 dated 22.09.2021, Minutes No. 266 dated 14.10.2021, Minutes No. 273 dated March 16, 2022, Minutes No. 279 dated June 10, 2022, Minutes No. 282 dated July 29, 2022, Minutes No. 286 dated September 19, 2022, Minutes No. 296 dated March 27, 2023);
- Regulation on contractual work of OGK-2 PJSC, approved by OGK-2 order No. 223 dated September 02, 2021;
- Regulation of procedure “Procedure for preparation, coordination and sending materials for consideration by OGK-2 Procurement Committee”, approved by OGK-2 order No. 51 dated February 28, 2024;
- Regulation of procedure “Procedure for preparation, coordination and approval of technical specifications for purchase of materials, works and services”, approved by OGK-2 order No. 233 dated August 07, 2023;
- Instruction “On formation of initial (maximum) price during procurement for works, services and supply of material and technical resources and equipment” approved by OGK-2 order No. 320 dated November 07, 2022;
- Procedure Regulations “Procedure for sending Tasks for procurement and Tasks for contract conclusion” approved by OGK-2 order No. 191 dated June 26, 2023;
- OGK-2 PJSC Instruction “On preparation of expert opinions during consideration and evaluation of bids of procurement participants” approved by OGK-2 order No. 69 dated March 30, 2022;
- Procedure Regulations “Procedure for preparation and transfer for placement in the Unified Information System in the field of procurement of information on contracts concluded by OGK-2 as a result of procurement, in order to maintain a register of contracts concluded by customers”, approved by OGK-2 Order No. 248 dated October 04, 2019 with amendments (OGK-2 Order No. 136 dated May 18, 2020);
- Information Exchange Regulations for OGK-2 PJSC, approved by OGK-2 Order No. 297 dated October 02, 2023.

EXTERNAL DOCUMENTS

- Civil Code of the Russian Federation;
- Federal Law No. 223-FZ dated July 18, 2011 “On Procurement of Goods, Works, and Services by Certain Types of Legal Entities”;
- Resolution of the Government of the Russian Federation No. 932 dated September 17, 2012 “On Approval of the Rules for Forming a Plan for the Purchase of Goods (Works, Services) and Requirements to the Form of Such Plan”;
- Resolution of the Government of the Russian Federation No. 908 dated September 10, 2012 “On Approval of the Regulations for Placing Procurement Information in the Unified Information System”;
- Resolution of the Government of the Russian Federation No. 1352 dated December 11, 2014 “On Special Conditions of Participation of Small and Medium-Sized Businesses in Procurement of Goods, Works and Services by Certain Types of Legal Entities”;
- Resolution of the Government of the Russian Federation No. 1132 dated October 31, 2014 “On the Procedure for Maintaining a Register of Contracts Concluded by Customers as a Result of Procurement”;
- Resolution of the Government of the Russian Federation No. 925 dated September 16, 2016 “On Priority of Goods of Russian Origin, Works and Services Performed and Provided by Russian Entities over Goods of Foreign Origin, Works, and Services Performed and Provided by Foreign Entities”;
- Resolution of the Government of the Russian Federation No. 1211 dated November 22, 2012 “On keeping the register of unfair suppliers provided for by the Federal Law ‘On Procurement of Goods, Works and Services by Certain Types of Legal Entities’;
- ISO 9001;
- Controlling shareholder’s STO 9001.

MAIN REGULATORY DOCUMENTS IN THE FIELD OF INNOVATION MANAGEMENT

INTERNAL DOCUMENTS

- OGK-2 PJSC Regulation “On planning, implementation and use of R&D results in OGK-2” (approved by order No. 219 dated August 11, 2022).

EXTERNAL DOCUMENTS

- Controlling shareholder’s STO RD 1.12-096-2004 “Internal corporate rules for R&D efficiency assessment” (no amendments were made in the reporting period).

APPENDIX 3. ABOUT THE REPORT

OGK-2 submits the Sustainability Report for 2023 (hereinafter referred to as the Report). The report discloses information on the Company's activities in the field of human rights, reducing negative impact on the environment, stakeholder engagement, occupational health and safety management. The report discloses the Company’s approach to responsible business conduct: responding to the challenges of the global and national agenda in accordance with the UN Sustainable Development Goals (hereinafter referred to as SDGs) and for the benefit of all stakeholders with whom we interact.

Report preparation and content formation standards

- Information Letter of the Bank of Russia on Recommendations on the Disclosure by Public Joint Stock Companies of Non-Financial Information Related to the Activities of Such Companies, No. IN-06-28/49 dated July 12, 2021;
- Global Reporting Initiative (GRI) Standards, “GRI Universal Standards 2021” (GRI Standards “in accordance with” or “with reference”);

	• SASB (Sustainability Accounting Standards Board) Standards: SASB Electric Utilities & Power Generators и SASB Wind Technology & Project Developers; • Sustainable Development Goals (SDGs) of the UN; • Recommendations of the Financial Stability Board's TCFD (The Task Force on Climate-related Financial Disclosures); • Order of the Ministry of Economic Development of Russia No. 764 dated November 01, 2023 “On Approval of Methodological Recommendations for the Preparation of Sustainability Reporting”.
Disclosure level	• With reference, the GRI Content Index is given in Appendix 9.
Reporting cycle [GRI 2-3]	• 1 year
Coverage of information disclosure [GRI 2-2]	• OGK-2 (taking into account subsidiaries and affiliates included in the scope of the Company's IFRS financial statements regularly published on the Company's official website, unless otherwise specified in addition – Financial Statements (ogk2.ru)). In terms of indicators in the area of personnel and social policy, information is provided without taking into account subsidiaries and affiliates.
Период раскрытия информации [GRI 2-3]	• Calendar year 2023
Information sources	• Management accounts and consolidated financial statements prepared in accordance with IFRS standards, unless otherwise stated; • Data obtained within the framework of interaction with the Company’s core business units.

The Report is the Company's third non-financial report. It includes a description and results of OGK-2's activities for the period from January 01 to December 31, 2023. In preparing the Report, the main standards used were the Sustainability Reporting Guidelines GRI Standards (The Global Reporting Initiative Standards). Numbers and types of indicators are displayed directly in the text of the Report and are followed by additional comments, where necessary.

We publish non-financial reports on the Company's activities, addressing it to a wide range of the interested parties, stakeholders, striving to provide a balanced presentation of material information that meets the interests of each group. We strive to continuously improve the quality of information disclosure.

In this Report OGK-2 PJSC is also named OGK-2.

[GRI 2-4]

No restatements of information disclosed in previous reporting periods were made when preparing the text of the Report.

REPORT PREPARATION PRINCIPLES

[GRI 3-1]

This Report was prepared complying with the principles of the GRI standard, which, in our opinion, will allow describing our activities as fully and correctly as possible from the standpoint of sustainability.

