

QUARTERLY REPORT

Public Joint-Stock Company of Power Industry and Electrification of Kuban

Публичное акционерное общество энергетики и электрификации Кубани

Issuer's code 00063-A

Quarter 4, 2017

The issuer's address: **2A Stavropolskaya str., Krasnodar, Russia 350033**

Information contained in the quarterly report is subject to disclosure in accordance with the legislation of the Russian Federation on securities

Director General	
Date: 13 February 2018	_____ Gavrilov A.I. signature
Chief Accountant – head of Department of Financial Records, Accounts and Tax Returns	
Date: 13 February 2018	_____ Skiba I.V. signature

<p>Contact person: Kruglova Svetlana Ivanovna, Chief Specialist of the Corporate Governance and Shareholder Relations Department</p> <p>Telephone: (861) 212-2510</p> <p>Fax: (861) 212-2708</p> <p>E-mail: kruglovasi@kuben.elektra.ru</p> <p>Internet page(s) used for disclosure of information contained in this quarterly report: www.kubanenergo.ru/stockholders/disclosure_of_information/amp_reports/, http://www.e-disclosure.ru/portal/company.aspx?id=2827.</p>

Introduction	5
I. Information on the bank accounts, auditor (auditing company), appraiser and financial consultant of the Issuer as well as other persons who signed the quarterly report	6
1.1. Information on the issuer's bank accounts	6
1.2. Information on the issuer's auditor	7
1.3. Information on the Appraiser(s) of the issuer	9
1.4. Information on consultants of the Issuer	9
1.5 Information on other persons who signed the quarterly report	9
II. Information on the Financial and Economic State of the Issuer	9
2.1. Financial and economic performance indicators of the issuer	9
2.2. Market capitalization of the issuer	9
2.3. Liabilities of the issuer	10
2.3.1. Borrowed funds and accounts payable	10
2.3.2. Credit history of the issuer	10
2.3.3. Liabilities of the issuer arising from guarantees provided to third persons	11
2.3.4. Other liabilities of the issuer	11
2.4. Risks related to acquisition of securities being placed (placed)	11
2.4.2. Country and regional risks	14
2.4.3. Financial risks	15
2.4.4. Legal risks	16
2.4.7. Risks connected with the Issuer's activity	17
III. Detailed information on the Issuer	18
3.1. History of foundation and development of the Issuer	18
3.1.1. Information on the Issuer's business name (registered name)	18
3.1.2. Data on the Issuer's State Registration	19
3.1.3 Information on establishment and development of the Issuer	19
3.1.4. Contact information	21
3.1.5. Taxpayer Identification Number	22
3.1.6. Branches and representative offices of the Issuer	22
3.2. Core business activities of the issuer	22
3.2.1. Core economic activities of the issuer	22
3.2.2. Core business activities of the issuer	22
3.2.3. Materials, goods (raw materials) and suppliers of issuer	22
3.2.4. Target markets of the Issuer's products (works, services)	22
3.2.5. Information on the Issuer's licenses	24
3.3. Issuer's future activity plans	25
3.5. Subsidiary and dependent companies of the Issuer	26
3.6. Composition, structure and value of the Issuer's fixed assets, information on plans for acquisition, replacement and retirement of fixed assets as well as all facts of encumbrance on the Issuer's fixed assets	26
IV. Information on the Issuer's business activity	26
4.1. Results of business activity	26
4.2. Liquidity of the Issuer, sufficiency of equity and current assets	27
4.3. Financial investments of the Issuer	27
4.4. Intangible assets	27
4.5. Information on the Issuer's policy and expenses in the field of scientific and technical development, with regard to licenses and patents, new researches and developments	27
4.6. Analysis of development trends in the sphere of Issuer's core activity	27
4.7. Analysis of factors and conditions affecting the Issuer's activity	27
4.8. Issuer's Competitors	30
V. Information on persons that are members of the Issuer's management bodies, the Issuer's bodies in charge of control	

of financial and business activity and brief details on the Issuer's employees (workers)	30
5.1. Information on the structure and competence of the Management Bodies of the Issuer	30
During the reporting quarter changes in information disclosed in this chapter did not occur.	30
5.3. Information on the amounts of reward, benefits and/or compensation for expenses due to each of the Issuer's management bodies	57
5.4. Information on the structure and competence of bodies controlling the Issuer's business activity and on organization of risk management and internal audit systems.	59
5.5. Information on members of bodies controlling the Issuer's business activity	66
5.6. Information on the amount of benefits and/or compensation of expenses on the bodies controlling the Issuer's financial and business activity	74
5.8. Information on any other liabilities of the Issuer to employees (workers) related to possibility of their participation in authorized capital of the Issuer	76
VI. Information on the Issuer's participants (shareholders) and on interested-party transactions effected by the Issuer .	76
6.1. Information on the total number of the Issuer's shareholders (participants)	77
6.2. Information on participants (shareholders) of the issuer owning at least five percent of its authorized capital or at least five percent of its ordinary shares, as well as information on those controlling such participants (shareholders), and in case of absence of such persons - information on participants (shareholders), owning at least 20 percent of the authorized capital or at least 20 percent of ordinary shares.	77
6.3. Information on participatory stake of the State or a municipal unit in the authorized capital of the Issuer and on availability of a special right ("Golden Share")	78
6.4. Information on restrictions on participation in the Issuer's authorized capital	79
6.5. Information on changes in composition and amount of participation of shareholders (participants) of the Issuer holding no less than 5% of the Issuer's authorized capital or no less than 5% of one's ordinary shares	79
6.6. Information on the interested-party transactions of the Issuer	80
6.7. Information on the accounts receivable.....	81
VII. The Issuer's accounting (financial) statements and other financial information	81
7.1. The Issuer's annual accounting (financial) statements.....	82
7.2. Interim accounting (financial) statements of the Issuer.....	82
7.3. Consolidated accounting statements of the Issuer	82
7.4. Information on the accounting policy of the Issuer	82
7.5. Information on the total sum of export and of the portion of export in the total volume of sales	82
7.6. Information on material changes in the Issuer's property after the most recently closed reporting year	82
VIII. Additional information on the Issuer and on the issued securities	88
8.1. Additional information on the Issuer	88
8.1.1. Information on the value and structure of the Issue's authorized capital	88
8.1.3. Information on convocation and holding meetings (sessions) of the supreme management body of the Issuer	89
8.1.4. Information on commercial organizations in which the Issuer owns at least five percent of the authorized capital, or not less than five percent of ordinary shares.....	89
8.1.5. Information on material deals effected by the Issuer	89
8.1.6. Information about credit ratings of the Issuer	89
8.2. Information on each category (type) of the Issuer's shares.....	89
8.3. Information on the previous issues of the Issuer's issuable securities, except the Issuer's shares	90
8.3.1. Details of the issues all securities that have been redeemed	90
8.3.2. Information on the issues of securities that were not redeemed	90
8.4. Information on the person(s) that provided collateral for collateralized bonds of the Issuer and on collateral for collateralized bonds of the Issuer	91
8.4.1. Additional information on conditions of implementation obligations on mortgage-backed securities	91
8.4.2. Additional information on security with cash claims under the issuer's secured-bonds with cash claims	92
8.5. Information on organizations controlling the implementation of rights on Issuer's securities	92
8.6. Information on legislative instruments regulating the capital import and export that may affect payment of dividend, interests and other payments to non-residents.....	92
8.7. Information on the announced (accrued) and paid dividends on the Issuer's shares as well as on incomes from the Issuer's bonds.....	93

8.7.1. Information on the announced (accrued) and paid dividends on the Issuer's shares	93
8.7.2. Information on accrued and paid income on Bonds	97
8.8. Other information	99
8.8.1. Information on transactions concluded by the Issuer with state companies and quarterly review of such transactions	99
8.8.1.1. Transactions with state companies:	99
8.8.1.2 Intra-group transactions:	99
8.8.1.3. Interested party transactions requiring notice / consent from the management bodies of Kubanenergo PJSC concluded in the reporting quarter: such transactions were not concluded	99
8.9. Data on the securities distributed and on the Issuer of the distributed securities, the property right certified by Russian depositary receipts	100

Introduction

Grounds for the issuer's obligation to disclose information in the form of a quarterly report:

Securities Prospectus with respect to the issuer's securities was registered;

The state registration of issue (additional issue) was followed by registration of securities prospectus, along with it such securities were offered by public subscription or by private offering to persons which amount did not exceed 500.

The Issuer is a joint-stock company founded in the process of privatization of state and/or municipally owned enterprises (subdivisions) under the privatization plan approved in accordance with the established procedure, representing Issuer's shares issuance prospectus as of its approval date and envisaging the possibility of the Issuer's shares alienation by more than 500 purchasers or by general public.

The bonds of the issuer were admitted to trading at the stock exchange with submission to the stock exchange of the bonds prospectus for such admission

In the report Public Joint Stock Company of Power Industry and Electrification of Kuban is also referred to as "Kubanenergo" PJSC, the Issuer, the issuer and the Company, and when referring to the events happened before 22.06.2015 (the date of changing the Company's name) – "Kubanenergo" JSC.

Rosseti PJSC ("IDGC Holding" JSC until 04.04.2013, from 04.04.2013 until 17.07.2015 – Rosseti JSC) and the names of other legal entities are used here the way they were at the referring period (event).

The report contains additional information, which disclosure is required by the restated Regulations on the Information Policy of the Company approved by the Board of Directors of "Kubanenergo" JSC on 15.08.2013, Minutes No.170/2013 dated 16.08.2013. The full text of the Regulations on the Information Policy is available on the corporate website of "Kubanenergo" PJSC and website of information agency "Interfax":

<http://kubanenergo.ru/o-kompanii/uchreditelnye-i-vnutrennie-dokumenty/vnutrennie-polozheniya/>,
<http://www.e-disclosure.ru/portal/company.aspx?id=2827>.

The issuer's activity is referred to the sphere of natural monopoly being controlled by the state, tariffs for services of electric energy transmission through distribution networks as well as the amount of payment for technological connection to electric power grids are established by the state body for tariff regulation – Regional Energy Commission - Price and Tariff Department for the Krasnodar Region.

Abbreviated DZO means affiliated and dependent companies in accordance with article 6 of the Federal law "On Joint Stock Companies".

Information on the positions held by members of the management and control bodies of the issuer is specified in paragraphs 5.2.1-5.2.3 and 5.5 of this report in accordance with the data provided by such members. When disclosing information on these persons, their posts and companies are specified as of the date of the reporting quarter.

This quarterly report contains estimates and forecasts by the Issuer's authorized management bodies regarding the future events and/or actions, prospects for development of the economy branch wherein the Issuer carries out one's core activity and results of the Issuer's actions inclusive of the Issuer's plans, probability of occurring particular events and implementation of particular activities. Investors should not completely rely on the estimates and forecasts presented by the Management Bodies of the Issuer since actual results of the Issuer's activity in the future may vary from those forecast due to multiple reasons. Acquisition of the Issuer's securities is associated with risks described in the quarterly report.

I. Information on the bank accounts, auditor (auditing company), appraiser and financial consultant of the Issuer as well as other persons who signed the quarterly report

1.1. Information on the issuer's bank accounts

Information on the credit institution

Full business name: **Public Joint Stock Company "Sberbank of Russia"**

Abbreviated business name: **"Sberbank of Russia" PJSC**

Location: **19 Vavilova street, Moscow 117997**

TIN: **7707083893**

BIC: **040349602**

Account number: **40702810330020101989**

Correspondent account: **30101810100000000602**

Account type: **Settlement account in rubles**

Information on the credit institution

Full business name: **Public Joint Stock Company "Sberbank of Russia"**

Abbreviated business name: **"Sberbank of Russia" PJSC**

Location: **19 Vavilova street, Moscow 117997**

TIN: **7707083893**

BIC: **040349602**

Account number: **40702810230020101076**

Correspondent account: **30101810100000000602**

Account type: **Settlement account in rubles**

Information on the credit institution

Full business name: **"Gazprombank" (joint stock company)**

Abbreviated business name: **Bank GPB (JSC)**

Location: **16/1 Nametkina street, Moscow 117420**

TIN: **7744001497**

BIC: **040349781**

Account number: **40702810500070010191**

Correspondent account: **30101810500000000781**

Account type: **Settlement account in rubles**

(The issuer shall specify information on all its settlement accounts and other types of accounts, and if the issuer has more than three accounts then it should specify at its own discretion at least three settlement accounts and other types of accounts)

1.2. Information on the issuer's auditor

The following information is specified: information about the auditor (auditing company) that conducted an independent audit of the accounting (financial) statements of the issuer and the consolidated financial statements of the issuer, which are part of the quarterly report, as well as the auditor (auditing company) approved (chosen) to audit the annual accounting (financial) statements and annual consolidated financial statements of the issuer for the current and the last completed fiscal year.

Full business name: **Limited Liability Company "RSM RUS"**

Abbreviated business name: **"RSM RUS" LLC**

Location: **4 Pudovkina street, Moscow, 119285**

TIN: **7722020834**

PSRN: **1027700257540**

Telephone: **+7 (495) 363-2848**

Fax: **+7 (495) 981-4121**

E-mail: **mail@rsmrus.ru**

Auditor's membership in self-regulating auditor organizations:

Name: **Self-regulatory organization of auditors Non-profit Partnership "Auditing Association "Sodruzhestvo"**

Address: **21/4 Michurinsky Prospekt, Moscow, Russia 119192**

Additional Information:

The primary registration number of "RSM RUS" LLC in Self-regulatory organization of auditors Non-profit Partnership "Auditing Association "Sodruzhestvo" is 11306030308.

Financial year(s) from among the last five financial years and the current year for which the Auditor conducted (will conduct) an independent audit of the accounting (financial) statements of the issuer

financial (accounting) statements, year	Consolidated financial report, year
2015	2015
2016	2016
2017	2017

Periods from among the five financial last years and the current year for which the Auditor conducted (will conduct) an independent audit of the accounting (financial) interim statements of the issuer

financial (accounting) statements, year	Consolidated financial report, year
9 months of 2015	-
9 months of 2016	-
9 months of 2017	-

Factors that may affect the independence of the auditor (auditing company) of the issuer, including

information on any material interests between the auditor (or persons holding positions in the management bodies and the bodies of control over financial and economic activities of the auditing company) and the issuer (persons holding positions in the management and control bodies of financial and economic activities of the issuer):

There are no factors that may affect the independence of the auditor (auditing company) of the issuer, including information on any material interests between the auditor (or persons holding positions in the management bodies and the bodies of control over financial and economic activities of the audit organization) and the issuer (persons holding positions in the management and control bodies of financial and economic activities of the issuer)

Procedure for selection of the issuer's Auditor:

Presence of a tendering procedure for selection of Auditor and its basic conditions:

Tender procedure for selecting an auditor (auditing company) was not carried out.

The auditor candidate was determined via competitive procedures. For participation in the competitive procedures, an auditor (company) should meet the following requirements:

- shall not be in the process of liquidation;
- shall not have the resolution concerning the suspension of operations in accordance with the procedure stipulated by the Code of the Russian Federation on Administrative Offences as of the date of consideration of the Application Form for participation in the Competition;
- shall not have any overdue taxes, duties and other obligatory payments to the budgets of any level or the state unappropriated funds as of the last calendar year, the amount of which exceeds twenty five percent of the balance sheet asset of the participant according to the accounting reports as of the last completed accounting period;
- shall not fall under terms enlisted in clause 1 of article 8 of the Federal Law "On the Auditor's Activity" No.307 dated 30 December 2008.

On the basis of decision of the Tender committee of Rosseti JSC on summing up the results of public competitive negotiations without prequalification of bidders for the right to conclude contracts on obligatory annual audit of reports of affiliated and depended companies of Rosseti for 2015-2017 (minutes of meeting No.5/552p dated 20.04.2015), the candidature of "RSM RUS", LLC was pronounced the winner.

Procedure for nominating auditor for approval at the Meeting of Shareholders (Participants), including indication of the management body making the decision:

According to the Federal Law "On Joint-Stock Companies", the Auditor of the Company is subject to approval by the General Meeting of Shareholders. However, the legislation fails to set forth the auditor candidacy nomination procedure: unspecified are the terms and the procedure of the auditor candidacy nomination for inclusion in the list for voting on the issue of approval of Auditor of the Company. In this regard, the candidature of an auditor for approval by the general meeting of shareholders shall be preliminary considered by the Audit Committee of the Board of Directors of the Company and, with the advice of the Audit Committee shall be determined by the Board of Directors of the Company in dealing with the issue of preparation and holding of the Annual General Meeting of Shareholders.

