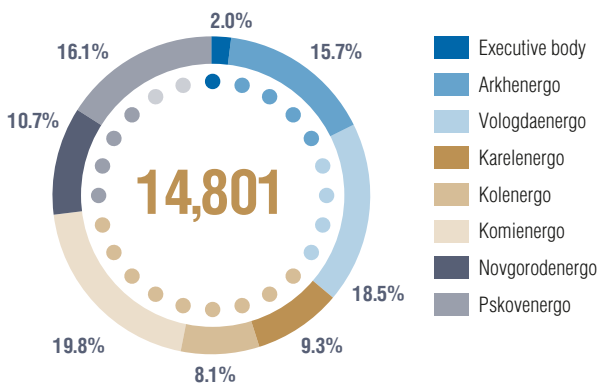


Age structure of personnel analysis shows that the HR potential at PJSC IDGC of the North-West is represented by employees aged from 25 to 50 years old (66%). However there is a minor reduction in the share of young specialists (2% versus 2011), and a growth of the share of employees above 50 years old (+1%). The average age of Company employees in 2015 remained flat at the level recorded in 2013 and 2014 as 42 years old.

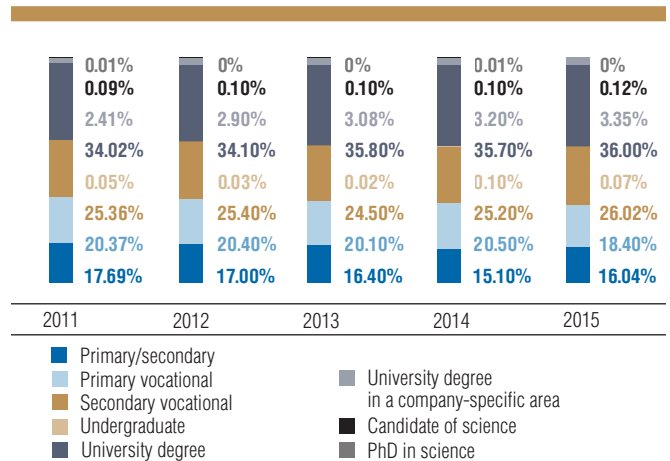
Company employees are very skilled with about 84% having vocational education.

The analysis of the personnel structure of the Company by education over the last five years shows a consistent reduction of employees without vocational education from 17.69% in 2011 to 16.04% in 2015.

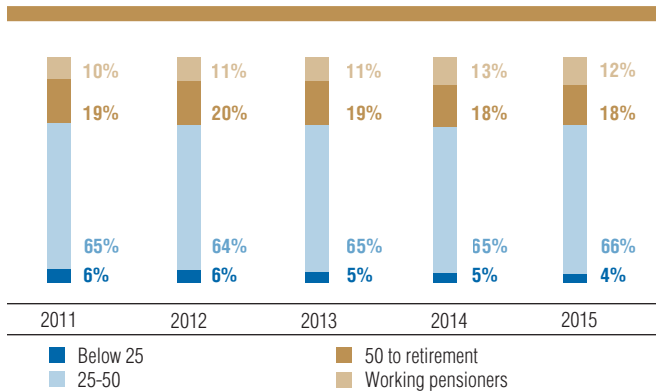
AVERAGE HEADCOUNT DISTRIBUTION IN 2015



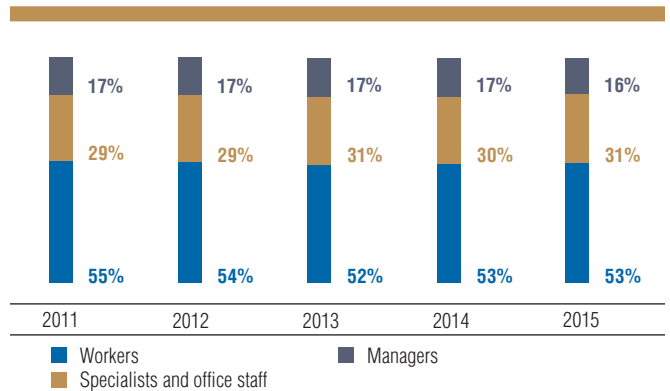
PERSONNEL BREAKDOWN BY EDUCATION



PERSONNEL STRUCTURE BY AGE



PERSONNEL STRUCTURE BY CATEGORY



6.1.2. Talent pool

Management and young employee development continued in 2015 in order to develop the talent pool and satisfy the Company's demands for employees with relevant education to be appointed to vacant and new positions at PJSC IDGC of the North-

West. A total of 378 succession candidates took part in trainings in 2015.