Context of sustainability	Our strategic objective is to ensure stable profit growth while maintaining high reliability of energy supplies to all consumers. The Company approved OGK-2 Sustainability Action Plan and OGK-2 Sustainability Policy.
Completeness	The Report reveals how the Company's activities impacted society, environment and the economy in 2023.
Accuracy	The indicators given in the Report have been checked by the Company’s responsible divisions for accuracy and correctness of calculations.
Clarity	When presenting the Report's data, we tried to avoid an excessively formal style. The data are presented using illustrative visualization tools. The Report is aimed at different categories of stakeholders: from industry professionals to private consumers of heat and electricity.
Timeliness	This Report covers the activities of the Company in the context of sustainability in the past 2023.
Consistency	In general, figures are presented in comparison with 2022, and in many cases 2021 figures are also provided. Where necessary, significant changes are commented on accordingly.
Proportionality	The Report objectively describes both positive (for example, achievement of set goals) and negative (for example, injuries) results of the Company's activities in 2023.
Verifiability	The Company's activities in the field of sustainability are based on a set of documented processes. Relevant documents are indicated in the text of the Report. The data presented in the Report has been verified by the responsible departments of the Company.

APPENDIX 4. MATERIAL TOPICS

[GRI 2-4], [GRI 3-1], [GRI 3-2], [GRI 2-29]

The Company regularly assesses material topics related to the aspects of sustainability. In 2024 (in the period of preparation of the 2023 Outcome Report), an assessment was carried out with a revised and in-depth analysis conducted in accordance with the most relevant recommendations of the GRI Standards methodology. The analysis consisted of the following steps:

DETERMINATION OF MATERIAL TOPICS

Stage 1.

Open source analysis

Stage 2.

Gathering opinions of stakeholders

Stage 3.

Formation of the final list of material topics and contents of the report

- Analysis of the experience of disclosing material topics in the field of sustainability in previously published reports of OGK-2 and other companies of managing organization's Group;
- Analysis of material topics Provided in the Sustainability reports becoming an example of best practice of Russian and foreign companies;
- Media analysis, professional and thematic communities, etc.;
- Analysis of corporate reporting and transparency rating requirements, as well as ESG ratings.

- Stakeholders polling;
- Analysis of the internal and material stakeholders polling results.

- Compilation of topic materiality matrix for internal and external stakeholders;
- Determination of the final list of material topics.

THE POLLING OF OGK-2 STAKEHOLDERS WAS CONDUCTED ON THE OFFICIAL WEBSITE OF THE COMPANY

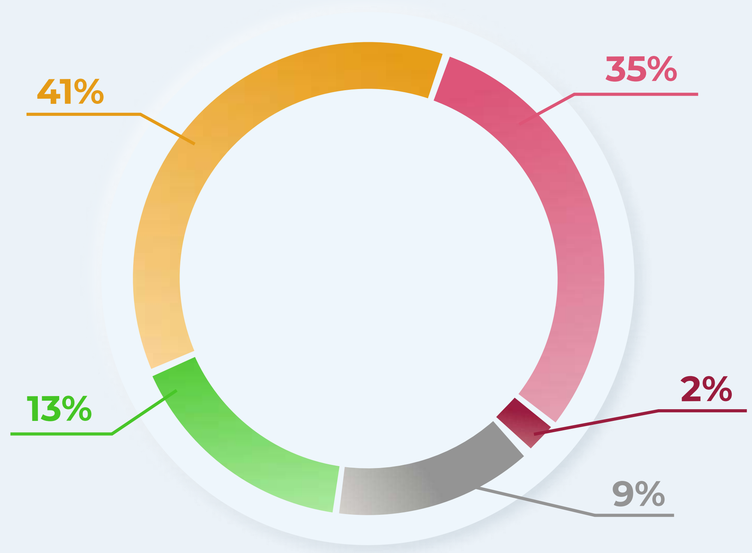
MATERIALITY MATRIX

[GRI 3-2]

The following was revealed based on the results of internal and external stakeholders' questionnaire regarding the overall level of OGK-2's impact on stakeholders' interests:

TOTAL LEVEL OF IMPACT OF OGK-2 PJSC ON THE INTERESTS OF STAKEHOLDERS, %

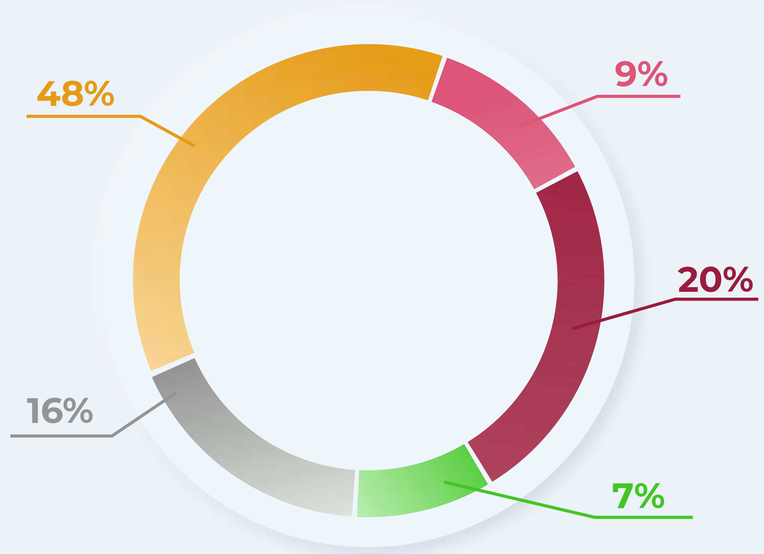
Internal stakeholder assessment



- Critically high
- High
- Significant
- Insignificant
- No Impact

External stakeholder assessment

- Critically high
- High
- Significant
- Insignificant
- No Impact



Based on the results of internal and external stakeholders' questionnaire regarding the degree of OGK-2's impact on stakeholders, materiality matrices were compiled for each of 20 topics related to economic and management (blue), environmental (green) and social (orange) spheres.

The actual and potential impacts were assessed in terms of positive and negative impacts. Actual impacts were considered to be those that occurred in 2023. Potential impacts were considered to be those that may occur in the future. For potential impacts, the probability of their occurrence was additionally assessed.