The auditor did not perform works within the framework of special audit assignments.

Procedure for determining the remuneration of the auditor; actual amount of remuneration paid to the auditor by the results of the last completed financial year on which the auditor performed audit of accounting report; information on deferred and overdue payments for the services rendered by the auditor:

The amount of payment for services of the Issuer's Auditor approved by the General Meeting of Shareholders of the Issuer for compulsory annual review and validation of the Issuer's annual financial statements is determined by decision of the Board of Directors.

The amount of payment to “RSM RUS” LLC for the audit of accounting (financial) statements of the Issuer for 2016 prepared in accordance with the Russian Accounting Standards and audited consolidated financial statements for 2016 prepared in accordance with the International Financial Reporting Standards amounted to 1 614 104 rubles 40 kopecks, including VAT. The payment for services of “RSM RUS” LLC for the audit of the accounting (financial) statements of the issuer for 2017 prepared in accordance with the Russian Accounting Standards and audited consolidated financial statements for 2017 prepared in accordance with the International Financial Reporting Standards will be 1 614 104 rubles 40 kopecks, including VAT.

There are no deferred or overdue payments for the services provided by the Auditor.

There are no factors that may affect the independence of the auditor from the issuer as well as interests binding auditor (officials of the auditing company) with the issuer (officials of the issuer).

1.3. Information on the Appraiser(s) of the issuer

Appraisers for the reasons listed in this paragraph, within 12 months prior to the end date of the reporting quarter, were not involved.

1.4. Information on consultants of the Issuer

Consultants for the reasons listed in this paragraph, within 12 months prior to the end date of the reporting quarter, were not involved.

1.5 Information on other persons who signed the quarterly report

Name: Gavrilov Aleksandr Ilich

Year of birth: **1973**

Place of work: **Kubanenergo PJSC**

Position: **Director General**

Name: Skiba Inna Viktorovna

Year of birth: **1975**

Place of work: **Kubanenergo PJSC**

Position: **Chief Accountant – Head of Department of Financial Records, Accounts and Tax Returns**

II. Information on the Financial and Economic State of the Issuer

2.1. Financial and economic performance indicators of the issuer

Not applicable to the report for the 4th quarter

2.2. Market capitalization of the issuer

Market capitalization is calculated as the production of the quantity of shares of the corresponding category (type) and the market price of one share disclosed by the securities market trade organizer.

Unit of measurement: **thousand rubles**

Indicator	31.12.2016	31.12.2017
Market capitalization	24 694 387.7	21 299 970.2

Information on the trade organizer at the securities market, on the grounds of which data calculation of the market capitalization is carried out, as well as other additional information on public circulation of securities at the issuer's discretion:

Full business name: Public Joint Stock Company "Moscow Exchange MICEX-RTS"

Abbreviated business name: Moscow Exchange

Location: 13 Bolshoy Kislovsky pereulok, 125009, Moscow

TIN: 7702077840

PSRN: 027739387411

Telephone: +7 (495) 363-32-32; +7 (495) 232-33-63

Fax: +7 (495) 234-48-40.

Licenses:

Stock Exchange License No. 077-001 dated 29.08.2013 issued by the Federal Service for Financial Markets

Webpage: <http://moex.com/>

The amount of market capitalization of the Issuer is specified without placed shares of additional issue.

2.3. Liabilities of the issuer

2.3.1. Borrowed funds and accounts payable

Not applicable to the report for the 4th quarter

2.3.2. Credit history of the issuer

Fulfilment of liabilities by the Issuer under credit and/or loan contracts in force within the most recently closed reporting year and the current year if their principal amount accounted for five percent or more of the book value of the issuer's assets as of the last date of the most recently closed reporting period consisting of 3, 6, 9, or 12 months and preceding the time of entering into the relevant agreements and under any other loan agreements and/or credit facility agreements considered by the issuer to be material for itself.

Type and identification characteristics of the obligation	
1. credit line, resolution on securities issue No. 4B02-02-00063-A-001P dated 10.11.2015 series 001P-02	
Terms of the obligation and information on its fulfillment	
Name, location or of the creditor (lender)	Purchasers of securities
Sum of the debt as of the moment of occurring of obligation, rubles	3400000 RUR X 1000
Sum of the debt as of the end of reporting quarter, rubles	3400000 RUR X 1000
Sum of credit (loan), (years)	10
Average interest on credit (loan), % per annum	12.63
Number of interest (coupon) periods	20
Presence of overdue in interest payments, in case of presence – the total amount of overdue and their volume in days	no
Planned term (date) of credit (loan) payment	11.11.2025
Actual term (date) of credit (loan) payment	current
Other information on obligations, specified by the	no

issuer at its discretion	
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Type and identification characteristics of the obligation	
2. credit line, resolution to issue securities No. 4B02-01-00063-A-001P dated 10.11.2015 series 001P-01	
Terms of the obligation and information on its fulfillment	
Name, location of the creditor (lender)	Purchasers of securities
Sum of the debt as of the moment of occurring of obligation, rubles	3600000 RUR X 1000
Sum of the debt as of the end of reporting quarter, rubles	3600000 RUR X 1000
Sum of credit (loan), (years)	10
Average interest on credit (loan), % per annum	10.44
Number of interest (coupon) periods	20
Presence of overdue in interest payments, in case of presence – the total amount of overdue and their volume in days	no
Planned term (date) of credit (loan) payment	21.11.2025
Actual term (date) of credit (loan) payment	current
Other information on obligations, specified by the issuer at its discretion	no

2.3.3. Liabilities of the issuer arising from guarantees provided to third persons

The issuer does not have such liabilities.

2.3.4. Other liabilities of the issuer

There are no other liabilities unrepresented in the balance sheet that may substantially affect the financial status of the Issuer, one's liquidity, sources of funding and conditions of their use, as well as the results of activity and expenses.

2.4. Risks related to acquisition of securities being placed (placed)

Risk management policy of the issuer:

The Board of Directors of Rosseti JSC approved the Strategy of Development and Improvement of Internal Control System of Rosseti JSC and subsidiaries and affiliates of Rosseti JSC (Minutes of meeting No.143 dd. 13.02.2014), that determines the current and target condition of internal control and risks management system of Rosseti PJSC and its subsidiaries and affiliates.

To implement this Strategy, the Issuer's Board of Directors approved the Internal Control Policy and the Risks Management Policy of Kubanenergo PJSC (Minutes of meeting No. 233/2016 dd. 18.03.2016) that are aimed at timely revealing and providing of preventive actions on minimization of risk (control procedures) to decrease the possibility of financial and other losses that influence at reaching the goals of the Company. The Issuer's Risks Management Policy requires compliance with the following principals:

1) establishment and protection of the Company's property (the System of Risks Management contributes to the achievement of goals and improvement of productivity, ensuring health and safety employees, ensuring that the safety of all the Company's activities comply with legal and regulatory

requirements, environmental protection, improve service quality, operational efficiency, control and reputation);

2) Risk management is an integral part of all organizational processes (risk management is not a separate activity that is separate from the activities and processes in an organization; it is a part of management's commitment and an integral part of all organizational processes, including strategic planning and all project management processes and changes);

3) Risk management is part of the decision-making process;

4) Risk management is systematic, structured and well-timed;

5) Risk management is based on the best available information;

6) Risk management is transparent and takes into account the interests of stakeholders;

7) Risk management is dynamic, iterative (repetitive) and responsive to changes;

8) Risk management contributes to the continuous improvement of the organization;

9) responsibility for risk management – all participants of the System of Risks Management are responsible for the identification, assessment, analysis and continuous monitoring of risks in the framework of its activities, the development and implementation of the necessary measures for risk management, continuous monitoring of the effectiveness of risk management measures;

10) the principle of optimality (analysis of the ratio of expenses for implementation of measures for the risk and impact of the implementation of these measures, including correspondence between the level of complexity of the System of Risks Management and level of complexity and the degree of importance the object, the is analyzed in terms of risk);

11) the unity of the methodological framework. Risk management (identification, analysis, assessment and monitoring of risks, development and monitoring of the effectiveness of risk management) are carried out on the basis of approaches and standards, common to all structural units of the Issuer.

Every quarter the Issuer collects and analyses information on internal and external factors that can have a negative effect on Issuer's goals achieving. For minimization of consequences from risks implementation the Issuer developed and carried out events on prevention of negative consequences; at the same time there are political and economic factors that influence the activity of Kubanenergo PJSC in respect of which the Issuer cannot guarantee that events aimed to overriding of possible negative situations can change the situation for the better because these risks factors are out of the Issuer's control.

2.4.1. Industry Risks

Tariff risks

In connection with the restriction of growth of tariffs for transmission services for end-users at the level of the RF Government, the likelihood of establishing a tariff lower than the economically justified level is estimated as high.

To prevent and mitigate the impacts from implementation of this risk the Company provides supporting materials to regulatory authorities, that confirm level of economically feasible expenses of the Issuer, upholds the position on necessity of outrunning growth of expenditures, as strategic Company, collective fund holder of Krasnodar region and Republic of Adygea, forms and send disputes to Federal Antimonopoly Service of the Russian Federation.

The Issuer is exposed to risks of reducing of revenues amount in connection with changing of structure of electric energy transmission relating to accepted one while tariffs were approved, and

risks of changing of legislation in sphere of tariffs setting.

The following events are implemented to minimize the risks:

- 1) cooperation with tariff regulatory authorities concerning questions related to accounting of losses that were caused by determining at the federal level the sums of falling out income from applying non-regulated price at necessary gross revenue of the Issuer in the next period of tariff regulation;
- 2) preparation and submission to state tariff regulatory agencies the propositions on technological electric energy/power consumption taking into account dynamics of productive supply for purposes of forming of consolidated balance forecast for production and delivery of electricity for the next year;
- 3) development and implementation of the Programme of increasing of electric energy efficiency and its coordination with administration of the regions;
- 4) development and implementation of the Programme of cost management.

The issuer's sphere of influence on the tariff regulation agencies is limited, and the issuer cannot guarantee that the measures aimed at minimizing the consequences will be as effective as possible.

The Issuer is exposed to risk of scarcities of source of funding of events on agreements on implementation of technological connection (hereafter – technological connection) due to approving by regulating authority of paying rate for technological connection lower of economically feasible level. One of the factors of this risks arising is introduction of amendments to legislation of the Russian Federation (Federal Law No. 35-FZ dd. 26.03.2003 “On power industry”) on excluding of power receivers of maximum capacity 150 kW from paying for technological connection of investment component for covering of charges for construction of power supply network facilities (from 1 October of 2015 – no more than 50% from amount of specified expenditures, from 1 October of 2017 – excluding this expenditures from paying for technological connection).

To minimize risk, the Company cooperates with tariffs regulatory authorities, forms correct scope of obligation on technological connection agreements, develops project documents on scope of obligations on technological connection agreements, submits in regulatory authorities the additional supporting materials, and adopts economic feasibility of paying rate for technological connection.

Risk of antimonopoly legislation is evaluated by Company as medium.

The reason of the risk implementation may become non-fulfillment of obligations of the Issuer on technological connection on concluded agreement on technological connection (because of scarcity of funds and large number of agreements on technological connection)

Risk of reducing the amount of services on electric energy transmission.

Risk of reducing the amount of services on electric energy transmission is industry risk. The reduction of electric energy consumption can be the consequence of external factors influence such as: economy crisis and production decline, construction of electrical generation facilities by customers, extreme weather events, industrial accidents, and industrial disasters. Potential influence of these factors may influence on changing of revenue of the Issuer.

In connection with economic development of the region where the Issuer operates, there is a dynamic of increasing of amounts of electric energy consumption for the last few years. This risk is evaluated as medium. The Issuer implements monitoring of current and expected economic situation in region and in country, fulfills preparation works for appropriate work of power equipment in all seasons, carries out maintenance and repair of power facilities.

Operational risks

In the production process the Issuer is exposed to risks associated with physical deterioration, abuse and critical changes in the parameters of the equipment. The main ones are:

- 1) deterioration of performance and economic indicators of electric equipment
- 2) threat of failures with partial or full undersupply of electricity with corresponding negative social consequences
- 3) failure to comply with the obligations under the contracts for the provision of electricity transmission services
- 4) negative environmental effects

In order to decrease these risks, the issuer takes the following steps:

- 1) scheduled repair and maintenance of equipment
- 2) technical re-equipment, upgrade and new construction
- 3) regular optimization of structure and amount of components and spare parts in reserve and other
- 4) providing of industrial security and manufacturing control

The Issuer assesses the level of risk above the average and believes that the negative factors will not materially affect its activities and performance of obligations on its securities.

Price risks

Provision of electricity transmission services includes as well the purchase of raw materials, services, equipment and other materials used by the Company in its operations. The price increase is mainly explained by inflationary pressures and the impact of macroeconomic factors. During the economic instability the risk of augmentation of cost for goods and services used by the Company increases.

In order to minimize these risks, the issuer uses its position of a large consumer and purchases the material and technical resources and selects the service providers through a competitive and regulated procurement of raw materials, production and other services.

2.4.2. Country and regional risks

Risks associated with the political and economic situation in the country and region

The worsening of economic and political situation in the country and the region are main risk factors for the Company. Since the Issuer operates only on internal market, government of the Russian Federation develops programmes on import substitution including in regions where the Issuer operates, it leads to increasing of amount of electric energy consumption. Increasing of energy efficiency and adoption of energy-efficient technologies are development priorities of economics.

In the event of significant political instability, which can negatively affect the operations and earnings, the Issuer takes measures of crisis management, reduces as much as possible the expenses, and investment plans.

Additionally, there are risks associated with military conflicts, introduction of a state of emergency, natural disasters that may have consequences as follows:

- deterioration of the whole national economy status and, consequently, of the Issuer's financial status;
- detriment to the Issuer's properties that may negatively affect its ability to timely and fully fulfil its liabilities to consumers and counterparties.

The Company operates in the Krasnodar Territory and the Republic of Adygea. The regions where the Issuer carries out its activity are politically stable with the risk of a military conflict or a state of emergency occurrence there due to internal causes being minimal. At the same time, because of the

proximity of the republics of the North Caucasus region, there is a considerable risk of terrorist acts; for its minimization, the Issuer actively cooperates with state bodies in charge and takes coordinated measures to ensure security of production. The Issuer has elaborated and is carrying out target arrangements for protection of the Issuers' energy facilities against subversive or terrorist acts. The Company established a permanent working group on combating terrorism in the power distribution facilities in the region. To compensate for damage of the effect of emergency circumstances associated, inter alia, with natural disasters, the Issuer concludes property insurance contracts.

Sharp regional scale changes (environmental, political, demographic, social) are unlikely, but their emergence will doubtlessly affect the Company's activity.

Taking into account the level of the region's transport infrastructure development, the risks of interruption of transport communication due to difficulty of access or remoteness of location are minimal.

In the Issuer's opinion, the situation in the region will have a favourable effect on the Issuer's activity; there is no reason to expect that a change of the situation in the region will entail the Issuer's failure to fulfil its liabilities.

2.4.3. Financial risks

Risk of interest rates change

The Issuer attracts short- and long-term borrowings from the Russian financial market. Since the Issuer operates in the Russian Federation, inflation growth in the Russian Federation is one of the factors of overall growth of interest rates. A substantial increase of interest rates on credits and loans may entail appreciation of the Issuer's debt servicing. For optimization of the debt portfolio structure and reduction of its servicing costs, the Issuer strains after use of credits and loans with the fixed interest rate which results in significant reduction of the above risk. The Issuer's supposed actions in the event of negative effect of interest rates change on one's activity: Attraction of longer-term credits to avoid negative effect of interest rates short-term fluctuations and diversify funding sources. Due to the decreasing of inflation rate, the risk is evaluated as moderate.