A total of 78 employees were promoted to senior positions in 2015 with 50 succession candidates appointed to their targeted positions.

NUMBER OF SUCCESSION CANDIDATES APPOINTED TO SENIOR POSITIONS

Type of talent pool	Number of succession candidates appointed to senior positions, employees									
	2011		2012		2013		2014		2015	
	targeted positions	other positions	targeted positions	other positions	targeted positions	other positions	targeted positions	other positions	targeted positions	other positions
Management bench strength	58	25	42	15	37	15	54	27	45	20
Young talents	7	0	10	7	3	0	2	6	5	8
Total	65	25	52	22	40	15	56	33	50	28

6.1.2.1. Management bench strength

The management bench strength at PJSC IDGC of the North-West is formed for fast and professional manning of the Company with trained and skilled employees and to ensure management succession.

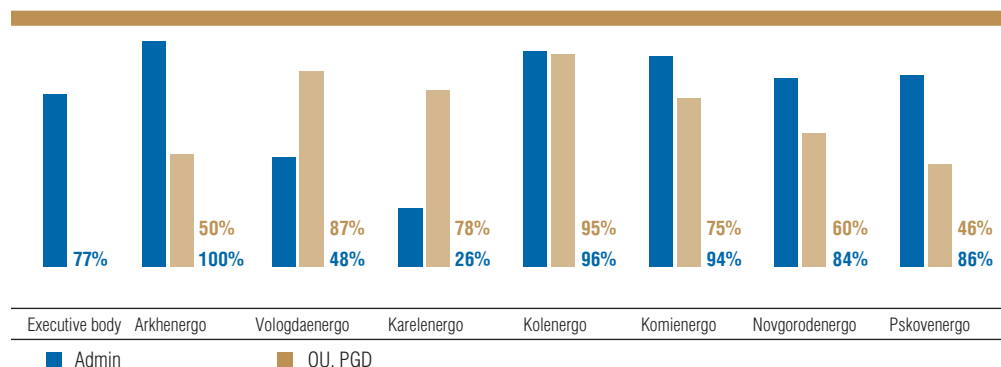
As at the end of the reporting year, Company had 1,082 managers. The Company had 71.9% of necessary management positions filled.

The positions of heads of distribution zones, technical services of administration and operating divisions as well as positions of foremen are not fully filled.

The main reasons for understaffing of the Company:

- no universities preparing specialists of a necessary qualification in the territories serviced by branches;
- inadequate employees motivation for promotion to the bench strength due to low salary;
- no candidates with satisfactory experience and expertise, especially at remote REG.

SUFFICIENCY OF MANAGERS IN THE COMPANY



6.1.2.2. Young talents

The Company has worked with young talents since 2011. The talent pool is formed to:

- create opportunities for professional and personal development of Company's young employees;
- support and improve their professional and leadership development.

In 2015, the young talent pool at the Company included 149 employees.

All young talents successfully completed assessment and demonstrated high growth potential of professional and leadership competencies. Individual development plans (IDPs) were developed for new

employees in the talent pool (29 people) and the employees already in the talent pool (13 people) received recommendations on amendments to their IDPs.

17 talents in Bench strength for Management Positions in Administration and Operating Divisions had the following trainings:

- Effective use of human resources in HR management to comply with the occupational health and safety rules and improve professional competencies;
- Relay protection and automatic equipment in substations;
- Metrology support of the process.

149 employees

THE YOUNG TALENT POOL AT THE COMPANY

6.1.3. Personnel training and development

Training, re-training, and professional development courses for Company employees are held in accordance with the Employee Professional Development Regulations of PJSC IDGC of the North-West, Employee Management Procedure

at PJSC IDGC of the North-West, HR and Social Policy of PJSC IDGC of the North-West which involves continuous professional development.

THE SHARE OF EMPLOYEES TAKING PART IN TRAINING ACTIVITIES AND THE RATIO OF COSTS FOR EMPLOYEE TRAINING AND PAYROLL IN THE REPORTING YEAR, %