LEVEL OF ACTUAL AND POTENTIAL IMPACT OF OGK-2 ON STAKEHOLDERS BY TOPIC (AS ASSESSED BY INTERNAL STAKEHOLDERS)

Reference: Significant topics and the likelihood of their potential impact* - Internal stakeholders

SOCIAL

The probability is high

1. Reliable electricity and heat supply to consumers in the regions OGK-2 PJSC operates
5. Creating sustainable demand for qualified specialists in the regions where we operate, ensuring decent working conditions
15. Conformity of approaches in work with personnel to the principles of sustainability
17. Maintaining and building professional competencies of employees, ensuring fair opportunities for advancement
18. Opportunities for employees to participate in labor associations

The probability is tangible

4. Support for scientific and research activities
6. Participation in the implementation of projects aimed at improving the quality of life in the regions where OGK-2 PJSC operates and the comfort of the urban environment
16. Significance of security at OGK-2 PJSC facilities for the Company’s employees and contractor companies

ECONOMIC AND MANAGEMENT

The probability is high

2 Strong financial position

3 Rational and responsible investment of funds

7 Implementation of a responsible procurement policy in strict compliance with legislation. Integration of sustainability principles into procurement activities

8 Adherence to a zero tolerance policy for abuse in the business environment. Compliance with and improvement of the code of corporate ethics and compliance requirements

19 Compliance with antimonopoly legislation, fair competitive behavior in the business environment

20 Level of integration of digital technologies into business processes, resilience of internal IT infrastructure to external influences

The probability is tangible

9 Compliance with tax legislation. Applying high tax discipline criteria to the entire supply chain

ENVIRONMENTAL

The probability is high

10 Continuous optimization of production activities to reduce the amount of energy resources used

The probability is tangible

13 Climate impacts within production activities

The probability is negligible

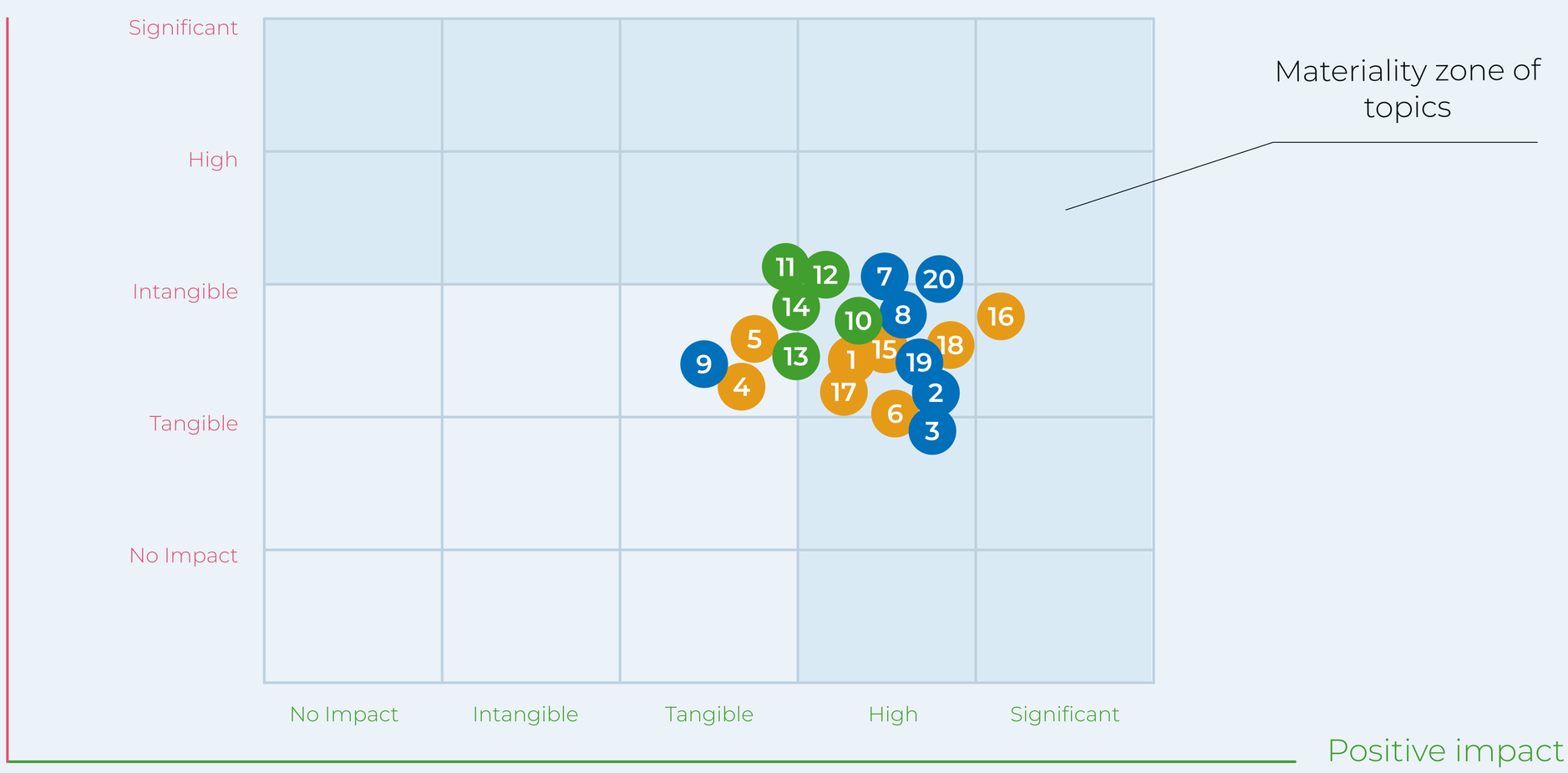
11 Careful use of water resources in production activities

12 Care for biodiversity conservation in the regions where we operate

14 Management of waste generation and handling processes

* Average probability of occurrence of potential impact as assessed by respondents. Applies only to matrices of potential future impacts.

MATERIALITY MATRIX OF TOPICS - ACTUAL IMPACT IN 2023 - INTERNAL STAKEHOLDERS



MATERIALITY MATRIX OF TOPICS - POTENTIAL IMPACT IN FUTURE - INTERNAL STAKEHOLDERS

LEVEL OF ACTUAL AND POTENTIAL IMPACT OF OGK-2 ON STAKEHOLDERS BY TOPIC (AS ASSESSED BY EXTERNAL STAKEHOLDERS):

Reference: Significant topics and the likelihood of their potential impact* - External stakeholders

SOCIAL

The probability is significant

1. Reliable electricity and heat supply to consumers in the regions where OGK-2 PJSC operates
16. Significance of security at OGK-2 PJSC facilities for the Company’s employees and contractor companies
18. Opportunities for employees to participate in labor associations
6. Participation in the implementation of projects aimed at improving the quality of life in the regions where OGK-2 PJSC operates and the comfort of the urban environment
15. Conformity of approaches in work with personnel to the principles of sustainability
17. Maintaining and building professional competencies of employees, ensuring fair opportunities for advancement

The probability is high

4. Support for scientific and research activities
5. Creating sustainable demand for qualified specialists in the regions where we operate, ensuring decent working conditions

ECONOMIC AND MANAGEMENT

The probability is significant

- 2 Strong financial position
- 8 Adherence to a zero tolerance policy for abuse in the business environment. Compliance with and improvement of the code of corporate ethics and compliance requirements
- 20 Level of integration of digital technologies into business processes, resilience of internal IT infrastructure to external influences

The probability is high

- 3 Rational and responsible investment of funds
- 7 Implementation of a responsible procurement policy in strict compliance with legislation. Integration of sustainability principles into procurement activities
- 19 Compliance with antimonopoly legislation, fair competitive behavior in the business environment