Risk of changes of foreign currencies exchange rates

Carrying out one's core business activity within the territory of the Russian Federation, the Issuer has no investments into foreign companies, value of net assets whereof is exposed to the risk of currency exchange rates fluctuations nor revenues or expenses expressed in terms of foreign currency. Risks related to exchange rate fluctuations are not factors of direct impact on the financial and economic activities of the Issuer, but may lead to augmentation of prices for energy equipment. Currently, this risk is assessed as medium. In order to reduce the risk, the Company is implementing a programme of import substitution. In case of a further weakening of the national currency the issuer plans to analyse the risks and make appropriate decisions in each particular situation.

Risk of reducing the consumer prices

Changes in the consumer price index to some extent affect the Issuer's rate of return and its financial and business activity results, but their effect is not a direct dependence factor. Indirect dependence of the Issuer's rate of return on changes of the consumer price index is mainly conditioned by the fact that tariffs for services for transmission of electric energy cross electric power grids are established by state tariff bodies on the basis of justified expenses on their provision and fully or partially compensate for growth of the Issuer's expenses associated with inflation. However, during high inflation periods, risks of reduction of the tariff compensatory component amount and of solvency of the Issuer's major consumers grow up. Taking into account the abovementioned information, there are no guarantees that possible increase of consumer prices will not lead to a drop of the Issuer's rate of return in future. However, due to reduction of inflation this risk is estimated as moderate.

Inflation risks

The current inflation level cannot have a significant effect on the Issuer's financial status. Nevertheless, for minimization of financial risks associated with inflation processes and affecting the financial results of activity, the Issuer is implementing an integrated programme for analysis of financial risks, planning and appraisal of actual profitability of activity; one identifies return rate indices that are indicative of the Issuer's level of cost-efficiency, normative values of financial coefficients characterizing the Issuer's solvency and liquidity, which enable one to promptly detect drawbacks in the Issuer's work and take measures for their elimination. As well as in accordance with RF Government Regulation No. 1178 dd. 29.12.2011 "On price formation in sphere of regulated prices (tariffs) in power industry" when regulating electricity tariffs inflation level should be taken into consideration (consumer price index), that was defined in the prognosis of social and economic development of the Russian Federation. Thus, the Issuer considers these risks as moderate.

The occurrence of these financial risks can have an impact on the issuer's financial statements. The indicator which is most affected in the Issuer's statements is the index of accounts receivable arising from the inability of counterparties to pay for services of the Issuer. The probability of this risk is assessed as moderate. The deterioration of the economic situation in Russia may affect the growth of the cost of electricity transmission through electric grids of the Issuer, which, while maintaining the established tariffs will reduce the profits. To reduce this risk, the issuer carries out the work on the management of debt receivable directed to optimization of its amount and repayment of debts.

2.4.4. Legal risks

The Issuer carries out its activity only at domestic market; therefore, the legal risks are considered only from this point of view.

Risks associated with tax and environmental legislation and customs and currency regulation.

Since no special taxation mode is applicable to the Issuer's activity and the Issuer has no overdue tax and levy indebtedness to budgets of all levels, the Issuer's tax risks are considered as the minimum within the framework of a conscientious taxpayer's activity.

In the shorter term, the Issuer does foresee emergence of any significant risks in one's financial and business activity associated with changes in tax and civil legislation.

Changes of currency and customs legislation of the Russian Federation are of no relevance for the Issuer's activity and, consequently, do not entail emergence of legal risks.

In case of changes and/or launch of requirements for licensing the Issuer's core activity the Issuer will take all necessary measures for obtaining the licenses and permissions required.

The Issuer has licenses for carrying out other activity data whereon is given in clause 3.2.5 of this report. The Issuer carries out regular work for prolongation of the licenses necessary for conduction of its business activity. The Issuer's exposure to the above risk may be considered insignificant. In case of change of requirements on licensing of the basic kinds of activity, the Issuer will take necessary steps to obtain the appropriate licenses and permits. Risks connected with absence of possibility to extend the license of the Issuer are minimal and cannot influence on Issuer's fulfillment of obligations on placed securities.

2.4.5. Reputational risks.

The risk that the issuer of incurs losses due to such factors as a reduction in the number of customers (counterparties) because of the formation of negative image of financial stability, the financial position of the issuer, the quality of the work, is considered as minimal. The Issuer is a natural monopoly, there is an annual increase in the number of electricity consumers. In addition, the Issuer developed a good practice for long-term cooperation with its partners.

2.4.6. Strategy risks

The Issuer, being a part of the single distribution grid complex of Russia, seeks to achieve the objectives defines at the national level. On 3 April 2013 the Russian Government approved the

development strategy for the electric grid complex of the Russian Federation. Due to the fact that the Issuer is a subsidiary of Rossetti, the largest Russian backbone grid company, the Issuer is a participant in implementation of policies and programmes on activities (business processes) of Rossetti PJSC. The decision to start the implementation of a specific strategy (programme) in the activities of the Issuer's shall be accepted by the Board of Directors.

The probability of the risk of the Issuer losses arising from errors (defects) made in management decisions, defining the strategy and activities of the Issuer, is assessed as low.

Measures to prevent the occurrence of this risk are:

- elaboration of proposals and scenarios to improve the implementation of specific policies and programmes;
- analysis of effectiveness of particular strategy, adoption of managerial solutions by the results of analysis
- development and implementation of key performance indicators to achieve policies, linking them with bonuses of managers of the Issuer;
- continuous monitoring by the Issuer's structural units the ratio of the cost of implementing a specific strategy to the received profit and submission to the Board of Directors of the Issuer of the information for decision-making (including, by definition, the quantity and quality of resources)

2.4.7. Risks connected with the Issuer's activity

Risks connected with the current legal trials of the Issuer.

The Issuer participates in legal trials the results of which can materially affect financial and operational activities of the Issuer. Kubanenergo regularly monitors the judicial practice that allows to use this information for reaching positive judicial decision for the Issuer.

Currently there are no changes in judicial practice that can negatively affect at results of current trials and thus on the results of business activity of the Company.

Risks connected with potential liability of the Issuer on debts of third parties including affiliates of the Issuer.

The Issuer has affiliate joint stock companies with owning of 100% shares in the authorized capital. As the parent Company for subsidiaries and affiliates, the Issuer can be responsible for their debts. These liabilities can negatively effect on results of financial and operational activities of the Issuer. The possibility of specified risks is evaluated as medium.

Risks connected with possibility of loss of customers that constitute at least 10% of total revenue from sales of products (work, services) of the Issuer. The Company cooperates with main customers and is monopolist in sphere of services rendering on electric energy transmission in the regions of the Issuer's activity. The possibility of loss of main customers is minimal.

Risks in manufacturing activity of the Issuer:

- 1) systematic interruption of power supply of customers in the result of accidents and disturbances at grid sections and substation equipment
- 2) violation of requirements of GOST 31144-2013 on providing the quality of electric energy
- 3) disturbance of regime of electric energy transmission and reducing of quality of rendered services
- 4) non-implementation of maintenance (including diagnosis) and repair in time
- 5) emergency situations in related networks, that can breakdown the equipment of the Issuer
- 6) excessive losses of electric energy

To reduce these risks, the Issuer pays much attention to development of electric grid complex with using of science based engineering decisions and technologies, tested in operation, modern electric equipment.

Increasing of tariffs on rendered services by the Issuer, due to increasing of "external" expenses influence on risks: purchased electric energy on losses compensation, changing of amount of payment of services for electric energy transmission of "FGC UES" PJSC and other factors.

Investment risk

Implementation of investment programme of the Issuer demands fund raising both owned and loaned, on conditions satisfying the requirements of the tariff system.

One of the investment risks is a risk of reduction of sources of financing of Company's investment programme. Currently this risk is rated as minimal and is determined by influence of the following factors: decline in the ruble, upturn in inflation, and rise in cost of debt capital.

To decrease the investment risk, the investment programmes of the Issuer are planned taking into account following key criterions of efficiency:

- increasing of reliability and availability of network infrastructure
- decreasing of amortization and modernization of facilities of power supply network system
- reaching of high load of commissioned capacity
- optimization of engineering solutions out of necessity of excluding the usage of imported equipment and materials, cost of which has high dependence from rate of exchange

To minimize risk of untimely and incorrect implementation of the investment programme, the Issuer controls deadlines and quality of investment projects.

III. Detailed information on the Issuer

3.1. History of foundation and development of the Issuer

3.1.1. Information on the Issuer's business name (registered name)

The Issuer's full business name: **Public Joint-Stock Company of Power Industry and Electrification of Kuban, Публичное акционерное общество энергетики и электрификации Кубани**

Date of introducing the current company name: **22.06.2015**

Short company name: **Kubanenergo PJSC, ПАО "Кубаньэнерго"**

Date of introducing the current company short name: **22.06.2015**

Company's name (name of non-profit partnership) registered as trademark or service mark

Information on registered trademarks:

On 31.01.2013 and 19.07.2013 (certificates No.479755 and No.4922215) the Federal Intellectual Property Service registered trademarks (service marks) in favour of the Company in Russian language – КУБАНЬЭНЕРГО. Duration of the registration of a mark ends on 27.12.2021.

All previous names of the issuer:

Full company name: **Акционерное общество открытого типа энергетики и электрификации Кубани, Open Joint-Stock Company of Power Industry and Electrification of Kuban**

Short company name: **Kubanenergo JSC**

Date of introducing the name: **10.02.1993**

Ground of introducing the name: **State registration of the issuer's Charter (certificate of stage registration No.127 dated 10.02.1993)**

Full company name: **Открытое акционерное общество энергетики и электрификации Кубани, Open Joint-Stock Company of Power Industry and Electrification of Kuban**

Short company name: **Kubanenergo JSC**

Date of introducing the current company name: **29.05.1996**

Ground of introducing the name: **State registration of adjustment to the issuer's Charter No.2858 dated 29.05.1996. The charter was approved at the AGM on 26.04.1996, minutes of meeting No.4**

Full company name: **Открытое акционерное общество энергетики и электрификации Кубани, Open Joint-Stock Company of Power Industry and Electrification of Kuban**

Short company name: **“Kubanenergo” JSC**

Date of introducing the name: **30.06.1998**

Ground of introducing the name: **State registration of adjustment to the issuer’s Charter, No.7315 dated 30.06.1998. The charter was approved at the AGM on 22.05.1998, minutes of meeting No.6**

3.1.2. Data on the Issuer’s State Registration

Data on primary state registration

State registration number: **127**

State registration date: **10.02.1993**

Name of the body having carried out primary state registration: **Administration of the Oktyabrsky District of Krasnodar**

Data on legal entity registration;

Primary legal entity state registration number: **1022301427268**

Registration date: **17.09.2002**

Name of registering body: **Inspectorate No. 3 for Krasnodar of the Ministry of Taxation of the Russian Federation**

3.1.3 Information on establishment and development of the Issuer

The Issuer has been founded for an indefinite period.

Brief description of the Issuer's foundation and development history: Issuer's establishment objective, mission (if any) and other information on the Issuer's activity required for taking decisions on acquisition of the Issuer’s securities:

History of Kuban electric energy system began in the 19th century with construction of small substations.

Since 1930 the managing of power facilities of Kuban was performed by North-Caucasus power directorate – “Sevkavenergo” with headquarter in Rostov-on-Don, then in January 1934 it was divided into two independent directorates: “Azcherenergo” (Rostov-on-Don) and “Sevkavenergo” (Pyatigorsk).

In order to restore the ruined power network of the Kuban and for its further development, by the Order of the People's Commissar of the USSR from March 14, 1944 No.66 the Krasnodar district energy management “Krasnodarenergo” (REU) was organized. The principal activities of RG were the production, distribution and sale of electricity and thermal energy, recovery and development of energy systems, power control and supervision over the operation of power equipment on plants. The jurisdiction of the RG on the Rights of the independent self-supporting enterprises were power plants, substations, network areas, repair-mechanical plant, the central warehouse, planning and surveying offices, industrial and research laboratory.

In the late 50s - early 60s we installed transmission networks of 110 kV and 220 necessary for connecting the power system of southern Russia and the Caucasus, railroad network was electrified, electricity distribution facilities were built, electrification of rural areas reached 86%. In 1963, in accordance with the order of USSR Council of Ministers dated 14.05.63, city and rural electric grids were transferred to regional electricity board.

In 1972 the first in USSR 100 MW gas turbine unit (GTU) was installed at Krasnodar thermal power station (TPS), the second GTU was installed in 1975. Total power of TPS, units and 2 GTUs amounted 959 MW.

The rapid growth of electricity consumption by the national economy of Kuban in 1970-1980 led to the construction of a large number of transmission lines and substations, switching to a higher voltage classes - 330 and 500 kV. The total length of transmission lines reached 90 thousand km and amount of substations of 35-500 kV exceeded 700.

On November 1, 1988, in accordance with the order of USSR Council of Ministers dated 02.07.87 #812, Krasnodar district network "Krasnodarenergo" was discontinued, and on the basis of its subordinate enterprises and organizations Krasnodar Production Association of Power industry and Electrification "Krasnodarenergo" was established.

In 1993, in accordance with Russian legislation on privatization of state and municipal enterprises Krasnodar Production Association of Power industry and Electrification "Krasnodarenergo" was reorganized into "Kubanenergo" JSC with the following branches Krasnodar TPP, "Energonadzor" repair and construction company, training center, recreation centre, summer camp.

"Kubanenergo" PJSC is formed to gain profit from rendering services on electric energy supplying of customers of Krasnodar region and the Republic of Adygea (both generated electric energy and bought from other producers), and generated heating energy for consumers of Krasnodar.

In accordance with Presidential Decree No. 923 dd. 15.08.1992 "On control of the power industry of the Russian Federation in the context of privatization" 49% of the Company's shares were transferred as the payment of the authorized capital of RAO "UES of Russia" in 1993, while the remaining 51% stake of "Kubanenergo" were acquired via private subscription by employees of the Company and other persons/entities entitled to benefits under the State program of privatization.

In 2003-2006 "Kubanenergo" JSC, as well as power industry in general, has undergone large-scale reforms.

The main objective of the Russian electric power industry reformation is the increase of efficiency of the enterprises of the branch, creation of conditions for the latter development on the basis of investment process motivation and provision for reliable and uninterrupted supply of energy to consumers.

During the reformation, "Kubanenergo" JSC got rid of service and non-core types of activity as well as dispatching functions by way of entrusting them to dedicated special entities:

- Operative dispatching management functions were transferred to Open Joint-Stock Company "System Operator of the Unified Energy System";
- Open Joint-Stock Company "Krasnodarenergoremont", "Krasnodarenergosetremont", "Recreation Centre "Energetik" and Recreation Centre "Plamya" were founded;
- Non-State Non-profit Educational Institution "Kubanenergo" Training Centre" was founded where workers of the Company and other power industry enterprises advance their qualifications and master new trades.

In 2006, as the result of reorganization of "Kubanenergo" JSC, the following open-end joint-stock companies appeared:

- "Kuban Generating Company", with the generating capacities of the Company (Krasnodar CHP and minor-scale hydroelectric power plants) included in one's authorized capital;
- "Kuban Trunk Grids", authorized capital whereof was composed of electric power grid facilities related to the Unified National Electric Power Grid (with voltage = 220 kV and higher);

“Kuban Energy Selling Company” discharging the functions of a guaranteeing electric energy supplier, additionally in charge of electric energy purchase in the wholesale market and supply to end consumers.

At present “Kubanenergo” PJSC is the biggest electric power grid company in the Krasnodar region and Republic of Adygea that transmits and distributes electric energy to consumers via 110 kV electric power grids with voltage or less between populated regions, rural settlements and cities and district centres of the Krasnodar region and Republic of Adygea including Sochi.

“Kubanenergo” PJSC carries out its main activity under conditions of natural monopoly regulated by the state in the part of setting tariffs for electric energy transmission and provision for consumers a non-discriminatory access to electric power grids.

Since July 1, 2008 “Kubanenergo” has been a dependent company of “IDGC Holding” JSC (from 04.04.2013 – Rosseti JSC, currently – Rosseti PJSC) having received a pack of the Company’s voting shares through legal succession under a dividing balance sheet as a result of reorganization of “RAO UES of Russia” in the form of separation.

The mission of “Kubanenergo” PJSC is receiving of profit in conditions of long-term, reliable, qualitative and reasonable power supply of customers of Krasnodar region and Republic of Adygea based on organization of effective management of distribution grid with using of modern technologies and innovations and taking into account world standards of quality of rendered services and the best practices of corporate management.

