

## Labor Safety

A top priority of the Company's personnel policy is to reduce the risk of occupational injuries. The Company thoroughly analyzes accident information. Based on investigations, the Company makes decisions to minimize injury risks. The occupational safety management system and the industrial safety methodology and processes are improved on a constant basis.

The Company issued in 2014 three regulatory documents in this area:

- order "On Measures to Reduce the Occupational Injury Rate";
- Program of ROSSETI to Reduce the Injury Risks of ROSSETI SDCs' Personnel and Outsiders at Electric Grid Facilities for 2014–2017;
- Model Comprehensive Program of ROSSETI to Reduce the Injury Risks of ROSSETI SDCs' Personnel and Outsiders at Electric Grid Facilities for 2014–2017.

The occupational safety costs of SDCs totaled 4,099.2 million rubles in 2014, or 3.3% more than in 2013. Increased occupational safety costs prove that efforts in this area are important to the Company. The Company is determined to continue its increasingly strenuous efforts in occupational and industrial safety.

## Occupational Injury Rates

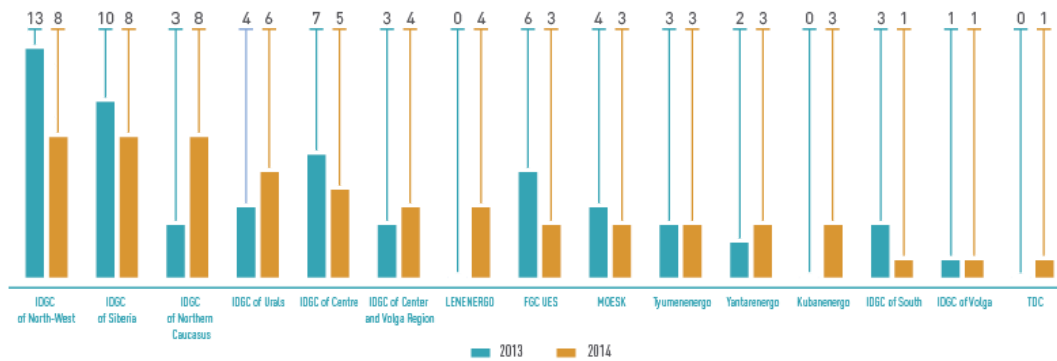
The year 2014 saw 61 occupational accidents at SDCs, involving 67 people. Compared with 2012, the number of accidents increased by 3% and the number of injured persons went up by 5%.

As in 2013, the main cause of injuries was electric shocks and arcing faults affecting personnel operating electrical installations. In 2014, the shares of electrical injuries in total accidents decreased: 31% in 2014 against 42% in 2013. This trend is of great positive importance because more than half of the fatal injuries are caused by electric shocks.

The most frequent causes of accidents were as follow:

- failure to comply with technical regulations prescribing the switching-off and grounding of current-carrying parts of operating electrical installations;
- failure to use personal protective equipment while approaching ungrounded current-carrying parts;
- negligent handling of operating energized equipment.

Changes in the Number of Accidents in 2013–2014



Causes of General Injuries in 2014, %