The probability is tangible

- 9 Compliance with tax legislation. Applying high tax discipline criteria to the entire supply chain

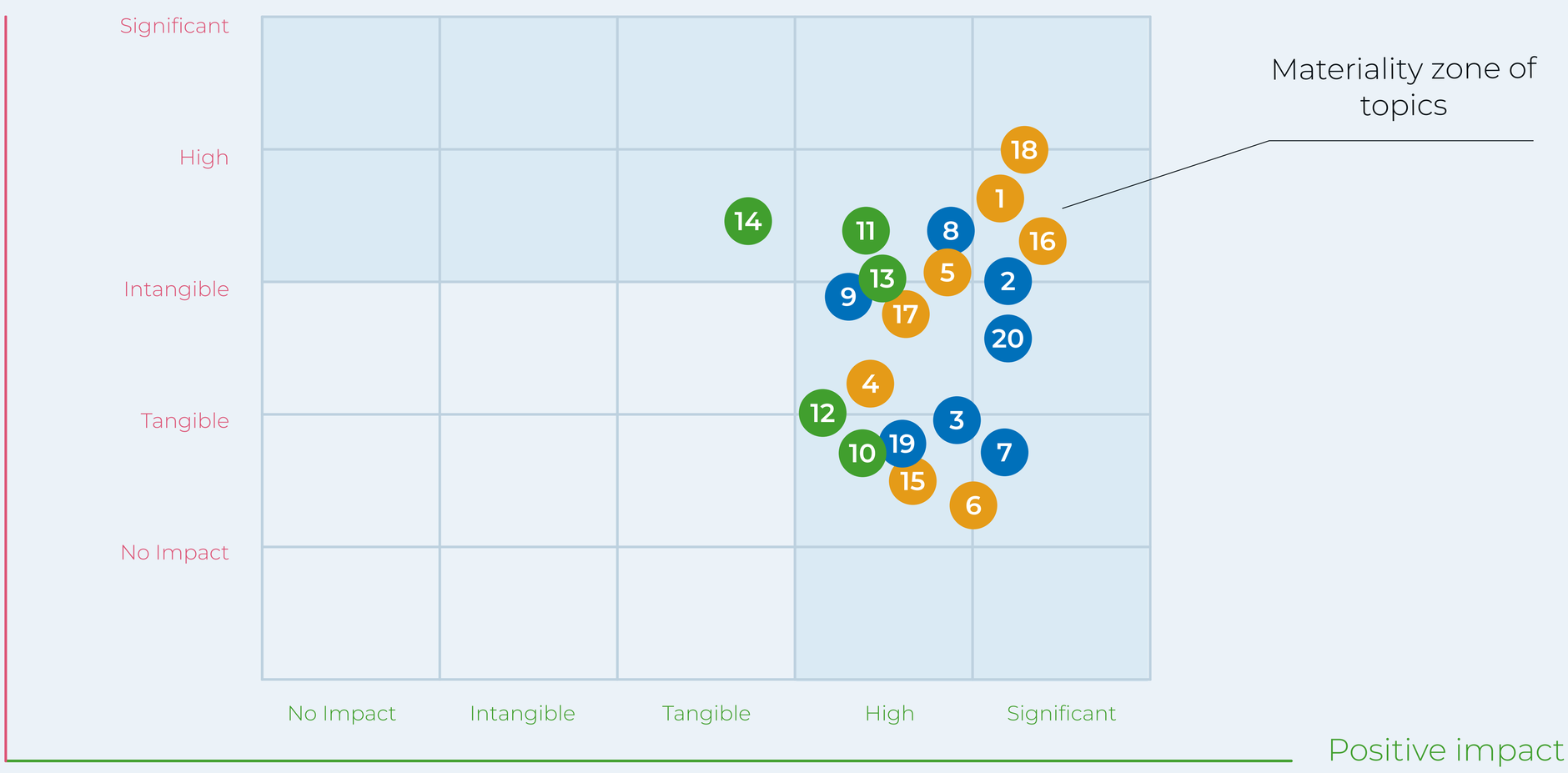
ENVIRONMENTAL

The probability is high

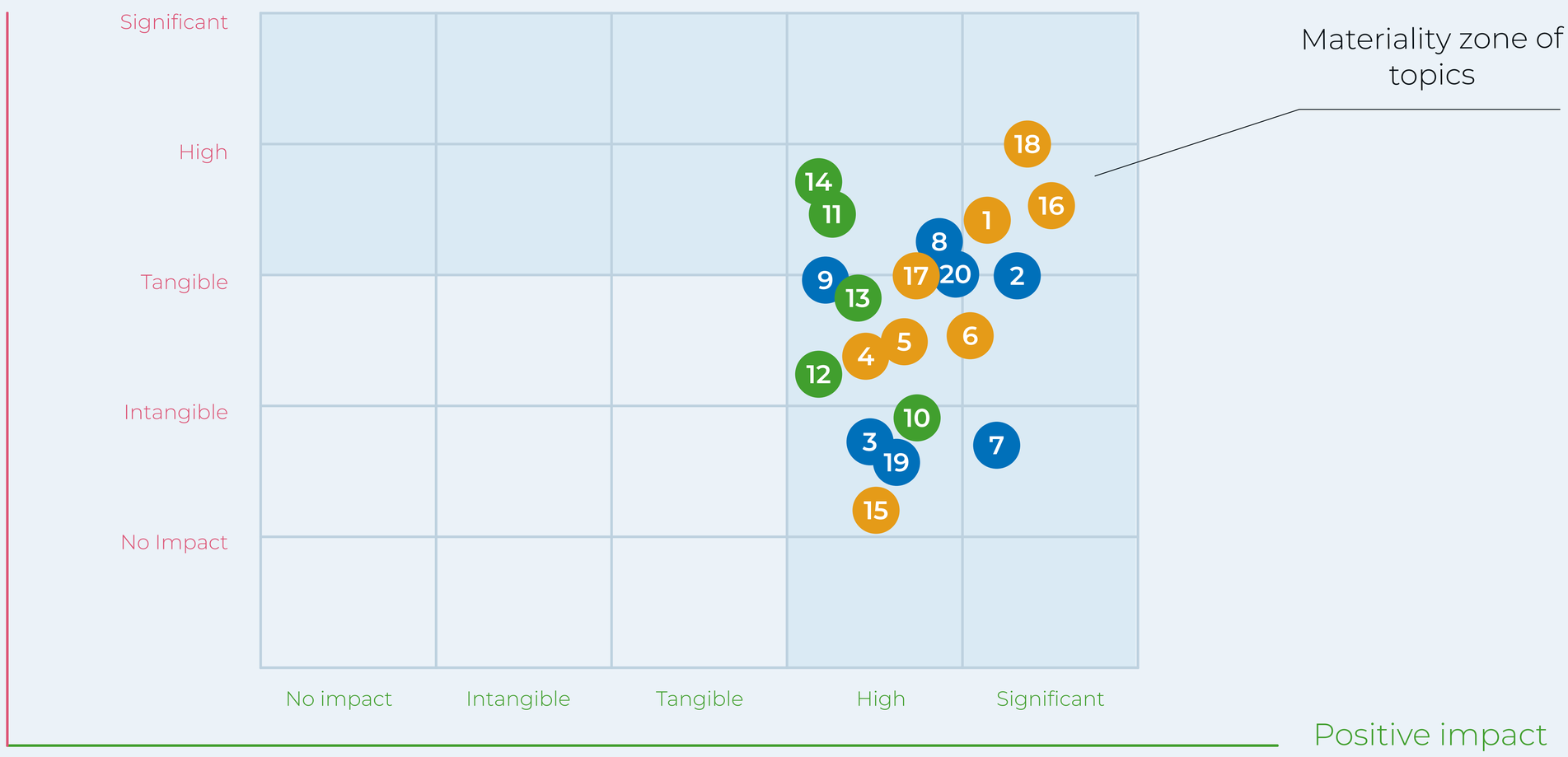
- 10 Continuous optimization of production activities to reduce the amount of energy resources used
- 11 Careful use of water resources in production activities
- 12 Climate impacts within production activities
- 13 Care for biodiversity conservation in the regions where we operate
- 14 Management of waste generation and handling processes