Strategic objectives of Kubanenergo PJSC were formed in accordance with Paragraph VI (Milestones) of the Strategy of development of Russia power grid approved by RF Government Decree No. 511-r dd. 03.04.2013:

- 1) Increasing of reliability of power supply of Krasnodar region and Republic of Adygea;
- 2) Improving of quality of customers services and increasing of availability of power grid facilities;
- 3) Advanced development of the network and introduction of new technologies;
- 4) Increasing of investment attractiveness and capitalization;
- 5) Decent work conditions, increasing of competence and loyalty of the Company’s staff.

Mission and strategic targets are approved by the decision of Company’s Board dd. 10.04.2017.

3.1.4. Contact information

Location of the issuer:

Krasnodar, Russian Federation

Address of the issuer specified in the Unified State Register of Legal Entities:

2A Stavropolskaya str., Krasnodar, Krasnodar region, Russia 350033

Telephone: **(861) 268-5913**

Fax: **(861) 268-2493**

E-mail: **telet@kuben.elektra.ru**

Internet page(s) where information is available on the Issuer and on securities issued and/or being issued by the latter:

www.kubanenergo.ru, <http://www.e-disclosure.ru/portal/company.aspx?id=2827>,

<http://www.e-disclosure.ru/portal/company.aspx?id=2827>

Name of the Issuer’s special subdivision for work with the Issuer’s shareholders and investors:

Department for Corporate Governance and Interaction with Shareholders

Subdivision location: **2A Stavropolskaya str., Krasnodar, Russia 350033**

Telephone: **(861) 212-22-76**

Fax: **(861) 212-27-08**

E-mail: **podsvirovaiv@kuben.elektra.ru**

Webpage: **kubanenergo.ru/aktsioneram-i-investoram/**

3.1.5. Taxpayer Identification Number

2309001660

3.1.6. Branches and representative offices of the Issuer

Changes in the issuer's branches and representative offices in the reporting quarter and, in the event of changes in the name, location of any branch or representative office, full name of its head, or the term of the power of attorney issued by the issuer to such head in the reporting quarter, the details of such changes

During the reporting the directors of the branches were issued new powers of attorney with validity period up to 31.12.2018.

3.2. Core business activities of the issuer

3.2.1. Core economic activities of the issuer

Code of the issuer's type of core economic activity

OKVED, Russian Standard Industrial Classification of Economic Activities
35.12

OKVED, the Russian National Classifier of Economic Activity Types
35.13
41.20
52.10.21
52.29
71.11
71.20.9

3.2.2. Core business activities of the issuer

Not applicable to the report for the 4th quarter

3.2.3. Materials, goods (raw materials) and suppliers of issuer

Not applicable to the report for the 4th quarter

3.2.4. Target markets of the Issuer's products (works, services)

Core markets wherein the Issuer carries out its activity:

The Company is the largest electric power grid company in the Krasnodar Territory and Republic of

Adygea carrying out transmission and distribution of electric energy across electric power grids with voltage equal or below 110kV among the populated localities, in rural settlements and individual cities and regional centres of the Krasnodar Territory and Republic of Adygea including Sochi.

The total market share of the Company was 71.04% in 2016 and 69.03% in 2017.

Kubanenergo PJSC carries out its main activity under conditions of natural monopoly regulated by the state to the extent of establishment of tariffs for electric energy transmission and provision for non-discriminatory consumers' access to electric power grids. Taking into account the growing demand for electric energy in the region, the Company pays great attention to development, reconstruction and increase of carrying capacity of electric power grid facilities, reckoning on increase of one's services sales volume in future.

Since 01.07.2007 a "boiler" method of settlements for transmission of electric energy is in force in the region, with the "boiler holder" status reserved to "Kubanenergo" PJSC. This means that all energy selling companies marketing electric energy in the regional market pays to "Kubanenergo" PJSC for services for electric energy transmission across electric power grids of the whole regional energy system within the framework of contracts for electric energy transmission while "Kubanenergo" PJSC pays for electric energy transmission services to territorial grid companies.

Since September 22, 2011 an individual calculation scheme based on the "boiler below" principle has been used in the Krasnodar region with regard to LLC "Maykop CHP" Grid Company. Within the framework of this scheme, "Kubanenergo" PJSC provides electric energy transmission services to LLC "Maykop CHP" grid company and receives payment as per the individual tariff established by REC-PTD KT.

In the reporting quarter, the core consumers of "Kubanenergo" PJSC energy transmission services were:

- 2 guarantee suppliers – subjects of the wholesale and retail markets that sell electricity to end users connected to the Company's electric grids and networks of other network organizations ("NESK" JSC, "TNS EnergoKuban" PJSC),

- 28 energy selling companies– subjects of the wholesale and retail markets that sell electricity to end users connected to the Company's electric grids and networks of other network organizations ("MAREM+" LLC, "Rusenergoresurs" LLC, "Rusenergosbyt" LLC, "Transservisenergo" JSC, "RN-Energo" LLC, "Southern Energy Retail Company" LLC, "MagnitEnergo" LLC, "Mosenergosbyt" PJSC, "KES" LLC, "Yugstroy-Energosbyt" LLC, "Energy Efficiency" LLC, "Kvant" LLC, "NSK" LLC, "Transneftenergo" LLC, "Rusnergo" LLC, "RegionEnergoKontrakt" LLC, "Mezhregionenergosbyt" JSC, "Energosbyt" LLC, "Garantenergo" LLC, "KNGK-Energo" LLC, "Alternativ-Energo-Sbyt" LLC, "AER" LLC, "ProfServisTrade" LLC, "Forest" LLC, "UES Garant" LLC, "ESK Nezavisimost" LLC, "VN-Energotrade" LLC, "Retail Energo Consult" LLC);

- more than 100 consumers that concluded with Kubanenergo PJSC direct contracts for electricity transmission ("Novorostsement" JSC, "Tamanneftegaz" CJSC, "EuroKhim-Belorechenskie Minudobreniya" LLC, "Poultry farm "Primorskaya" LLC, "Fanagoria" APF, "Agriculture stud farm "Pobeda" CJSC, "Kubanskiy bacon" LLC, "Sad-Gigant" CJSC, "Verkhnebakan cement factory" CJSC, "Abrau Durso" CJSC, "Novoroslesexport" JSC, "Stud farm "Leninskiy put" JSC, "Stud farm "Gulkevichskiy" CJSC, "RAMO-M" CJSC, "Novomol" LLC, "Pioneer" CJSC, "Novorossiysk commercial seaport" JSC, "Formika-Yug" LLC, "Kanevskiy Gas Fitting Plant" LLC, "IPP" JSC), concluded Agreement for the transmission of electricity;

- commercial grid company ("Maikop CHP" LLC).

Factors that may affect the products (works, services) marketing by the Issuer and possible actions of the Issuer to reduce such effect:

Negative factors that may have a negative effect on "Kubanenergo" PJSC products marketing

represent political risks associated with:

- political risks associated with decisions of the Russian Government on the development of the power industry,
 - risks associated with the relationship with local authorities,
 - economic risks connected with state regulation of prices on the Issuer's services,
 - financial risks associated with the conditions and the cost of borrowed resources;
 - risks associated with the operation of the main equipment (power transmission) and other risks.
- Currently, the Issuer does not forecast substantial deterioration of the situation in the industry. In case of substantial deterioration, the Issuer plans to make risks analysis and to take corresponding decision in each specific case.

3.2.5. Information on the Issuer's licenses

Name of the body issued the license: **Ministry of Natural Resources of the Krasnodar region**

Number of licence or document evidencing the access to particular types of activities: **licence for the use of subsurface resources KRD No. 80383VE**

Type (types) of activity for performance of which the issuer obtained a licence or and access: **Recovery of fresh subsurface water for household, potable and process water supply in Krasnodar.**

Date of issue of licence or access to particular types of works of licence or access to particular types of works: **30.11.2015**

Expiry date of licence or access to particular types of works of licence or access to particular types of works: **20.07.2034**

Name of the body issued the license: **Ministry of Natural Resources of the Krasnodar region**

Number of licence or document evidencing the access to particular types of activities: **licence for the use of subsurface resources KRD No. 80380 VE**

Type (types) of activity for performance of which the issuer obtained a licence or and access: **Recovery of fresh subsurface waters for household, potable and process water supply in Tverskaya village, Apsheronkiy district**

Date of issue of licence or access to particular types of works of licence or access to particular types of works: **26.10.2015**

Expiry date of licence or access to particular types of works of licence or access to particular types of works: **01.01.2035**

Name of the body issued the license: **Self-Regulating Organization NP "Energoproject"**

Number of licence or document evidencing the access to particular types of activities: **P-0263-05-2010-0274**

Type (types) of activity for performance of which the issuer obtained a licence or and access: **access to works on preparation of design of external supply lines up to 35kV and their constructions that affect the safety of capital facilities**

Date of issue of licence or access to particular types of works **17.08.2015**

Expiry date of licence or access to particular types of works: **Perpetual**

Name of the body issued the license: **The Federal Security Service of the Russian Federation in the Krasnodar region**

Number of licence or document evidencing the access to particular types of activities: **GT 0083528, registration number 1504**

Type (types) of activity for performance of which the issuer obtained a licence or and access: **activities that involve usage of information constituting state secret**

Date of issue of licence or access to particular types of works **20.07.2015**

Expiry date of licence or access to particular types of works: **06.08.2018**

The Issuer's management takes all the actions required for timely obtainment, update and prolongation of licenses and minimization of the probability of their suspension, change or withdrawal. In this connection, the forecast of licenses prolongation probability is favourable.

At the same time, there is a risk related to changes in the legislation or with decisions of federal or regional bodies on licensing issues that is beyond the Issuer's control. Thus, the Issuer cannot guarantee that no future changes will take place that may have negative effect on one's activity. However, presently the Issuer's activity reveals no prerequisites of legal, economic or political character related to complication of the procedure or reduction of the licenses prolongation possibility.

3.2.6. Information on activity of particular categories of issuers

Issuer is not joint stock investment fund, insurance or credit company, or mortgage agency.

3.2.7. Additional requirements to issuers which main activity is the extraction of minerals

Mining is not the core activities of the issuer

3.2.8. Additional requirements to issuers which main activity is the provision of telecommunications services

Provision of telecommunications services is not the core activities of the issuer

3.3. Issuer's future activity plans

The Issuer's plans related to start of new production: **the Issuer does not plan to launch new production.**

The Issuer's plans related to extension or reduction of production capacity.

Development of the Company's power network is carried out in accordance with the approved scheme of prospective development of power network of the Krasnodar region and the Republic of Adygea and requirements of the technical specification for organization of technological connection of consumers to the Company's power networks.

It is planned to conclude over 30 thousand contracts for grid connection with total capacity of about 660 MW in 2018; the amount of revenue (payment for grid connection) is projected to be 3 038 million rubles (excluding VAT).

It is expected that in 2021, due to the growth of power consumption in the region and connecting of new customers, the volume of electricity transmission services rendered by the Company will amount to 20 076 736.13 thousand kWh. (110.29% compared to 2017).

The Issuer's plans related to development of new types of products: Development of new types of products is not planned.

The Issuer's plans related to upgrade and reconstruction of the fixed assets:

For the few coming years, Kubanenergo PJSC has scheduled construction and upgrade of overhead and cable lines, substations and other energy facilities, primarily those focused on provision of uninterrupted power supply in the Krasnodar region seaside areas (along the Black Sea and the Azov Sea coasts), Krasnodar as a social and cultural centre and implementation of project of nationwide scale on the Taman peninsula: "Construction of Kerch strait bridge", "Construction of dry-cargo zone of Taman seaport".

Plans of issuer's investment activity:

Kubanenergo PJSC carries out its investment activity in accordance with the Investment Programme for 2018-2022 approved by the Ministry of Energy of the Russian Federation (order No.21@ dated 01.12.2017).

Sources of funding the Investment Programme 2018:

depreciation – 1 571.16 million rubles; funds received from allotment of additional shares of the Company – 1 303.83 million rubles; advanced payments from grid connection – 964.48 million rubles; credit funds – 3 333.52 million rubles, other own funds – 136.76 million rubles.

Implementation of investment programme includes construction and reconstruction of 581.29 km of power lines and commissioning of transformer capacity in amount of 777.87 MVA.

Plans of the issuer related to possible changes in operating activities: the changing of operating activity is not planned.

Future prospects in terms of sources of future income:

Main elements of Company's financial strategy:

- provision of qualitative, reliable and stable power supply;
- reduction of power equipment tear and wear;
- keeping of tariff sources of investment for the renewal and development of the network;
- improving the efficiency of operating costs;
- making of a reserve capacity of power grids in the volume advancing economic development for 3 years;
- introduction of innovative technologies that meet the highest international standards in the field of power distribution at all stages of the process;
- ensuring profitability of investments in the distribution grid complex at the level of profitability of companies with comparable market conditions in the Russian Federation

3.4. The Issuer's participation in banking groups, holdings, and associations

Name of a group, holding, or association: **Rosseti PJSC**

Term of issuer's participation: **since July 1, 2008**

Role (place) and functions of the issuer in organization:

Since July 1, 2008 the issuer was a dependent and then later affiliated company of Rosseti PJSC that received the portfolio of voting shares of the Company by the law of succession on dividing balance sheet in the results of reorganization of RAO UES of Russia JSC.

Functions of the issuer in the Holding: formation of power sector of Russia in the sphere of distribution grid complex.

3.5. Subsidiary and dependent companies of the Issuer

The issuer does not have subsidiary and dependent companies of material significance

3.6. Composition, structure and value of the Issuer's fixed assets, information on plans for acquisition, replacement and retirement of fixed assets as well as all facts of encumbrance on the Issuer's fixed assets

Not applicable to the report for the 4th quarter

IV. Information on the Issuer's business activity

4.1. Results of business activity

Not applicable to the report for the 4th quarter

4.2. Liquidity of the Issuer, sufficiency of equity and current assets

Not applicable to the report for the 4th quarter

4.3. Financial investments of the Issuer

Not applicable to the report for the 4th quarter

4.4. Intangible assets

Not applicable to the report for the 4th quarter

4.5. Information on the Issuer's policy and expenses in the field of scientific and technical development, with regard to licenses and patents, new researches and developments

Not applicable to the report for the 4th quarter

4.6. Analysis of development trends in the sphere of Issuer's core activity

Implementation of investment programmes of Kubanenergo, that ensure development, technical re-equipment and upgrade of the Company's power networks, will help provide reliable power supply to the existing and future electricity consumers in the next to come.

Positive factors and conditions affecting the Issuer's activity are:

- growth of energy consumption in the region
- increase of payment discipline of energy selling companies and "direct" consumers
- growth of capacities commissioned
- power redistribution among consumers according to their needs (actual consumption).

Negative factors and conditions affecting the Issuer's activity are:

- ageing of the Issuer's core equipment
- necessity to provide meter reading because of the absence of automated system of remote control and accounting of electric energy
- increase in losses of active energy consumed for heating of wires due to the lack of compensation of reactive power.

General evaluation of the results of Issuer's activity in this particular sector; correspondence of the results of the Issuer's activity to the trends in the sector development; reasons justifying the obtained results of the activity (satisfactory and unsatisfactory results, in the Issuer's opinion):

The main result of the Issuer's activity in power industry consists in provision of reliable and uninterrupted power supply to consumers, consistent implementation of investment projects on construction and upgrade of overhead lines, substations and power industry facilities, primarily oriented at provision for uninterrupted power supply in the Krasnodar region's seaside areas (along the Black and the Azov Seas coasts), Krasnodar as a social and cultural centre, as well as implementation of projects on the Taman peninsula: "Construction of transport passage through the Kerch Strait" and "Project on construction of dry cargo district in the Taman port".

4.7. Analysis of factors and conditions affecting the Issuer's activity

The impact of inflation, changes in exchange rates, government decisions, economic, financial, political and other factors affecting the business activity of the issuer and which influenced the amount of revenue from sale of goods, products, services and income (loss) from core business.

Among the factors and conditions that directly influence the Issuer's activity is the economic stability of the region.

In the current macroeconomic conditions, the core activity of the issuer is influenced by inflation and changes in market conditions. In addition, the growth of productive supply and electricity transmission revenue is due to increase of energy consumption, including through the development of infrastructure of the Krasnodar region and the Republic of Adygea.

