

**Minutes of the Board of Directors Meeting No. 288/2017**  
**Public joint stock Company of power industry and electrification of Kuban**  
**(Kubanenergo PJSC)**

Date of the meeting 31 October 2017  
Form of the meeting postal voting (by filling in questionnaires)  
Place of vote counting office 105, building 1, 2A Stavropolskaya St.,  
Krasnodar (postal address of the Corporate Secretary of  
“Kubanenergo” PJSC)  
Date of drawing up minutes 3 November 2017

**Board of Directors Members: 11**

**Questionnaires were submitted by:** Fadeev A.N. (Chairperson of the BoD), Varvarin A.V., Balayeva S.A., Gritsenko V.F., Yefimov A.L., Medvedev M.V., Osipova Ye.N., Tyurkin K.V., Khokholkova K.V., Shagina I.A.

**Questionnaires were not submitted by:** Gavrilov A.I.

According to requirements of paragraph 7.3 of the Regulations for the Board of Directors of Public joint stock Company of power industry and electrification of Kuban (approved by decision of annual General meeting of “Kubanenergo” PJSC shareholders on 20.06.2017, minutes No.39), the quorum for holding the meeting should count at least half of elected members of Board of Directors.

**Quorum is present**

Agenda

1. Implementation of the Environmental Policy
2. Discussion of the report as of 30.06.2017 on implementation of the Plan of development and improvement of internal control and risks management systems of Kubanenergo PJSC for 2016-2018
3. Approval of the Plan of development and improvement of internal audit of Kubanenergo PJSC
4. Discussion of the report submitted by the Director General of Kubanenergo PJSC on the Company’s Credit Policy in the 2<sup>nd</sup> quarter of 2017
5. Discussion of the report on implementation of the RAS-based business plan of Kubanenergo Group and IFRS-based business plan of Kubanenergo Group during the first six months of 2017

**Item 1**

**Implementation of the Environmental Policy**

The following resolution is proposed:

1. To join the implementation of the Environmental policy in the power grid complex (hereinafter – the Policy) approved by the decision of the Board of Directors of Rosseti PJSC on 01.03.2017 (Minutes No. 254 of 03.03.2017) and approve the Policy as an internal document of the Company, in accordance with Appendix No.1 to this decision of the Board of Directors of the Company.
2. To approve the Plan of Kubanenergo PJSC on the Implementation of the Environmental Policy 2017-2019, in accordance with Appendix No.2 to this decision of the Board of Directors of the Company.

**Voting results**

|                |   |     |                  |   |     |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N.    | - | FOR | Medvedev M.V.    | - | FOR |
| Balayeva S.A.  | - | FOR | Osipova Ye.N.    | - | FOR |
| Varvarin A.V.  | - | FOR | Tyurkin K.V.     | - | FOR |
| Gritsenko V.F. | - | FOR | Khokholkova K.V. | - | FOR |

Yefimov A.L. - FOR Shagina I.A. - FOR

Thus, on the first issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

## **Item 2**

### **Discussion of the report as of 30.06.2017 on implementation of the Plan of development and improvement of internal control and risks management systems of Kubanenergo PJSC for 2016-2018**

The following resolution is proposed:

To take into consideration the report as of 30.06.2017 on implementation of the Plan of development and improvement of internal control and risks management systems of Kubanenergo PJSC for 2016-2018, in accordance with Appendix No.6 to this decision of the Board of Directors of the Company.

#### **Voting results**

|                |   |     |                  |   |     |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N.    | - | FOR | Medvedev M.V.    | - | FOR |
| Balayeva S.A.  | - | FOR | Osipova Ye.N.    | - | FOR |
| Varvarin A.V.  | - | FOR | Tyurkin K.V.     | - | FOR |
| Gritsenko V.F. | - | FOR | Khokholkova K.V. | - | FOR |
| Yefimov A.L.   | - | FOR | Shagina I.A.     | - | FOR |

Thus, on the second issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

## **Item 3**

### **Approval of the Plan of development and improvement of internal audit of Kubanenergo PJSC**

The following resolution is proposed:

To approve the Plan of development and improvement of internal audit of Kubanenergo PJSC, in accordance with Appendix No.24 to this decision of the Board of Directors of the Company.

#### **Voting results**

|                |   |     |                  |   |     |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N.    | - | FOR | Medvedev M.V.    | - | FOR |
| Balayeva S.A.  | - | FOR | Osipova Ye.N.    | - | FOR |
| Varvarin A.V.  | - | FOR | Tyurkin K.V.     | - | FOR |
| Gritsenko V.F. | - | FOR | Khokholkova K.V. | - | FOR |
| Yefimov A.L.   | - | FOR | Shagina I.A.     | - | FOR |

Thus, on the third issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

## **Item .4**

### **Discussion of the report submitted by the Director General of Kubanenergo PJSC on the Company's Credit Policy in the 2<sup>nd</sup> quarter of 2017**

The following resolution is proposed:

1. To take into consideration the report submitted by the Director General of Kubanenergo PJSC on the Company's Credit Policy in the 2<sup>nd</sup> quarter of 2017, in accordance with Appendix No.5 to this decision of the Board of Directors of the Company.
2. To note that the agenda item was proposed for consideration by the Board of Directors of the Company late.
3. To note the excess of the target limit for the coverage of debt servicing as of 30.06.2017.

4. To approve a temporary excess of the target limit for the coverage of debt servicing as of 30.06.2017.

5. Instruct the General Director of the Company to ensure compliance with the requirements of the Regulations on Credit Policy approved by the Board of Directors of the Company.

**Voting results**

|                |   |     |                  |   |     |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N.    | - | FOR | Medvedev M.V.    | - | FOR |
| Balayeva S.A.  | - | FOR | Osipova Ye.N.    | - | FOR |
| Varvarin A.V.  | - | FOR | Tyurkin K.V.     | - | FOR |
| Gritsenko V.F. | - | FOR | Khokholkova K.V. | - | FOR |
| Yefimov A.L.   | - | FOR | Shagina I.A.     | - | FOR |

Thus, on the fourth issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

**Item 5**

**Discussion of the report on implementation of the RAS-based business plan of Kubanenergo Group and IFRS-based business plan of Kubanenergo Group during the first six months of 2017**

The following resolution is proposed:

To take into consideration the report on implementation of the RAS-based business plan of Kubanenergo Group and IFRS-based business plan of Kubanenergo Group during the first six months of 2017, in accordance with Appendixes No.6-7 to this decision of the Board of Directors of the Company.

**Voting results**

|                |   |     |                  |   |     |
|----------------|---|-----|------------------|---|-----|
| Fadeev A.N.    | - | FOR | Medvedev M.V.    | - | FOR |
| Balayeva S.A.  | - | FOR | Osipova Ye.N.    | - | FOR |
| Varvarin A.V.  | - | FOR | Tyurkin K.V.     | - | FOR |
| Gritsenko V.F. | - | FOR | Khokholkova K.V. | - | FOR |
| Yefimov A.L.   | - | FOR | Shagina I.A.     | - | FOR |

Thus, on the fifth issue, the proposed decision was unanimously adopted by the members of the Board of Directors participating in the meeting.

**Chairperson of the BoD**

**Fadeev A.N.**

**Corporate secretary**

**Russu O.V.**