* Average probability of occurrence of potential impact as assessed by respondents. Applies only to matrices of potential future impacts.

MATERIALITY MATRIX OF TOPICS - ACTUAL IMPACT IN 2023 - EXTERNAL STAKEHOLDERS



MATERIALITY MATRIX OF TOPICS - POTENTIAL IMPACT IN FUTURE - EXTERNAL STAKEHOLDERS



Based on the results of the questionnaire, all topics were found to be significant as they fell within the materiality zone for at least one of the matrices.

CHANGES IN TOPIC MATERIALITY [GRI 3-2]

Compared to 2022, the GRI Standards methodology has been significantly changed, and therefore it is hardly possible to speak of full comparability of the survey results. Nevertheless, the main difference in the results is that many topics previously recognized as unimportant were now rated more highly. We attribute this to the fact that actual and potential impacts were not emphasized before, and stakeholders were not asked to consider the likelihood of potential impacts occurring.

APPENDIX 5. CERTIFICATION OF THE REPORT [GRI 2-5]

Neither the certification of the 2023 Report by external independent auditors nor the Public certification of the 2023 Report was performed.

However, OGK-2 does not rule out the possibility of introducing this practice in the future.

APPENDIX 6. PARTICIPATION IN ORGANIZATIONS AND ASSOCIATIONS [GRI 2-28]

OGK-2 is a member of the following non-profit organizations:

- Non-profit Partnership Market Council for Organizing an Efficient System of Wholesale and Retail Electricity and Capacity Trade Association (as part of the Chamber of Sellers);
- All-Russian Industry Association of Employers of Energy Suppliers (RaPE Union);

- Chamber of Commerce and Industry of the Leningrad Region;
- Russian Union of Industrialists and Entrepreneurs (RUIE), All-Russian Association of Employers;
- “StroyAllianceProject” Association of Designers, a self-regulated organization;
- “SRO “Inzhspetsstroy” ASO.

APPENDIX 7. GLOSSARY

ABBREVIATIONS

GRI – Global Reporting Initiative

ABR – Aquatic Biological Resources

HWS – Hot Water Supply

The Group, Gazprom Energoholding Group – Gazprom Energoholding LLC and production companies

SDPP – State District Power Plant

HPP – Hydropower plant

S&A – Subsidiaries and Affiliates

VHI – Voluntary Health Insurance

CSA – Capacity Supply Agreement

H&U – Housing and Utilities

ASW – Ash and Slag Waste

CCTMod – Program on competitive selection of capacities for modernization

EF – Efficiency Factor

KPI – Key Performance Indicators

Mosenergo – Mosenergo PJSC

MOEK – MOEK PJSC

MW – Minimum wage

SMEs – Small and medium enterprises

IFRS – International financial reporting standards

R&D – Research and development

OGK-2 – OGK-2 PJSC

SPNA – Specially protected natural area

WECM – Wholesale electricity and capacity market

UES – Unified energy system

CCGT – Combined-cycle gas turbine

RAS – Russian accounting standards

RUIE – Russian Union of Industrialists and Entrepreneurs

PPE – Personal Protective Equipment

QMS – Quality Management System

LNG – Liquefied natural gas

OSMS – Occupational Safety Management System

EMS – Environmental Management System

EMS – Energy Management System

RM&ICS – Risk Management and Internal Control System

TGC-1 – TGC-1

FES – Fuel and energy sector

FER – Fuel and energy resources

TEI – Technical and economic indicators

CHP – Combined Heat and Power Plant

SCSF – Specific consumption of standard fuel

UNITS OF MEASURE

Gcal (gigacalorie) – unit of measurement of heat energy

kWh (kilowatt-hour) – unit of measurement of electrical energy

MW (megawatt) – unit of measurement of electrical capacity

Gcal/h (gigacalorie-hour) – unit of measurement of thermal capacity (load)

TFOE – tons fuel oil equivalent

APPENDIX 8. CONTACT DETAILS

[GRI 2-3]

Area	Contact person	e-mail	Telephone
Interaction with shareholders and investors	**Elena Nikolaevna Egorova** Head of the Department of Corporate and Property Relations	EgorovaEN@ogk2.ru	+7(812) 646-13-64
	Natalia Olegovna Grisel Head of Corporate Governance Department	Grizel.Natalya@ogk2.ru	+7(812) 646-13-64
Interaction with mass-media	**Vadim Evgenievich Tikhonov** Media Relations Officer	Tikhonov.Vadim@ogk2.ru	+7(812) 646-13-84

APPENDIX 9. GRI CONTENT INDEX

Code	GRI indicator	Report section	Comment
GRI 2: The company and its reporting practices 2021			
2-1	Organization data	Brief Overview of the Company, p. 5 Geographical reach, p. 6 Markets of the Company's performance and their development potential, pp. 6-9	-
2-2	Units included in the Company’s Sustainability Reports	Appendix 3. About the Report, p. 144	-
2-3	Reporting period, frequency and contact information	Appendix 3. About the Report, p. 144 Appendix 8. Contact details, p. 153	-
2-4	Revision / restatement of information	Appendix 3. About the Report, p. 144	-
2-5	External assurance	Appendix 5. Certification of the Report, p. 151	The Company does not perform external verification of the Report. Quality control is carried out by data owners.