Prices (tariffs) on the Company's services on energy transmission and grid connection are subject to tariff regulation.

On 28.12.2017, the Order the Regional Energy Commission of the Krasnodar region No.63/2017-e approved uniform (boiler) tariffs on transmission services for 2018. One-part tariffs for 2018 were approved at the maximum possible level of tariffs for 2018. The growth of one-part tariffs on transmission services amounted 3% for 01.07.2018.

Changes in tariffs for 2018 in comparison to 2017:

- growth of productive supply of the region by 3.0%
- growth of gross revenues of the region by 8.1%
- growth of gross revenues for the needs of Kubanenergo PJSC by 16.1%

The growth of medium (boiler) tariffs on transmission services for 2018 amounted 5.0% in comparison to the average tariff in 2017.

The Order the Regional Energy Commission of the Krasnodar region No.66/2017-e from 28.12.2017 "On setting the rate for grid connection on the territory of the Krasnodar region and the Republic of Adygea" approved the standard tariffs and fees for a unit of maximum capacity for connection to the networks of Kubanenergo PJSC for 2018.

The increase of rate on the unit of maximum capacity to cover operating costs relative to the level of 2017 is 3.3%. A standardized rate on one connection was also approved.

Because of the entry into force on October 31, 2017 of the Order of the Federal Antimonopoly Service No.1135/17 of August 29, 2017 "On approval of guidelines for determining the amount of payment for technological connection to electric grids", the list of rates for covering the costs of construction of electric grid facilities has been expanded.

Standardized tariff rates and rates for the unit of maximum capacity are set to be the same for territorial grid organizations in the territory of the Krasnodar region and the Republic of Adygea.

Undeveloped networks in particular districts of the Krasnodar region and the Republic of Adygea together with ever growing demand have led to overloading of power lines and transformers.

Reliability of power supply is reduced because of the aged equipment, which means extra expenditures for keeping the equipment going.

In the part of power transmission services, the Issuer's activity is influenced by:

- due to the fact that calculation of technological losses is performed based on regular network scheme (steady state operation), all changes in its parameters and configurations influence the amount of energy losses (necessity of redistribution of loads related to prevention of emergency situations in networks of Kubanenergo PJSC, and in the networks of related entities of electric power; technological necessity under the instructions of the Regional Dispatch Control). These forced changes to the normal network scheme usually lead to a significant increase in the actual losses of electricity as due to losses in the power transformers, and power loss occurring due to the transmission of additional reactive power derived from the backup power transformers and increased for the reasons given admission to the network
- shortage of record-keeping equipment makes impossible to analyze in due time the load on networks.

These factors are components of general trend of service market development, in the opinion of the Issuer, they are able to have positive influence on the activity in the medium term.

Measures taken by the issuer and activities the issuer plans to arrange to efficiently use these factors and conditions:

The Company pays great attention to development of its power grid facilities using scientifically grounded technical solutions and tested technologies and modern electrical equipment.

In order to meet consumers' demand for more capacity, a reliable and uninterrupted electricity supply, the Company is investing considerable funds for the reconstruction of electrical networks and the creation of new connection points.

The Company continuously interacts with the Prices and Tariff Department in order to establish reasonable tariffs.

Increase the efficiency of operations and improve financial and economic state of Kubanenergo PJSC that will ensure financial stability and achieve a stable positive financial result of the Company's activities, the Programme for improving operational efficiency and reducing costs has been developed and is being implemented.

The list of internal and external measures, taken to increase the efficiency of business processes in both Kubanenergo PJSC and the group of companies Rosseti PJSC in general, has been defined taking into account the prevailing macroeconomic conditions.

Methods used by the issuer and methods the issuer plans to use in the future to reduce the negative effect of factors and conditions influencing the issuer's activity:

Currently Kubanenergo PJSC implements the following programmes:

- investment programme
- programme on improvement of the efficiency, reliability and safety of energy production
- repair programme

These programmes are aimed at ensuring further development, technical upgrade and reconstruction of the Company's grid facilities, which will improve the state of electricity supply to electricity consumers in the forthcoming years.

In addition, the issuer applies the following methods:

- implementation of measures aimed to improve the payment discipline and reduce the accounts receivable for electricity transmission services, including the elaboration of mechanisms of consolidation of transmission assets;
- optimization of the investment costs;
- providing cost savings through effective use of material resources, increase productivity, optimization of the organizational structure of the Company (without loss of qualified personnel);
- imposition of limitations on power consumption in case of debts in payments for the electricity from the customers;
- carrying out work on the consolidation of property owned by territorial grid companies that do not meet the criteria of referring the owners to territorial grid companies, approved by the order of the RF Government No.184 dated 28.02.2015 "On attribution of owners of grid facilities to territorial grid companies".

Significant events/factors that may have the most negative impact on the possibility gaining by the Issuer in the future the same or better results as compared to the results obtained for the last reporting period, as well as the likelihood of such events (factors):

Development of infrastructure of the region that is located in the Company's area of responsibility, construction of various objects is accompanied by an increase in electricity consumption. There is a situation in which may occur and increase the risks of ensuring reliability of electricity supply to consumers and stable operation of the power grid due to overloading of transmission lines and transformers in normal and post-emergency conditions, as well as the wear and tear of power equipment. Number of equipment, buildings and structures that are worn-out and subject to replacement, reconstruction or technical re-equipment is growing constantly. The probability of such events is estimated by the Company as average.

Negative factors and conditions affecting the Issuer's activities also include:

- half automatized electricity metering systems, which reduces the accuracy of the reporting of account information from user;
- increase in the active power loss consumed for heating wires due to the lack of compensation of reactive power consumers.

Significant events/factors that may improve the performance of the issuer, and the probability of their

occurrence and their duration:

- growth of energy consumption in the regions of the Company's presence,
- implementation of the investment programme, which allows to increase operational efficiency,
- improving the payment discipline of retail companies and "direct" customers;
- redistribution of power between consumers according to their needs (actual consumption);
- development of energy service activities, automation of electricity metering in networks with problem areas helps to reduce losses;
- solution of public authorities in setting tariffs for electricity transmission and to ensure non-discriminatory access of consumers to power grids,
- decrease in interest charged by banks on credit contracts due to changes in financial market conditions,
- minimization of operating costs as part of the performance management programme of activities that allow the Company to achieve the target to reduce the cost of electrical equipment maintenance unit by 15% by 2017 from the level of 2012, and achieve a reduction in operating expenses by at least 3% compared to the previous year.

Implementation of the developed by Kubanenergo investment programmes, projects on increasing efficiency, reliability and safety of production and repair programme that ensures development, upgrade and reconstruction of grid facilities of the Company, will provide reliable power supply of the existing and future consumers of electricity in the years to come.

The likelihood of such factors is estimated by the Company as considerable. To anticipate the duration of these events is not possible due to the uncertainty of the economic situation development in Russia and in the world in general.

4.8. Issuer's Competitors

During the reporting quarter changes in information disclosed in this chapter did not occur.

V. Information on persons that are members of the Issuer's management bodies, the Issuer's bodies in charge of control of financial and business activity and brief details on the Issuer's employees (workers)

5.1. Information on the structure and competence of the Management Bodies of the Issuer

During the reporting quarter changes in information disclosed in this chapter did not occur.

5.2. Information on members of the Issuer's Management Bodies

5.2.1. Composition of the Board of Directors of the Issuer (Supervisory Board)

Information on the members of Kubanenergo PJSC Board of Directors

Name: **Fadeev Alexander Nikolaevich**

(chairperson)

Year of birth: **1949**

Education:

Higher education

Moscow Institute of Engineers in Geodesy, Aerophotography and Cartography: "Optical and electrical devices" (1972).

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2011	2014	FGC UES JSC	Deputy Chairperson of the Management Board in charge of Security
2012	2013	Elektroservis JSC	Member of the Board of Directors
2013	2016	IDGC of Ural JSC	Chairperson, Member of the Board of Directors
2014	present day	Rosseti PJSC (former Rosseti JSC)	Deputy Director General in charge of Security; then Chief Advisor
2015	2017	IDGC of Centre and Volga region PJSC	Chairperson of the Board of Directors
2015	present day	IDGC of Siberia PJSC	Chairperson of the Board of Directors
2017	present day	IDGC of Ural PJSC	Member of the Board of Directors
2017	present day	IDGC of North Caucasus PJSC	Chairperson of the Board of Directors
2017	present day	IDGC of Volga PJSC	Member of the Board of Directors
2017	present day	Kubanenergo PJSC	Chairperson of the Board of Directors
2015	present day	IDGC of the South PJSC	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities: **This member of the board of directors (supervisory board) does not participate in any committees under the board of directors (supervisory board)**

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Balaeva Svetlana Alexandrovna**

Year of birth: **1973**

Education:

Higher education

The State University of Management: "Manager-Economist" (1995), passed qualifying exams for admission to postgraduate study

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2008	present day	Rosseti PJSC (former Holding IDGC JSC, Rosseti JSC)	Head of Investments Department; then Head of Investment Activity

			Department; the Deputy Director General in charge of Investments; then Chief Advisor and as a part time duty: first deputy director of branch of Rosseti PJSC – Centre of Engineering Supervision
2013	2014	IDGC of North West JSC	Member of the Board of Directors
2014	2017	Tyumenenergo JSC (former Tyumenenergo OJSC)	Member of the Board of Directors
2017	present day	Kubanenergo PJSC	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities: **This member of the board of directors (supervisory board) does not participate in any committees under the board of directors (supervisory board)**

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Varvarin Alexander Viktorovich**

Independent member of the BoD

Year of birth: **1975**

Education:

Higher education

Institute of International Law and Economics named after Griboedov A.S.: "Legal studies" (1998)

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	to		
2005	present day	Russian Union of Industrialists and Entrepreneurs	Head of Legal Department, Director of Department of Corporate Relationships, after – Managing Director in charge of Corporate Relationships and Legal Groundwork; then Vice-President in charge of Corporate Relations and Legal Support

2006	present day	Central checkup committee of distribution zone Non-profit organization	Director General, Member of the Board
2006	2014	Russian union of self-regulatory organization of arbitration managers	Deputy Chairperson of the Board
2008	present day	MSOPAU Non-profit partnership	Chairperson of the Management Board
2009	2016	VTsiOm JSC	Member of the Board of Directors
2009	2016	VNIPINeft JSC	Board of Directors Chairperson
2011	2016	Innovative Research and Development Centre for Textile and Consumer Goods Industry JSC	Chairperson of Board of Directors
2011	2017	IDGC of Volga PJSC (earlier – IDGC of Volga JSC)	Member of the Board of Directors
2012	2013	TransTeleCom Company CJSC	Member of the Board of Directors
2012	present day	Russian Railways JSC	Member of Auditing Committee
2013	2015	Research and Development Centre JSC, TsNIMashdetal JSC, TsNIKP JSC, TsNIILKA JSC, TsNIPIK JSC	Board of Directors Chairperson
2013	2015	GTLK JSC; IDGC of the North Caucasus JSC	Member of the Board of Directors
2013	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Board of Directors
2014	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Chairperson of the Grid Connection Committee
2014	2017	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Personnel and Remuneration Committee
2016	2016	VNII NP JSC	Member of the Board of Directors
2017	present day	Mosenergostroy Construction Industrial Company	Member of the Board of Directors
2017	present day	Institute of Internal Auditors, Non-Profit Partnership	Member of the Board

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Grid Connection Committee	yes

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such**

family relations.

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Full name: **Gavrilov Alexander Ilich**

Year of birth: **1973**

Education:

Higher education

- **State Kuban University, specialty: “Accounting and audit” (1995)**
- **State Kuban Polytechnic University, specialty: “Exploitation and operation of oil-and-gas-field” (2006)**

Conferred a degree on Doctor of Economics (2010)

Advanced training courses:

- **Ernst&Young: “Risk management” (2015)**
- **Federal national independent educational institution for supplementary vocational education “Institution of Advanced Training for Senior Officials and Employees of Fuel and Energy Industry”, course “Preparedness activity and economic mobilization”; Federal State Institution “Information and Technology Centre of FAS of Russia”, course “Tariff regulation in 2017 and tasks of the government regulatory agencies for 2018-2025”**

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
From	To		
2013	2013	FGC UES JSC	Chief Advisor to the Chairman of Board
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Director General, chairperson of Management Board
2014	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities: **This member of the board of directors (supervisory board) does not participate in any committees under the board of directors (supervisory board)**

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility**

as specified.

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Gritsenko Vladimir Fyodorovich**

Independent member of the BoD

Year of birth: **1965**

Education:

Higher education

Russian State University for the Humanities: “Law studies”

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2012	present day	Unitel Engineering LLC	Business Development Director
2016	present day	OPORA RUSSIA Non-profit Partnership	Presidium member
2016	present day	Kubanenergo PJSC	Member of the BoD
2016	present day	Kubanenergo PJSC	Member of the Committee for Strategy, Development, Investments and Reform under the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Committee for strategy, investments, reform and development	no

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Yefimov Alexander Leonidovich**

Year of birth: **1982**

Education:

Higher education

Moscow Law Enforcement Academy: “Law studies”

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2009	2013	FGC UES JSC	Head of Department for Protocol Functions; then Director in charge of Protocol Function – Head of Department for Protocol Functions
2013	present day	Rosseti PJSC (former – Rosseti JSC)	Head of Department for Protocol Functions; then Head of Department for Protocol Functions and Administrative Services; then Head of Administrative Department; Head of General Affairs Department
2016	present day	Kubanenergo PJSC	Member of the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities: **This member of the board of directors (supervisory board) does not participate in any committees under the board of directors (supervisory board)**

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Medvedev Mikhail Vladimirovich**

Independent member of the BoD

Year of birth: **1969**

Education:

Higher education

Saint-Petersburg State University of Economics and Finances: "Finances and Credit"

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2011	2015	VTM-Engineering LLC	Director General
2011	present day	IntraTool Holding LLC	Deputy Director General
2015	present day	Industrial park "Safonovo" LLC	Deputy Director General in charge of Economics and Finances; Chairperson of the BoD
2017	present day	Kubanenergo PJSC, Avangard JSC	Member of the BoD
2017	present day	Kubanenergo PJSC	Member of the Reliability Committee under the BoD
2017	present day	Tyumenenergo JSC	Member of the Committee for Strategy.

			Development, Investments and Reform under the BoD
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The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Reliability Committee	no

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Osipova Elena Nikolaevna**

Year of birth: **1984**

Education:

Higher education

Financial University under the Government of the Russian Federation, Moscow, Accounting and Audit Institute: "Accounting, analysis and audit"

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2009	2014	Inter RAO JSC	Leading Expert at Budgeting Division at Treasury Department
2013	2014	Bank of Moscow JSC	Chief Specialist of Small Business Division
2014	present day	Rosseti PJSC (former Rosseti JSC)	Head of Division for Financial Analysis and Liquidity Management at Treasury Department
2017	present day	Kubanenergo PJSC	Member of the BoD
2017	present day	Kubanenergo PJSC	Member of the Audit Committee

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Audit Committee	no

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such**

family relations.

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Tyurkin Konstantin Vladimirovich**

Year of birth: **1982**

Education:

Higher education

Lomonosov State University, Economist and Area Studies Specialist

All offices having been/being held by the person with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	till		
2007	2013	AK Transaero JSC	Head of Sector for Mass Media Relations and Social Mass Media at Corporate Communications Division
2013	present day	Rosseti PJSC (former Rosseti JSC)	Head of Division for Communications and External Communication at Department of Information Policy and Public Relations
2017	present day	Kubanenergo	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

The member of the Board of Directors (supervisory board) does not participate any committees of the Board of Directors (supervisory board)

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Khokholkova Kseniya Valerievna**

Year of birth: **1970**

Education:

Higher education

State academy of management named after Sergo Ordzhonikidze, specialization: “Organization of management in the sphere of fuel and energy complex” (1993).