GRI 2: The activities of the Company and its employees			
2-6	Activities, value chain and other business relationships	Brief Overview of the Company, p. 5 Business model, pp. 10-11 Key performance indicators of the Company in 2023, pp. 15-18 Supply chain description, pp. 120-122	-
2-7	Information on the Company's employees and workers	Personnel structure, pp. 89-91 Appendix 1. Basic quantitative data, pp. 132-134	-
2-8	Employees under open-ended labour contract	Appendix 1. Basic quantitative data p. 132 GRI content index, p. 154	All the main activities of the Company are carried out by full-time personnel. The share of non-staff workers is insignificant.
GRI 2: Corporate governance			
2-9	Structure and composition of management	Allocation of duties and responsibilities for sustainability, pp. 31-34 Role of the Board of Directors in the field of Sustainability, p. 35	-
2-10	Nomination and approval of members of the Board of Directors	Role of the Board of Directors in the field of sustainability, pp. 35-38	-
2-11	Chairman of the Board of Directors	Role of the Board of Directors in the field of sustainability, p. 39	-
2-12	The role of the top management in supervision of impact management	Allocation of duties and responsibilities for sustainability, pp. 32-33 Role of the Board of Directors in the field of sustainability, p. 35	-
2-13	Delegating responsibility for impact management	Allocation of duties and responsibilities for sustainability, pp. 31-34 Management of environmental issues, p. 72 Management of human resources and social policy issues, p. 87 Occupational health and safety management, p. 103 Contribution to the social and economic development of the regions of operations, p. 114 Tax policy, p. 118 Innovation activities, p. 124	-

2-14	Role of the Board of Directors in the preparation of Sustainability Reports	The role of the Sole Executive Body (SEB) and senior management in sustainability, p. 45	-
2-15	Conflicts of interest	Corporate sustainability management, p. 28 Role of the Board of Directors in the field of sustainability, p. 41 Ethics and combating corruption, pp. 65-66	-
2-16	Communication on critical issues	Role of the Board of Directors in the field of sustainability, pp. 33-37 Management of environmental issues, pp. 71-72 Management of human resources and social policy issues, pp. 86-87 Occupational health and safety management, pp. 100-103 Contribution to the social and economic development of the regions of operations, pp. 113-114 Tax policy, pp. 117-118 Innovation activities, pp. 122-124	-
2-17	Collective knowledge of the highest governance body	Role of the Board of Directors in the field of sustainability, p. 40	-
2-18	Assessment of the top management operations	Role of the Board of Directors in the field of sustainability, pp. 40-41	-
2-19	Remuneration policy	Remuneration and motivation of the SEB, senior management and the Board of Directors, pp. 45-47	-
2-20	The process of determining remuneration	Remuneration and motivation of the SEB, senior management and the Board of Directors, pp. 45-47	-
GRI 2: Strategy, policy, practices			
2-22	Statement from a senior official on sustainability	Address by the Management of OGK-2 to shareholders of the Company, pp. 3-4	-

2-23	Policy Commitments	Our approach to managing sustainability, pp. 21-22 Sustainability goals, pp. 24-28 Ethics and combating corruption, pp. 63-65 Management of human resources and social policy issues, pp. 87-89	-
2-24	Implementing Policy Commitments	Our approach to managing sustainability, pp. 21-24 Sustainability goals, pp. 24-28 Allocation of duties and responsibilities for sustainability, pp. 31-34 Ethics and combating corruption, pp. 63-66 Management of human resources and social policy issues, pp. 87-89	-
2-25	Mitigation of adverse effects	Sustainability risk management system, pp. 54-62 Appendix 1. Basic quantitative data, p. 127 Ethics and combating corruption, pp. 65-66 Management of environmental issues, p. 73	-
2-26	Seeking advice and expressing concerns	Appendix 1. Basic quantitative data, p. 127 Ethics and combating corruption, p. 65 Management of environmental issues, p. 89	-
2-27	Compliance with laws and regulations	Management of environmental issues, p. 73 Management of human resources and social policy issues, p. 88 Appendix 1. Basic quantitative data, pp. 127-128	-
2-28	Member associations	Appendix 6. Participation in organizations and associations, pp. 151-152	-
GRI 2: Stakeholder engagement			
2-29	Stakeholder Engagement Approach	Address by the Management of OGK-2 to shareholders of the Company, pp. 3-4 Our approach to managing sustainability, pp. 22-24 Stakeholder engagement, pp. 66-70 Tax policy, p. 118 Appendix 4. Material topics, pp. 145-151	-

2-30	Collective agreements	Protecting the interests and rights of employees, p. 94	-
GRI 3: Essential topics (2021)			
3-1	Determination of material topics	Appendix 3. About the Report, pp. 144-145 Appendix 4. Material topics, pp. 145-151	-
3-2	List of material topics	Appendix 4. Material topics, pp. 145-151	-
3-3	Management of material topics	Management of environmental issues, pp. 71-72 Emissions of greenhouse gases and air pollutants into the atmosphere, pp. 74-75 Waste management, p. 82 Management of human resources and social policy issues, pp. 86-87 Occupational health and safety management, pp. 100-104 Contribution to the socio-economic development of the regions of operations, pp. 113-114 Tax policy, pp. 117-118 Supply chain development, pp. 119-120 Innovation activities, pp. 122-124	-
GRI 201: Economic indicators			
201-1	Generated and distributed direct economic value	Appendix 1. Basic quantitative data, p. 128	-
201-2	Financial implications and other risks and opportunities associated with climate change	Business model, p. 12 Sustainability risk management system, pp. 59-60 Emissions of greenhouse gases and air pollutants into the atmosphere, p. 75 Appendix 1. Basic quantitative data, p. 129	-
201-3	Ensuring the organization of employee pensions	Management of human resources and social policy issues, p. 87 Protecting the interests and rights of workers, p. 95 Appendix 1. Basic quantitative data, p. 134	-

201-4	Financial assistance received from the state	Appendix 1. Basic quantitative data, p. 137	-
GRI 203: Indirect economic impact			
202-1	Investments in infrastructure and gratuitous services	Protecting the interests and rights of workers, p. 92 Appendix 1. Basic quantitative data, pp. 134-135	-
GRI 203: Indirect economic impact			
203-1	Investments in infrastructure and gratuitous services	Highlights of the year, pp. 19-20 Contribution to the social and economic development of the regions of operations, pp. 113-116 Appendix 1. Basic quantitative data, p. 128	All Company's branches strive to increase the positive impact and minimize the possible negative consequences of their activities for local communities. There were no significant cases of negative impact on local communities in the reporting period
GRI 204: Procurement practices			
204-1	Proportion of procurement budget used for purchases from local suppliers in the regions where the organization operates	Supply chain development, p. 122	-
GRI 205: Combating corruption (2016)			
205-2	Training on anti-corruption policies and procedures	Our approach to managing sustainability, p. 22 Ethics and combating corruption, p. 65 Appendix 1. Basic quantitative data, p. 127	-
205-3	Confirmed cases of corruption and actions taken	Ethics and combating corruption, p. 66 Appendix 1. Basic quantitative data, p. 127	-

GRI 206: Countering anticompetitive behavior (2016)			
206-1	Lawsuits for anticompetitive behavior, antitrust and monopoly practices	Ethics and combating corruption, p. 66 Appendix 1. Basic quantitative data, p. 127	-
GRI 207: Taxes			
207-1	Tax policy	Tax policy, pp. 117-118	-
207-2	Corporate tax management and control and risk management systems	Tax policy, pp. 117-118	-
207-3	Stakeholder Engagement and Tax Management	Tax policy, p. 118	-
207-4	Reporting by country	Appendix 1. Basic quantitative data, pp. 137-138	OGK-2 operates on the territory of the Russian Federation.
GRI 301: Materials (2016)			
301-1	Materials used to specify weight and/or volume	Energy saving and energy efficiency improvement, p. 78 Appendix 1. Basic quantitative data, p. 130	-
GRI 302: Energy			
302-1	Energy consumption within the organization	Energy saving and energy efficiency improvement, p. 78 Appendix 1. Basic quantitative data p. 130	-
302-4	Reducing overall energy consumption	Energy saving and energy efficiency improvement, pp. 78-79 Appendix 1. Basic quantitative data p. 130	-
302-5	The Company's initiatives aimed at improving energy efficiency and the reduction of fuel demand as a result of these initiatives during the reporting period	Energy saving and energy efficiency improvement, pp. 78-79 Appendix 1. Basic quantitative data p. 130	-

GRI 303: Water consumption and water discharge (2018)			
303-1	Interaction with water as a common resource	Utilization of water resources, pp. 79-81	-
303-2	Management of wastewater discharges and associated impacts on water resources	Utilization of water resources, pp. 79-81	-
303-3	Water intake	Utilization of water resources, p. 81 Appendix 1. Basic quantitative data, pp. 130-131	-
303-4	Water disposal	Utilization of water resources, p. 81 Appendix 1. Basic quantitative data, pp. 130-131	-
303-5	Water consumption	Appendix 1. Basic quantitative data, pp. 130-131	-
GRI 304: Biodiversity			
304-1	Production sites owned, leased or managed by the Company and located in specially protected natural areas and areas of high biodiversity value	Utilization of water resources, p. 80 Biodiversity conservation, p. 85	-
304-2	The Company’s impact on biodiversity	Biodiversity conservation, p. 85	-
GRI 305: Emissions into the atmosphere (2016)			
305-1	Direct greenhouse gas emissions (coverage area 1)	Emissions of greenhouse gases and air pollutants into the atmosphere, p. 76 Appendix 1. Basic quantitative data, p. 129	-
305-4	Dynamics and intensity of greenhouse gas emissions	Emissions of greenhouse gases and air pollutants into the atmosphere, pp. 76-77 Appendix 1. Basic quantitative data p. 129	-
305-5	Reduction of greenhouse gas emissions.	Emissions of greenhouse gases and air pollutants into the atmosphere, pp. 74-75	-

305-6	Emissions of ozone depleting substances	Emissions of greenhouse gases and air pollutants into the atmosphere, p. 77	-
305-7	Air emissions of nitrogen oxides, sulfur oxides and other significant pollutants	Emissions of greenhouse gases and air pollutants into the atmosphere, pp. 76-77 Appendix 1. Basic quantitative data p. 129	-
GRI 306: Waste (2020)			
306-1	Waste generation and significant waste-related impacts	Waste management, pp. 82-84	-
306-2	Management of significant waste-related impacts	Waste management, pp. 82-84	-
306-3	Weight of waste generated	Waste management, pp. 82-84 Appendix 1. Basic quantitative data, p. 131	-
306-5	Weight of disposed waste	Waste management, pp. 82-84 Appendix 1. Basic quantitative data, p. 131	-
GRI 308: Environmental Assessment of Suppliers (2016)			
308-1	New suppliers vetted using environmental criteria	Our approach to managing sustainability, p. 22	-
GRI 401: Employment (2016)			
401-1	Total number of new employees, staff turnover	Appendix 1. Basic quantitative data, pp. 132-134	-
401-2	Benefits for full-time employees that are not available to temporary or part-time employees	Protecting the interests and rights of workers, pp. 93-96	-
GRI 402: Interaction of management with employees (2016)			
402-1	Minimum notice period for significant changes in the organization's activities	Protecting the interests and rights of workers, p. 94	-

GRI 403: Health and safety in the workplace (2018)			
403-1	Occupational Health and Safety Management System	Occupational health and safety management, pp. 100-104	-
403-2	Identification and assessment of production risks and hazards, and investigation of risk-related incidents	Sustainability risk management system, pp. 60-61 Occupational injuries, pp. 110-112	-
403-3	Occupational health and safety activities in production	Measures taken to ensure safe working conditions, pp. 106-109	-
403-4	Participation of employees, consultation and provision of information on occupational health and safety issues	Development of safety culture in the Company, p. 105	-
403-5	Training personnel on occupational health and safety	Development of safety culture in the Company, pp. 105-106	-
403-6	Assistance in employees' health improvement	Protecting the interests and rights of employees, p. 96	-
403-7	Prevention and mitigation of health and safety impacts directly related to business relationships	Measures taken to ensure safe working conditions, p. 109	-
403-8	Employees covered by the occupational health and safety management system	Occupational health and safety management, pp. 100-104	-
403-9	Occupational injuries	Occupational injuries, pp. 110-111 Appendix 1. Basic quantitative data, pp. 135-136	-
403-10	Occupational diseases	Measures taken to ensure safe working conditions, pp. 106-109 Appendix 1. Basic quantitative data, p. 136	-
GRI 404: Training and education (2016)			
404-1	Average annual number of training hours per employee	Employees training and development, p. 97 Appendix 1. Basic quantitative data, p. 135	-

404-2	Programs for staff development and continuous professional growth	Employees training and development, p. 97	-
GRI 405: Diversity and equal opportunities (2016)			
405-1	Sociocultural diversity of management bodies and employees	Role of the Board of Directors in the field of sustainability, pp. 37-38 Appendix 1. Basic quantitative data, p. 125	-
405-2	The ratio of the basic salary of women and men	GRI content index, p. 88	There is no difference between the remuneration of men and women in the Company
GRI 406: Preventing Discrimination (2016)			
406-1	Incidents of discrimination and corrective measures taken	Management of human resources and social policy issues, p. 88	-
GRI 407: Freedom of association and collective bargaining (2016)			
407-1	Business units and suppliers where the right to exercise freedom of association and collective bargaining may be at risk	Management of human resources and social policy issues, p. 88	-
GRI 408: Child labour (2016)			
408-1	Operations and suppliers at risk of child labour incidents	Management of human resources and social policy issues, p. 88	-
GRI 409: Coerced labour (2016)			
409-1	Businesses and suppliers at significant risk of incidents of forced or compulsory labour	Management of human resources and social policy issues, p. 88	-
GRI 413: Local communities (2016)			
413-1	Business units with implemented community engagement programs, community impact assessment programs, and community development programs	Contribution to the social and economic development of the regions of operations, p. 114	-
413-2	Significant actual or potential negative impacts on local communities	GRI content index, p. 164	OGK-2 does not have a significant negative impact on local communities.