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2008	2013	Holding IDGC JSC	Head of Sector at Department of Corporate Governance and Interaction with Shareholders
2013	present day	Rosseti PJSC (earlier – Rosseti JSC)	Deputy Head of the Equity Capital Department - Head of the Division for Securing Shareholder Rights of the Department of Corporate Governance and Relations with Shareholders and Investors, then Deputy Head of Securities and Information Disclosure Sector of the same Department
2009	2013	SZEUK JSC	Member of the Board of Directors
2009	2014	Ingushenergo JSC	Member of the Board of Directors
2010	2014	Engineering centre of Power Industry of Volga region JSC	Member of the Board of Directors
2013	2014	IDGC of Volga JSC	Member of the Auditing Committee
2013	2014	IDGC of Siberia JSC	Member of the Committee for Strategy, Development, Investments and Reforming attached to the BoD
2014	2015	Scientific and research centre of Volga region JSC, Energoservis JSC	Member of the Board of Directors
2014	2016	Lenenergospetsremont JSC	Member of the Board of Directors
2014	2017	Recreation Centre “Energetik” JSC	Member of the Board of Directors
2014	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Board of Directors
2014	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Member, Chairperson of the Audit committee under to the BoD
2014	2016	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Committee for strategy, investments, reform and development under to the BoD
2015	present day	Power engineering institute named after G.M. Krzhizhanovskiy JSC	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Audit committee	yes

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such**

family relations.

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Name: **Shagina Irina Alexandrovna**

Year of birth: **1979**

Education: **Higher.**

- **Russian Distance-Learning Finance and Economics Institute: “Accounting and Audit”;**
- **Vladimir Law Institute at the Federal Penal Correction Service: “Legal studies”**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	till		
2011	2015	Federal Tariff Service of Russia	Head of Sector; Deputy Head of Administration for Regulation of Electric Power Industry
2015	present day	Rosseti PJSC	Head of Administration for Tariff Formation at Tariff Policy Department
2016	present day	IDGC of Volga PJSC	Member of the Board of Directors
2017	present day	Kubanenergo PJSC	Member of the Board of Directors, Member of the Audit Committee under the BoD
2017	present day	IDGC of Centre PJSC, IDGC of Centre and Volga region PJSC, IDGC of North Caucasus PJSC	Member of Strategy and Development Committee under the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

Information on participation in the committees' activities:

Committee	Chairperson
Audit Committee	no

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a

period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices.**

Additional information:

All members of Kubanenergo PJSC Board of Directors are citizens of the Russian Federation

Information on transactions between the issuer and members of the Board of Directors: **such transactions were not concluded during the reporting quarter**

Information on training of the BoD members at the Issuer's expense: **during the reporting quarter members of the BoD were not trained at the Company's expense**

Committees attached to the Board of Directors of the Issuer¹:

In order to ensure the Board of Directors of "Kubanenergo" PJSC efficiently fulfils its functions as a general manager of the Company's activity, the Board of Directors has established the following Committees representing advisory and consultative bodies:

The Reliability Committee established by decision of the Board of Directors dated 18.09.2006, Minutes No. 21/2006.

The Committee tasks consist in elaboration of recommendations on the following issues and their submittal to the Board of Directors:

- expertise of production programmes, upgrade plans, reconstruction, new construction and repair plans, analysis of their development and implementation to comply with requirements to reliability and technical condition of electric grids;
- estimation of completeness and sufficiency of activities following the results of incidents in accordance with the Rules of investigation of causes of accidents in the power industry, approved by Resolution of the Russian Government No. 846 dated 28.10.2009) as well as control of their performance;
- control of the quality of investigations of the causes of technological breakdowns (accidents);
- control of the Company's activities in the field of emergency work (preparedness, organization and conduct of rescue and recovery operations at the network facilities);
- control of programmes on prevention and reduction of risks of injury among personnel of the Company and third parties at the facilities of the Company, as well as monitoring their implementation;
- monitoring and evaluation of the technical services of the Company in terms of ensuring reliable operation of electrical networks and industrial safety;
- examination of internal technical control system in the Company;
- expertise of the OSH management system in the Company;
- examination of the implementation of environmental policy programme;
- expertise in fire and safety systems.

Current composition of the Reliability Committee:

#	Name	Position
1.	Ukolov Vladimir Anatolievich (chairperson)	Deputy Director of Situation and Analytical Centre, Rosseti PJSC
2.	Bogomolov Eduard Valerievich	First Deputy Director of Engineering Supervision Centre, branch of Rosseti PJSC

¹ Positions of the members of the Company's Committees of BoD are specified at the moment of nomination of the candidates for these positions.

3.	Medvedev Mikhail Vladimirovich	Deputy Director General, Holding “Intra Tool” LLC, member of the Board of Directors of Kubanenergo PJSC
4.	Ocheredko Olga Vyacheslavovna	Deputy General Director for Economics and Finance, Kubanenergo PJSC, member of the Management Board of Kubanenergo PJSC
5.	Shishigin Igor Nikolaevich	Deputy Director General in charge of Technical Issues – Chief Engineer, Kubanenergo PJSC, member of the Management Board of Kubanenergo PJSC

The Audit Committee: established on October 16, 2009 by decision of the Board of Directors (Minutes No. 80/2009 from 16.10.2009).

The main objective of the Audit Committee is to facilitate the effective performance of the functions of the Board of Directors of the Company in terms of preliminary consideration of issues related to control over the Company’s business activity.

The main tasks of the Committee are:

- consideration of the accounting (financial) statements of the Company and control over its preparation;
- control over the reliability and efficiency of the internal control systems, risk management, corporate governance practices;
- supervising the external audit and the selection of the auditor;
- ensuring the independence and objectivity of the internal audit function;
- supervision of the efficiency of functioning of system of counteraction to fraud by the Company’s employees and third parties.

Current composition of the Audit Committee:

#	Name	Position
1	Khokholkova Kseniya Valerievna, chairperson	Deputy Head of Directorate of Share Capital Issues at Department of Corporate Governance and Interaction with Shareholders, Rosseti PJSC, member of the Board of Directors of Kubanenergo PJSC
2	Shagina Irina Alexandrovna	Head of Tariff Policy Sector of Tariff Policy Department, Rosseti PJSC, member of the Board of Directors of Kubanenergo PJSC
3	Osipova Yelena Nikolayevna	Head of Financial Analysis and Liquidity Management Sector of the Treasury Department, Rosseti PJSC, member of the Board of Directors of Kubanenergo PJSC

The Committee for Strategy, Development, Investment and Reforms under the Board of Directors: established by decision of the Board of Directors of “Kubanenergo” JSC, Minutes No. 84/2010 dated 05.02.2010, for elaboration of recommendations (conclusions) on the following aspects of activity of the Board of Directors and their submittal to the Board of Directors:

- determination of priority aspects, strategic objectives and the core principles of the Company strategic development;
- evaluation of the Company activity efficiency;
- increase of investment attractiveness of the Company, improvement of investment activity and taking justified investment decisions;
- correction of the existing company development strategy;
- control of the process of implementation of adopted programs, projects and the Company reform process;
- elaboration of recommendations on the dividend policy;
- control of implementation and functioning of risks management system

Current composition of the Committee for Strategy, Development, Investment and Reforms:

#	Name	Position
1	Pavlov Alexey Igorevich, chairperson	Head of Treasury Department, Rosseti PJSC
2	Rafalskaya Inna Sergeevna	Deputy Head of Division for Settlement of Disputes in the field of Tariff Formation of the Tariff Policy Department, Rosseti PJSC
3	Mikryukov Dmitriy Vasilievich	Chief Expert of Division for Consolidated Planning and Reporting at Investments Activity Department, Rosseti PJSC
4	Lavrova Marina Alexandrovna	Head of Division for Economics of Affiliated Companies at the Department of Economic Planning and Allocation of Funds, Rosseti PJSC
5	Balaban Fyodor Nikolaevich	Deputy Head of Strategic Projects Division at Department of Strategic Development, Rosseti PJSC
6	Ivanova Olga Sergeevna	Assistant to Deputy Director General in charge of Strategic Development, Rosseti PJSC
7	Ocheredko Olga Vyacheslavovna	Deputy General Director for Economics and Finance, Kubanenergo PJSC, member of the Management Board of Kubanenergo PJSC
8	Seleznyov Viktor Yurievich	Head of Department of Scientific and Technical Development and Control over implementation of R&D under the Department of Technological Development of Innovations, Rosseti PJSC
9	Gritsenko Vladimir Fyodorovich	Director of Business Development, Yunitel Engineering LLC
10	Guselnikov Konstantin Sergeyevich	Director General, FinInvest Consulting LLC

The Personnel and Remuneration Committee under the Board of Directors: established by decision of the Board of Directors of “Kubanenergo” JSC, Minutes No. 94/2010 dated 06.08.2010 for elaboration of recommendations (conclusions) on the following aspects of activity of the Board of Directors and their submittal to the Board of Directors:

- amount of remuneration to members of the Board of Directors of the Company;
- elaboration of principles and criteria for determination of the amount of reward payable to members of the Board of Directors, members of the Collegial Executive Body and the person discharging the functions of Sole Executive Body of the Company including a management organization or general manager;
- working out of proposals on determination of substantial conditions of contracts with the members of the Board of Directors, members of the Collegial Executive Body and the person discharging the functions of Sole Executive Body of the Company;
- determination of criteria for selection of candidates for membership in the Board of Directors, in the Collegial Executive Body and for the office of Sole Executive Body of the Company as well as preliminary evaluation of such candidates;
- regular evaluation of activity of the person discharging the functions of Sole Executive Body of the Company (management organization, general manager) and members of the Company’s the Collegial Executive Body and preparation of proposals on the possibility of their reappointment for the Board of Directors.

Current composition of the Personnel and Remuneration Committee as of 23.06.2017 (the date of the first meeting of the new Board of Directors):

#	Name	Position
1	Varlamov Nikolay Nikolevich, chairperson	Deputy Director General – Chief of Staff, Rosseti PJSC
2	Chevkin Dmitriy Aleksandrovich	Head of Personnel and Organization Development Department, Rosseti PJSC
3	Erpsher Nataliya Ilinichna	Head of Division for Organization Development under Department of HR Policy and Organization Development, Rosseti PJSC

The Grid Connection Committee attached to Board of Directors was organized by the decision of Kubanenergo BoD, minutes of meeting No.119/2011 dated 11.10.2011, for the purpose of elaboration and provision of recommendation to Board of Directors on the following activities of the BoD:

- improvement of the legal base of antimonopoly control and provision of non-discriminatory access to services on technological connection of consumers to electric grids;
- improvement of the internal regulations and proprietary standards on provision of non-discriminatory access to services on technological connection of consumers to electric grids
- elaboration of principles and criteria of evaluation of Company's activity in technological connection of consumers to electric grids
- evaluation of efficiency of Company's activity in technological connection of consumers to electric grids
- assessment of the Company's efficiency in improving the quality of planning the development of electric networks in accordance with the organizational and administrative documents of the Company and Rosseti PJSC (design of integrated programmes for development of electric networks, interaction with the executive authorities of the regions in creation of a scheme and programme of development of the electric networks for the five-year period; formation and timely submission of reports on the future development of the network);
- analysis of current situation in the Company and preparation of propositions to the BoD on technological connection of consumers to electric grids

Current composition of the Grid Connection Committee:

#	Name	Position
1	Varvarin Aleksandr Viktorovich, chairperson	Vice-president - Managing Director in charge of Corporate Relations and Legal Support, Russian Union of Industrialists and Entrepreneurs; member of the BoD of Kubanenergo PJSC
2	Korneyev Alexandr Yurievich	Head of Department of Perspective Development of Grids and Grid Connection, Rosseti PJSC
3	Denezhnaya Natalia Vladimirovna	Chief Expert of the Department for Regulation of Grid Connection under the Department Perspective Development of Grids and Technological Connection, Rosseti PJSC

5.2.2. Information on the Sole Executive Body of the Issuer

Full name: **Gavrilov Alexander Ilich**
(chairperson)

Year of birth: **1973**

Education:

Higher education:

- State Kuban University, diploma: “Accounting and audit” (1995)
- State Kuban Polytechnic University, diploma: “Exploitation and operation of oil-and-gas-field” (2006)

Conferred a degree on Doctor of Economics (2010)

Advanced training courses:

- “Ernst&Young” – “Risk management” (2015)
- Federal national independent educational institution for supplementary vocational education “Institution of Advanced Training for Senior Officials and Employees of Fuel and Energy Industry”, course “Preparedness activity and economic mobilization”; and Federal State Institution “Information and Technology Centre of FAS of Russia”, course “Tariff regulation in 2017 and tasks of the government regulatory agencies for 2018-2025” (2017)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2013	2013	FGC UES JSC	Chief Advisor to the Chairperson of Board
2013	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Director General, Chairperson of the Management Board
2014	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

5.2.3. Composition of the Collegial Executive Body of the Issuer

Full name: **Gavrilov Alexander Ilich**
(chairperson)

Year of birth: **1973**

Education:

Higher education:

- State Kuban University, diploma: “Accounting and audit” (1995)
- State Kuban Polytechnic University, diploma: “Exploitation and operation of oil-and-gas-field” (2006)

Conferred a degree on Doctor of Economics (2010)

Advanced training courses:

- “Ernst&Young” – “Risk management” (2015)
- Federal national independent educational institution for supplementary vocational education “Institution of Advanced Training for Senior Officials and Employees of Fuel and Energy Industry”, course “Preparedness activity and economic mobilization”; and Federal State Institution “Information and Technology Centre of FAS of Russia”, course “Tariff regulation in 2017 and tasks of the government regulatory agencies for 2018-2025” (2017)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2013	2013	FGC UES JSC	Chief Advisor to the Chairperson of Board
2013	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Director General, Chairperson of the Management Board
2014	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Armaganian Edgar Garriyevich**

Year of birth: **1984**

Education:

Higher education:

- Kuban State Agrarian University, diploma: “Electrification and Automation”, conferred qualification “Engineer” (2008).
- Course of professional retraining at BMSTU on the basis of “Training centre “Kubanenergo”, specialty “Management of organization” (2014)
- Kuban State University – advanced training: “Law studies: Civil law relations” (2015)
- Advanced training courses at Bauman Moscow State Technical University, on the basis of “Education Centre “Kubanenergo”, specialization “Management of organization” (2008)

Advanced training courses:

- Ernst&Young: “Risk management” (2015)
- Moscow School of Management SKOLKOVO, course: “Development of leaders of grid complex” (2016)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2009	present day	Kubanenergo PJSC (earlier - Kubanenergo JSC)	Head of sector for selling of services on energy transmission; then head of sector for technological connection; then head of sector for electricity transport; then deputy director in charge of development and selling of services at Kubanenergo branch Sochi electrical networks; then advisor to director general of Kubanenergo JSC, acting first deputy director general of the Company; then head of Kubanenergo branch Sochi electrical networks (main job) with part-time job as acting first deputy director general(combined duties); after – director of branch Sochi electrical networks, then first deputy director general – director of Kubanenergo branch Sochi electrical networks, deputy director general in charge of selling of services (combined duties); first deputy director general - director of Kubanenergo branch Sochi electrical networks
2014	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Management Board
2015	2017	Kubanenergo PJSC	Member of Reliability Committee
2016	present day	Energoservis Kuban JSC	Chairperson of the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of

finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations:

Name: **Golov Andrei Valerievich**

Year of birth: **1980**

Education:

Higher education:

- **Orenburg State University, diploma: “Finance and credit” (2008).**

In 2008 was conferred a degree of Candidate of Sciences (Economics).

Advanced training courses in 2015:

- **Ernst&Young: “Risk management”**

- **Consulting and Education Centre “Energopersonal“, course “Internal audit: basic theory and practice”**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2012	2012	Prompostavka CJSC	Business Director
2012	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Adviser of Director General; after – acting deputy Director General in charge of logistics and inventory without discharge from the main job; after – deputy Director General in charge of logistics and inventory; acting deputy Director General on investment activity (part time job); then deputy Director General in charge of investment activity
2013	present day	Kubanenergo PJSC (former - Kubanenergo JSC)	Member of the Management Board

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The**

person did not hold such offices

Name: **Golovakha Dmitriy Nikolaevich**

Year of birth: **1977**

Education:

Higher education:

- **Krasnodar technical college, diploma: “Installation and maintenance of electrical equipment of agricultural companies” (1997).**

- **Kuban State Agrarian University, diploma: “Electrification and automation of agricultural industry” (2002).**

Professional retraining:

- **Moscow State Technical University named after Bauman, course: “Company management” (2013);**

Advanced training courses:

- **Kuban State Technological University, course “Official secrets protection at public agencies and local government of the Krasnodar region” (2013)**

- **Institution of Further Training of administrative officers and specialists of fuel and energy industry, course: “Economic mobilization and mobilization preparation of companies” (2014)**

- **State Public Institution “Civil defense and emergency situations training center”, course: “Training for administrative officers and specialists of civil defense and emergency situations” (2016)**

- **Federal national independent educational institution for supplementary vocational education “Institution of Advanced Training for Senior Officials and Employees of Fuel and Energy Industry”, course “Arrangement of mobilization work at power companies with mobilization assignment” (2017)**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2012	2013	Department on issues of fuel and energy complex of Krasnodar region (from 01.07.2012 – Industry and Energy Ministry of the Krasnodar region)	First Deputy Head of Department, after – Deputy Minister
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Director of branch South- Western power grids, Member of the Management Board

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity:

Son of the member of the Management Board – Golovakha Lyudmila Alekseevna.

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility**

as specified.

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Golovakha Lyudmila Alekseevna**

Year of birth: **1955**

Education:

Higher education:

- **Kuban State University, diploma: “Law” and “State and municipal management”.**
- **Krasnodar College of the Sugar Industry, diploma: “Electrical equipment of industrial enterprises and facilities”**

Professional retraining course at Southern Institute of Management: “Human resources management”

Advanced training courses:

- **Ernst&Young: “Risk management” (2015)**
- **Power engineering institute of advanced training, programmes: “Responsibility for ensuring traffic safety” and “Urban electric and motor transport safety” (2016)**
- **Power Institute for Advanced Training “Kubanenergo”, course: “Responsible for ensuring traffic safety” (2017)**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2013	present day	Kubanenergo PJSC (earlier – Kubanenergo JSC)	Director General Adviser, after – deputy Director General –chief of staff; Member of the Management Board
2017	present day	Recreation Centre “Energetik” JSC	Member of the Board of Directors

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Mother of member of the Management Board – Golovakha Dmitriy Nikolaevich.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Ivanova Irina Viktorovna**

Year of birth: **1973**

Education:

Higher education:

- **Kuban State University, diploma: “Accounting and audit” (1995)**
- **Kuban State University, diploma: “Legal studies” (2010)**

Advanced training courses:

- **Bauman Moscow State Technical University, course: “Company management” (2016)**
- **Ernst&Young: “Internal audit: concepts and best practices” (2015)**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2003	2015	Economic security and anti-corruption department at Head Department of the Ministry of Internal Affairs in Krasnodar region	Chief Specialist – Inspector; then Deputy Head of Sector for Desk Audit and Investigations
2015	present day	Kubanenergo PJSC	Head of Internal Audit and Control Department; then Deputy Director General in charge of Corporate Governance; then Advisor to Director General
2016	present day	Kubanenergo PJSC	Member of the Management Board

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Kostetskiy Vyacheslav Yurievich**

Year of birth: **1974**

Education:

Higher education:

- **Institute of Economics, Law and natural specialties, diploma: “Law” (1999)**

- Kuban State Technological University, diploma: “Electric power supply” (2009).
- The course of retraining “Management” in Moscow State Technical University named after Bauman on the basis of Non-state non-profit educational institution “Educational centre “Kubanenergo” (2008).

Advanced training courses:

- Ernst&Young: “Risk management” (2015)
- Consulting and Education Centre “Energopersonal“, course “Internal audit: basic theory and practice” (2015)
- Engineering and Technical Center at the Federal Antimonopoly Service of the Russian Federation, seminar: “Tariff regulation in 2016 and activities of the regulating bodies for 2017” (2016)
- Office for professional support of reforms in energy industry: “Federal Antimonopoly Service of the Russian Federation: Adopted and projected changes in regulation of wholesale markets of electrical energy” (2017)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	CEO advisor; then Deputy General Director for Development and Sales; then Deputy Director General for implementation and development of services; then Deputy Director General for development and grid connection; Member of the Management Board
2013	2015	Energoservis Kuban JSC	Chairperson of the Board of Directors
2013	2015	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Committee for Strategy, Development, Investments and Reforming under the BoD
2013	2017	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Grid Connection Committee under the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices at management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Mikhailov Vladimir Alexandrovich**

Year of birth: **1982**

Education:

Higher education:

- **South-Russian State Polytechnic University (Novocherkassk Polytechnic University) – “Electric systems and networks” (2004);**

Advanced training:

- **South-Russian State Polytechnic University (Novocherkassk Polytechnic University) – “Safety at technological processes and production in the sphere of power industry and power supply” (2004);**

- **affiliate of Bauman Moscow State Technical University at Educational Centre of Kubanenergo – “Corporate Governance” (2013);**

- **Educational centre “Innovative Technologies”, programme “Internal auditors of environment management systems” (2008);**

- **Institute of supplementary vocational education, programme “Environmental safety for heads and specialists of departments general economic management systems” (2010);**

- **Consulting and Education Centre “Energopersonal”, course “Training course on mobilization preparation of economy” (2016)**

- **Education Centre of Federal Service for Environmental, Technological, and Nuclear Supervision, course: “Precertification training on Industrial Safety. Industrial Safety Basics (General Safety Requirements)” (2017)**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2011	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Deputy Head in charge of Technical Issues – Chief Engineer of Slavyanskiye electric networks; Head of Slavyanskiye electric networks; Head of branch Krasnodarskiye electric networks
2016	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Member of the Management Board

The person holds no participatory stake in the Issuer’s authorized capital or the Issuer’s ordinary shares.

The person’s participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer’s subsidiary and dependent companies: **The person does not hold such stake.**

Details of the nature of any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer’s financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Ocheredko Olga Vyacheslavovna**

Year of birth: **1972**

Education:

Higher education:

- **Kuban State University, specialization “Economic and social planning” (1994)**
- **University of International Relations of the Ministry of Foreign Affairs of the Russian Federation, course: “Administration and control of business activity in international electric power industry”, qualification “Master of business administration” (2015)**

Advanced training:

- **BMSTU on the basis of “Training centre “Kubanenergo”, course “Management of organization” (2010)**
- **“Ernst&Young” – “Risk management” (2015)**
- **Educational Centre “EnergoResheniye”, course: “Development of Russian electric and heat power industry”; Agency for smart assistance of reforms in energy industry, course: “RF Federal Antimonopoly Service. New in tariff setting and formation of balance of heat and electric power industry” (2016);**

Workshops:

- **Engineering and Technical Center at the Federal Antimonopoly Service of the Russian Federation, seminar: “Tariff regulation in 2016 and activities of the regulating bodies for 2017” (2016)**
- **Agency for professional assistance of reforms in energy industry, course: “RF Federal Antimonopoly Service. New in balance and tariff setting in power industry. Theory and practice of antimonopoly regulation in power industry” and “RF Federal Antimonopoly Service. Adopted and projected changes in regulation of wholesale markets of electrical energy”, Federal State Institution “Information and Technology Centre of FAS of Russia”, course “Tariff regulation in 2017 and tasks of the government regulatory agencies for 2018-2025” (2017)**

- All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2008	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Head of financial department under financial directorate, head of directorate – head of division at financial department, head of financial division on construction of Olympic facilities, deputy head of department – head of financial division at financial department, head of financial department, head of division for construction of Olympic facilities at department of property and legal support of construction of Olympic facilities, deputy director general in charge of economics and finances
2014	2015	Recreation centre “Plamya” JSC	Chairperson of the Board of Directors

2014	present day	Recreation centre “Energetik” JSC	Member of the Board of Directors
2014	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Member of the Management Board
2015	present day	Kubanenergo PJSC	Member of the Committee for Strategy, Development, Investments and Reforming; member of the Reliability Committee under the BoD
2017	present day	Kubanenergo PJSC	Member of the Reliability Committee under the BoD

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations:

The person was member of the BoD of Recreation centre “Plamya” when bankruptcy case was initiated in relation to the company, in accordance with order of Commercial court of Krasnodar region on 03.03.2015 and when Recreation centre “Plamya” was considered by the Commercial Court of Krasnodar region as insolvent on 02.09.2015.

Name: **Shishigin Igor Nikolaevich**

Year of birth: **1979**

Education:

Higher education:

- **Kuban State Agrarian University: “Electrification and automation” (2007);**
- **Moscow New Law Institute: “Legal studies” (2013);**

Retraining course:

- **Bauman Moscow State Technical University at the Educational Centre “Kubanenergo”: “Enterprise Management” (2015);**

Advanced training:

- **Bauman Moscow State Technical University: “Control and audit activity in power industry; energy saving” (2010);**
- **SGS Vostok Limited: “Internal auditor of Occupational Health, Safety and Environmental Management System. OHSAS 18001:2007” (2013);**
- **State academy for advanced training and retraining for construction and housing and communal services of Russia: “Energy supply – changes in legal base, modern technologies,**

materials and equipment, peculiar features in installation work” and Education Centre “Kubanenergo”: “Environmental safety at grid facilities” (2014)

- Power Institute for Advanced Training “Kubanenergo”, courses: “Advanced training on labour protection”, “General industrial safety requirements”, “Pre-certification training of managers and specialists of organizations operating electric networks”, “Pre-certification training of managers and specialists responsible for the operation of hazardous production sites where lifting constructions designed for lifting and moving cargoes are used”, “Pre-certification training of managers and specialists responsible for the operation of hazardous production sites where lifting constructions designed for lifting and moving people are used” (2017)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
from	to		
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Deputy head of Production Control and Occupational Safety Sector at Krasnodarskiye electric networks; Head of Division for Production Control and Occupational Safety at Krasnodarskiye electric networks; Deputy Chief Engineer – Head of Division for Production Control and Occupational Safety at Krasnodarskiye electric networks and Sochi electric networks; First Deputy Director – Chief Engineer of Sochi electric networks; Deputy Director General in charge of Technical Issues – Chief Engineer
2017	present day	Kubanenergo JSC	Member of the Management Board
2017	present day	Kubanenergo PJSC	Member of the Reliability Committee

The person holds no participatory stake in the Issuer’s authorized capital or the Issuer’s ordinary shares.

The person’s participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer’s subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer’s financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Statuyev Vladislav Andreyevich**

Year of birth: **1956**

Education:

Higher education:

- Navy engineering academy named after Drezhinskiy F.E. (Saint-Petersburg), specialization “Physics and Power Engineering” (1978).
- Financial University under the Government of the Russian Federation, specialization “Company management” (2012)

Advanced training courses:

- Ernst&Young: “Risk management” (2015)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis:

Period		Company	Position
2009	2013	Federal state unitary enterprise Federal Computer Centre of Funds and Market IT solutions (“FT-Centre”)	Director of Krasnodar branch
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Advisor of Director General with duties of deputy director general in charge of security, without discharge from primary employment, then Deputy Director General in charge of Security; Director General Assistant; then Deputy Director General; Deputy Director General in charge of Security
2013	present day	Kubanenergo PJSC (former – Kubanenergo JSC)	Member of the Management Board

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **Such family relations are absent.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Additional information disclosed in accordance with the Information Policy of Kubanenergo PJSC:

All members of the Management Board of Kubanenergo PJSC are citizens of the Russian Federation. Information on transactions concluded in the reporting quarter between the Company and Member of the Management Board: during the reporting quarter such transactions were not concluded

5.3. Information on the amounts of reward, benefits and/or compensation for expenses due to each of the Issuer's management bodies

Information on the amount of remuneration paid to each management body (except for the natural

person discharging the functions of Sole Executive Body of the Issuer). Indication of all types of rewards including wages, bonuses, commission fees, benefits and/or compensations for expenses as well as other pecuniary rewards paid by the Issuer for the last completed financial year:

Remuneration

Board of Directors

Unit of measurement: **thousand rubles**

Indicator	2017
Remuneration for participation in activity of the management body	6 829
Salary	
Bonuses	
Commission fees	
Other remunerations	
Total	6 829

Information on the current agreements on such payments in the current financial year:

In accordance with Regulations on payment of remuneration to members of the Board of Directors of Kubanenergo PJSC (approved by the AGM, minutes of meeting No.36 dated 11.06.2015), remuneration to members of the Board of Directors shall be paid as lump sum payment by the results of their activity during the period from their election to the Board of Directors until the election of new members of the Board of Directors of the Company.

Amount of remuneration paid to each member of the Board of Directors of the Company is calculated with regard of the total number of meetings of the Board of Directors in the previous corporate year and the number of meetings in which such member of the Board of Directors takes part. The amount of remuneration base shall be based on the revenues calculated in accordance with Russian Accounting Standards and received by the Company in the financial year.

Additionally to the remuneration the following premiums shall be paid:

- 30% payable to the Chairman of the Board of Directors of the Company;
- 20% payable to the chairman of a specialized committee of the Board of Directors of the Company;
- 10% payable to a member of a specialized committee of the Board of Directors of the Company.

Additional remuneration is paid to the members of the Board of Directors in case of increasing the amount of the Company's market capitalization during the period of work of the Board of Directors

Collegiate executive body

Unit of measurement: **thousand rubles**

Indicator	2017
Remuneration for participation in activity of the management body	1 703
Wages	38 442
Bonuses	31 453
Commission fees	0
Fringe benefits	

Other remunerations	1 591
Total	73 189

Information on the current agreements on such payments in the financial year:

In accordance with decision adopted by the Company's BoD on 24.02.2015 (minutes of meeting No. 203/2015 dated 25.02.2015) "On approving the list of offices included in the category of top managers of Kubanenergo JSC", Members of the Management Board of are considered as top-managers of first category.

According the Regulation on motivation and social benefits set for Top managers of Kubanenergo, approved by the Company's BoD (minutes of meeting No.207/2015 dated 17.04.2015) the labour contracts with members of Management Board stipulates that the payment is performed monthly for fulfillment of obligations of member of collegiate executive body of the Company – Management Board of Kubanenergo PJSC.

Compensations

Unit of measurement: **thousand rubles.**

Management body	2017
Board of Directors	0
Collegiate executive body	684

Additional Information:

In accordance with the Regulations on payment of remunerations and compensations to members of the Board of Directors of Kubanenergo PJSC approved by the Annual General Meeting of Shareholders (Minutes of meeting No.36 dated 11.06.2015), members of the Board of Directors are reimbursed for expenses related to participation in the meeting of the Board of Directors, according to the current rates of reimbursement of travel expenses set out in the Company.

Members of the Management Board, in accordance with the Regulations on the procedure for payment of compensation for rent of residential premises, approved by order of the Company on March 27, 2015 No.262, are compensated the payment for rent of residential premises.

5.4. Information on the structure and competence of bodies controlling the Issuer's business activity and on organization of risk management and internal audit systems.

Full description of the structure of bodies controlling the Issuer's business activity and their competences in accordance with the Issuer's Charter (constituent documents) and internal documents of the Issuer:

The structure of bodies controlling the Issuer's business activity and their competences in accordance with the Issuer's Charter (constituent documents) and internal documents of the Issuer:

For control of the Issuer's business activity, the General Meeting of Shareholders elects the Auditing Commission of the Issuer for the period until arrangement of the next General Meeting of Shareholders. The number of members of the Auditing Commission of the Issuer is 5 (five) persons.

The following issues fall within the competence of the Auditing Commission of the Issuer:

- inspection and analysis of financial status of the Company, its financial solvency, functioning of internal control and risks management systems, assets liquidity, proportion of own and borrowed funds, accuracy and timeliness of accrual and payment of interests on bonds, revenue on other securities; review (revision) of the Issuer's financial, accounting, payment-and-settlement and other

documentation related to the Issuer carrying out financial and business activity for such documentation compliance with the Russian Federation legislation, the Charter, in-house and other documents of the Issuer;

- control of integrity and use of fixed assets;
- control of compliance of the established procedure for charging insolvent borrowers' indebtedness to the Issuer's loss;
- control of spending the Issuer's monetary assets in accordance with the approved Business Plan and budget of the Issuer;
- control of accumulation and use of the reserve and other special funds of the Issuer;
- check of the timeliness and correctness of conducting payment transactions with counterparties and the budget, as well as payment transactions on labor payment, social insurance, accrual and payment of interest and other payment transactions
- review of fulfilment of previously issued prescriptions for elimination of violations and inconsistencies detected by the Company's Auditing Commission;
- inspection of the Company's operations conducted in accordance with the existing agreements;
- check of compliance with the norms and standards, approved budgets, and other documents regulating the activity of the Company while using material, labor and financial resources in the financial and economic activities under current contracts;
- check of the Company's cash and assets, effectiveness of use of assets and other resources of the Company, identifying the causes of non-production losses and costs, search for reserves for improving the Company's financial condition;
- review of fulfilment of issued recommendations for elimination of violations and inconsistencies previously detected by the Company's Auditing Commission
- recommendations for Company's management bodies
- other actions (arrangements) related to review of the Issuer's financial and business activity.