APPENDIX 10 TABLE OF COMPLIANCE WITH THE METHODOLOGICAL RECOMMENDATIONS FOR THE PREPARATION OF SUSTAINABILITY REPORTING OF THE MINISTRY OF ECONOMIC DEVELOPMENT OF THE RUSSIAN FEDERATION

№	Indicator	Link to the Report section	Comment
Economic			
1	Revenue (revenue-like measure)	Key performance indicators of the Company in 2023	-
2	Added value	Business model	-
3	Net value added	-	-
4	Total expenditure on research and development	Innovation activities	-
5	Labour productivity	Appendix 1. Key quantitative data (Table “Indicators characterizing the Company's activities in the field of training and development of employees, as well as assessment of their performance”)	-
6	Amount of accrued mandatory payments (excluding fines, penalties), total, including: • taxes and fees; • insurance premiums; • other mandatory payments.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activity in terms of tax policy implementation")	-
7	Amount of mandatory payments paid (excluding fines, penalties), total, including: • taxes and fees; • insurance premiums; • other mandatory payments.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activity in terms of tax policy implementation")	-
8	Procurement of Russian goods, works and services in the total volume of purchases of goods, works and, services	Supply chain development Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's procurement”)	-

9	Share of purchases of goods, works and services from small and medium-sized businesses in the total volume of purchases from Russian organizations	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's procurement”)	-
10	Sustainable, including green investments	Management of environmental issues Appendix 1. Basic quantitative data (Table “Structure of expenditures on environmental protection”)	-
11	Investments in projects related to achieving technological sovereignty and structural adaptation of the economy of the Russian Federation	Innovation activities	-
12	Indicator of economic vulnerability of economic and other activities to climatic risks	-	Due to the absence of significant risks of natural and climatic cataclysms (earthquakes, floods, hurricanes, extreme temperatures, etc.) in the regions of presence, there is no need to calculate this indicator.
13	Volume of water used from all water supply sources	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's water use”)	-
14	Volume of recycling and re-sequential water supply	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's water use”)	-
15	Volume of polluted wastewater discharge, total, including without treatment	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's water use”)	-
16	Water use efficiency (“specific water consumption”)	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's water use”)	-
17	Total hazard class I–V wastes generated, including: • class I; • class II; • class III; • class IV; • class V.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activities in the field of waste management”)	-

18	Hazard classes I–V waste management, total, including by category: • disposed waste; • decontaminated waste; • dumped waste; • reused waste; • recycled waste; • reduction in wastes generation.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activities in the field of waste management”)	-
19	Mass of pollutant emissions into the atmospheric air from stationary sources	Appendix 1. Basic quantitative data (Table “Structure of air emissions of significant pollutants”)	-
20	Greenhouse gas emissions	Appendix 1. Basic quantitative data (Table “Structure of air emissions of significant pollutants”)	-
21	Expenditures on the implementation of measures related to environmental protection, total, including: air protection and climate change prevention; wastewater collection and treatment; waste management; biodiversity conservation and protection of natural areas	Management of environmental issues Appendix 1. Basic quantitative data (Table “Structure of expenditures on environmental protection”)	-
22	Renewable and low-carbon energy consumption	Appendix 1. Basic quantitative data (Table Performance indicators of the energy saving and energy efficiency improvement program)	-
23	Energy efficiency: energy consumption per unit of net value added	This indicator is not applied in OGK-2	
24	Labour costs, total	Appendix 1. Basic quantitative data (Table “Indicators characterizing the protection of interests and rights of the Company's employees”)	-
25	Average number of employees, total, including number of disabled persons	Appendix 1. Basic quantitative data (Table “Indicators characterizing the structure of the Company's personnel structure”)	-

26	Average wages, total, including: • by occupation; • by gender; • by age groups.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the protection of interests and rights of the Company's employees”)	-
27	Expenditures on Occupational Health and Safety measures, total, including average per employee	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activities in the field of Occupational Health and Safety”)	-
28	Expenses for organizing and holding social, fitness, health and medical events for employees and their family members	Appendix 1. Basic quantitative data (Table “Indicators characterizing the protection of interests and rights of the Company's employees”)	-
29	Number of victims of occupational accidents with loss of working 1 capacity for 1 working day or more and fatalities, including fatalities	Appendix 1. Basic quantitative data (Table “Indicators characterizing the Company's activities in the field of Occupational Health and Safety”)	-
30	Employee training expenses, total, including average per employee	Employees training and development	-
31	Average number of training hours per year per employee by occupation group	Employees training and development	-
32	Share of employees covered by Collective Agreements in the average number of employees	Protecting the interests and rights of employees	-
33	Personnel turnover rate	Appendix 1. Basic quantitative data (Table “Indicators characterizing the structure of the Company's personnel structure”)	-
34	Expenditures on participation in support of social programs not aimed at employees and their family members, total, including: • charity; • in the housing sector; • in the health care industry; • in the education sector; • to support citizens in need of social assistance.	Appendix 1. Basic quantitative data (Table “Indicators characterizing the protection of interests and rights of the Company's employees”)	-

35	Availability of sustainability policy and (or) other strategic documents in this area	Sustainability management	-
36	Number of meetings of the Board of Directors and their attendance rate	Appendix 1. Basic quantitative data (Table “Indicators characterizing the work of the Board of Directors”)	-
37	Number of members of the Board of Directors, total, including by age groups	Appendix 1. Basic quantitative data (Table “Indicators characterizing the work of the Board of Directors”)	-
38	Number of meetings of the Audit Committee and their attendance rate	Appendix 1. Basic quantitative data (Table “Indicators characterizing the work of the Committees under the Board of Directors”)	-
39	Participation in ESG indices and ratings	Sustainability awards and prizes	-
40	Number of reported cases of violations of the rights of small indigenous minorities in the Russian Federation	-	The Company does not operate in regions with concentrated populations of small indigenous minorities of the Russian Federation
41	Share of employees in positions with high corruption risk	This indicator is not applied in OGK-2	
42	Average number of hours of anti-corruption training per employee	This indicator is not applied in OGK-2	
43	Number of cases of bringing the organization, its subsidiaries and affiliates to administrative responsibility for corruption offenses	Ethics and corruption control	-
44	Share of women executives in the total number of executives, total, including in the Board of Directors (Supervisory Board)	Appendix 1. Basic quantitative data (Table “Indicators characterizing the work of the Board of Directors”)	-

Office 701, room 36-N, floor 7, letter A, bld. 1, 66 Peterburgskoe shosse, intracity territory of a federal city Shushary village, Saint Petersburg, 196605

+7 (812) 646-13-64

OFFICE@OGK2.RU

WWW.OGK2.RU