The procedure and terms for drawing up a report on the results of an audit of the Issuer's business activities are determined by the legal acts of the Russian Federation and the Issuer's internal documents.

For review and validation of the Company's annual financial statements, the General Meeting of Shareholders annually approves Auditor of the Company.

Following the results of inspections of the Issuer's financial and business activity, the Company's Auditing Commission or Auditor draws up a report that shall contain:

- statement of validation of consistency of data contained in accounting (financial) statements of the Issuer;
- information on facts of the Issuer having violated the procedures of accounting records keeping and financial reporting, as established by legal instruments of the Russian Federation, as well as on other violations of legal instruments of the Russian Federation, or legal instruments of the Russian Federation in the course of the Issuer's financial and business activity.

The procedure and terms for drawing a report following the results of review of the Issuer's business activity are determined by legal instruments of the Russian Federation on the basis of a contract concluded between the Auditor and the Issuer.

To check and approve annual financial reports of the Issuer, the General Meeting of Shareholders annually elects an Auditor.

Based on the contract, the Issuer's Auditor checks business activity of the Company for its compliance with the requirements of the RF legislation.

Following the results of inspections of the Issuer's business activity, the Company's Auditing Commission, Auditor draw up a report that shall contain:

- statement of validation of consistency of data contained in accounting (financial) statements of the Issuer;

- information on facts of the Issuer having violated the procedures of accounting records keeping and financial reporting, as established by legal instruments of the Russian Federation, as well as legal instruments of the Russian Federation in the course of the Issuer's financial and business activity.

The procedure and terms for drawing up a report following the results of a review of the Issuer's business activity are determined by legal instruments of the Russian Federation on the basis of a contract concluded between the Auditor and the Issuer.

The Company established the Audit Committee under the Board of Directors.

The Audit Committee's competence:

The main purpose of the Committee is to assist in effective implementation by the Board of Directors by preliminary consideration of issues related to control of financial and economic activities of the Company.

The main tasks of the Committee are:

- consideration of the accounting (financial) statements of the Company and control of the process of its preparation;
- control over reliability and efficiency of the internal control systems, risk management, corporate governance practices;
- supervision of the external audit and selection of the auditor;
- ensuring the independence and objectivity of the internal audit function;
- supervision of efficiency of system of counteraction to fraud of the Company's employees and third parties.

The members of the Audit Committee under the Board of Directors

Name	chairperson
Khokholkova Kseniya Valerievna	yes
Osipova Yelena Nikolayevna	no
Shagina Irina Alexandrovna	no

Information on the availability of a separate structural unit(s) for the risk management and internal control (other than the Audit Commission (Auditor), body (structural unit) in charge of internal control of financial and economic activities of the issuer), its tasks and functions:

Before April, 2008, functions of the Issuer's internal control were performed by the Controlling and Internal Audit Service established in August, 2004.

From April, 2008 till November, 30, 2010, under the Contract No. 407/30-1143/26 "On transfer of powers of Sole Executive Body" between the Issuer and "IDGC of South" OJSC dated 14.09.2007, discharge of functions aimed at provision for efficient functioning of the internal control system in the Issuer was carried out by the Department for Internal Control and Audit of "IDGC of South" OJSC.

In accordance with Decision of the Board of Directors of the Issuer dated 05.08.2010 (Minutes No. 94.2010 dated 06.08.2010), a Directorate for Internal Audit and Risk Management was established within the Issuer's organizational structure.

In accordance with the resolution of the Issuer's Board of Directors (Minutes of meeting No.195/2014 dd. 29.08.2014) the Directorate of Internal Audit and Risk Management was transformed into the Internal Audit and Control Department.

The Audit Committee (Minutes of meeting No.25/2015 dd. 27.02.2015) agreed to establish a Directorate for Internal Control and Risks Management as part of the Internal Audit and Control

Department.

In accordance with the decision of the Issuer's Board of Directors dated 31.05.2016 (Minutes of meeting No.241/2016 dd. 31.05.2016), starting from 1 August 2016, the Department of Internal Audit and Control is divided into Internal Audit Department and the Directorate of Internal Control and Risk Management.

The Directorate of Internal Control and Risk Management reports directly to the Deputy General Director in charge of Controlling.

The main objectives of the Directorate of Internal Control and Risk Management include:

- 1) organization of development and improvement of the internal control system (ICS) of the Company, and provision of methodological support of internal control system;
- 2) organization of development and improvement of the risk management system (RMS) of the Company, and provision of methodological support of RMS;
- 3) organization of current monitoring of the Company's activities;
- 4) organization of interaction with the external auditor concerning the issues of functioning of ICS and RMS;
- 5) interaction with state regulatory authorities on internal control

The main functions of the Directorate of Internal Control and Risk Management are:

- 1) development and provision of implementation and adaptation of key methodological documents on the construction and improvement of the ICS and RMS;
- 2) assistance to the Company's management in creation of the control environment, development of recommendations for the description and introduction to processes (activities) the control procedures and assignment of responsibility for officials, counseling on internal control;
- 3) coordination of activities for maintenance and monitoring of progress towards the target state of ICS and RMS;
- 4) overall coordination of risk management processes, including organization of interaction of all participants of the RMS;
- 6) preparation of the annual consolidated report on organization, functioning and effectiveness of the risk management system of the Company, as well as other matters stipulated by the Risk Management Policy.
- 7) monitoring of implementation of activities and internal control procedures in the Company;
- 8) provision of information on the state of ICS and RMS in the Company;
- 9) organization to ensure compliance with the requirements of state supervisory bodies to the ICS;
- 10) ensuring interaction with state regulatory authorities in the exercise of control measures in respect of the Company and its subsidiaries;
- 11) coordination of activities of the Company and its subsidiaries to develop corrective actions to address deficiencies and implement recommendations and prescriptions.

Information on the Issuer's separate structural unit of internal audit, its tasks and functions:

Before April, 2008, functions of the Issuer's internal control service were discharged by the Controlling and Internal Audit Service established in August, 2004.

From April, 2008 till November, 30, 2010, under Contract No. 407/30-1143/26 "On transfer of powers of Sole Executive Body" between the Issuer and OJSC "IDGC of South" dated 14.09.2007, discharge of functions aimed at provision for efficient functioning of the internal control system in the Issuer was carried out by the Department for Internal Control and Audit of OJSC "IDGC of South".

In accordance with Decision of the Board of Directors of the Issuer dated 05.08.2010 (Minutes No. 94.2010 dated 06.08.2010), an Administration for Internal Audit and Risk Management was established within the Issuer's organizational structure.

In accordance with the decision of the Issuer's Board of Directors (Minutes of meeting No.195/2014 dd. 29.08.2014) the Directorate of Internal Audit and Risk Management was transformed into the Internal Audit and Control Department.

The Audit Committee of Board of Directors (Minutes of meeting No. 25/2015 dd. 27.02.2015) approved the creation of management board of internal control and risks as a part of department of internal audit and control.

In accordance with the decision of the Issuer's Board of Directors dated 31.05.2016 (Minutes of meeting No.241/2016 dd. 31.05.2016) starting from 1 August 2016, the Department of Internal Audit and Control is divided into Internal Audit Department and the Directorate of Internal Control and Risk Management.

The Internal Audit Department is functionally subordinated to the Board of Directors (the Board of Directors, through the Audit Committee), and administratively – to the General Director of the Company.

The main objectives of the Internal Audit Department are:

- 1) implementation and application of unified approaches to establishment, management and coordination of the internal audit function in the Company;
- 2) carrying out the internal audit, participation in other inspection activities of the Company and its subsidiaries;
- 3) provision of independent and objective assurance regarding the effectiveness of ICS, RMS and corporate governance, and assistance to the executive bodies and employees of the Company in development and monitoring of implementation of procedures and measures for improvement of ICS, RMS and corporate governance;
- 4) organization of effective interaction with the Company's external auditor, the Audit Committee of the Company, with other stakeholders on issues related to the competence of the internal audit;
- 5) preparation and submission of reports on the results of the internal audit activity (including information about significant risks, deficiencies, results and effectiveness of the implementation of measures to address identified deficiencies, the results of the implementation plan of the internal activities audit, the results of the actual condition assessment, reliability and efficiency of ICS, RMS and corporate governance) to the Board of Directors, the Audit Committee of the Board of Directors and executive bodies of the Company.

The main functions of the Internal Audit Department are:

- 1) introduction of unified principles of establishment of the internal audit function, management and evaluation of the implementation of the internal audit function approved by Rossetti PJSC;
- 2) updating regulations governing the internal audit activities (policies, regulations, rules, procedures, instructions and other documents);
- 3) planning, organizing and conducting internal audits of business processes (activities), business functions, projects/plans/programmes, structural and separate subdivisions of the Company
- 4) carrying out thematic audits on a particular topic in accordance with the unified audit programme approved by the Rossetti PJSC;
- 5) organization of activities of the Audit Commission of affiliates;
- 6) participation of the Department of Internal Audit employees as elected members of audit commissions or invited experts in the activities of the Audit Commission of an affiliate;
- 7) participation in special (official) investigation into abuse (fraud), causing damage to the Company and its subsidiaries, misuse, inefficient use of resources, and other acts of unfair/illegal actions of employees and third parties;

- 8) inform the Board of Directors (Audit Committee), the executive bodies of the Company on the results of inspections, submission of recommendations to eliminate violations and deficiencies identified during the audit, and proposals to improve the efficiency and effectiveness of the ICS, RMS and corporate governance, on improving the Company's activities and its subsidiaries and affiliates;
- 9) monitor the implementation of corrective action plans to address violations and deficiencies identified in the audits and implementation of recommendations and proposals for improving the operations of the Company;
- 10) evaluation of the effectiveness of ICS, RMS and corporate governance;
- 11) advising the executive bodies of the Company on the CRS, RMS and corporate governance (while maintaining the independence and objectivity of the internal audit).
- 12) assessment of quality of work of the external auditor, preparing reports on the results of this assessment, performance evaluation for consideration by the Audit Committee of the Board of Directors, to ensure awareness of interested parties;
- 13) cooperation with the Audit Committee of the Company.

Policies of the issuer in the field of risk management and internal control are described in item 2.4 of the issuer's quarterly report

The Issuer approved an internal document that sets the rules for preventing use of confidential and insider information.

Information on the issuer's internal document establishing the rules to prevent misuse of confidential and insider information:

The Issuer approved and internal document that sets the rules for preventing use of confidential (insider) information.

In accordance with the requirements of the law No.224-FZ of 27.07.2010 “On Prevention of Unlawful Use of Insider Information and Market Manipulation and on Amendments to Certain Legislative Acts of the Russian Federation”, the Issuer:

- developed and approved at the Board of Directors on 02.08.2013 (Minutes of meeting No.168/2013) the Regulations on the insider information of the Company;
- formed a list of insider information;
- defined the persons related to insiders;
- sends notifications of inclusion/exclusion of persons in the list of insiders;
- maintains the list of insiders and sends to the organizers of trade an analysis of transactions in the securities market;
- ensures protection of the confidentiality of insider information and compliance with the rules of treatment of insider information by defining the rights of access to insider information, network folders inspection units, checks the state of network security, protection from leaks of confidential information;
- organized control over the Company's compliance with the legal requirements and regulations, legal acts of the Russian Federation on insider information.

Information on the activity of Kubanenergo PJSC in the field of combating unauthorized use of insider information and market manipulation is available on the Company's web site at: <http://kubanenergo.ru/aktsioneram-i-investoram/informatsiya-dlya-insayderov-obschestva/>

The Issuer plans to continue to develop activities aimed at organization and development of control mechanisms on use of insider information.

Additional information:

In 2013, the Company adopted a single strategy document – Anti-corruption policy of Rossetti PJSC and affiliated companies of Rossetti (approved by the Board of Directors (Minutes of meeting No.201 dated 30.12.2014) (hereinafter –the anti-corruption policy), which defined a common approach to the implementation of requirements of article 13.3 of the Federal Law No. 273-FZ of 25.12.2008 “On combating corruption” (hereinafter – the Law on counteraction to corruption), relating to the Issuer's

obligations to develop and adopt measures to prevent and fight against corruption: identification and subsequent elimination of the causes of corruption (prevention of corruption); detection, prevention and suppression of corruption and other offenses; minimization and (or) liquidation of the consequences of corruption and other offenses, including those described in the article 19.28 of Administrative Code “the responsibility for the illegal remuneration on behalf of the legal entity”

By the decision of the Company’s Board of Directors (Minutes of meeting No. 261/2017 dd. 02.02.2017) the Anti-corruption policy is brought up to date. Necessity of making changes is conditioned by the following legal and standard acts of the Russian Federation:

- changes in Federal Law of RF No. 273-FZ dd. 25.12.2008 “On anti-corruption”;
- National anti-corruption plan for 2016-2017 approved by the Decree of the President of Russia No. 147 dd. 01.04.2016;
- Methodological recommendation of Federal Agency for State Property Management and other instruction of federal executive authorities.

The Issuer approved a list of anti-corruption measures for Kubanenergo, providing for the implementation of activities and procedures and the procedure for their implementation.

The Programme of anti-corruption measures in Kubanenergo PJSC (“Kubanenergo” PJSC Order No. 28, dd. 28.02.2017) is developed and approved, and it:

- contains plan of measures (list) connected with development/updating of internal local standard acts of organizational and operational level, implementation of organizational measures, approving of system monitoring procedure and results of measures on implementation of anti-corruption policy of Rosseti PJSC and subsidiary and dependent companies of Rosseti PJSC;
- assigns persons responsible for implementation of specific measures;
- assigns schedule of specific measures implementation;

Keynotes of anticorruption policy:

- assignment of departments responsible for prevention of corruption offenses and the fight against corruption
- organization of management and internal control processes in sphere of prevention and countermeasure of corruption
- monitoring of risks management and internal control systems
- identifying and resolving conflicts of interest
- development and introduction of standards and procedures designed to ensure fair work
- legal education and laying the groundwork of law-abiding behavior of workers, consulting and training of Company’s employees;
- adoption of measures to combat and prevention of corruption in cooperation with organizations of contractors
- cooperation with public authorities exercising control and supervisory functions
- participation in collective initiatives for combating and preventing corruption.

All of this imposes a special obligation on the Issuer at forming a single vertically-integrated system of implementation of anti-corruption policies within the Rosseti Group, which is controlled by the state. In this connection, the Issuer uses standard contractual anti-corruption clauses.

Kubanenergo PJSC pays great attention to the formation of transparent business standards. The automated system – “Analysis and collection of information on the beneficiaries” was created. The system allows collecting data from multiple sources into a single information space, providing test data on legal entities and individuals, identifying signs of affiliation, conflict of interest, pre-conflict situations, and other abuses.

The structural unit of the Company responsible for the prevention and fight against corruption performs the following functions:

- carries out activities aimed at implementation of the principles and requirements of the Anti-Corruption Policy;
- carries out monitoring activities aimed at identifying corruption and other offenses;
- reviews reports of possible facts of committing corruption and other offenses by employees, contractors of Rosseti PJSC and its affiliated companies or other persons/entities;
- organizes the completion and review of declarations of conflict of interest;
- organizes training activities for the prevention and combating of corruption and individual consultation of employees;
- evaluates the results of anti-corruption work and reporting materials management organization;
- carries out activities to prevent and counter corruption and other offenses, conflicts of interest;
- develops anti-corruption standards and provides technical assistance in the implementation of measures for combating and preventing corruption and legal education of employees;
- coordinates the activities of the structural units in the sphere of implementation of anti-corruption policy;
- prepares documents in the sphere of combating and prevention of corruption and initiates the updating of documents in connection with changes in the anti-corruption laws of the Russian Federation.

The Issuer has approved and applies the Procedure for receiving, considering and resolving the applicant's reports (employees, contractors Kubanenergo PJSC and other natural and legal persons) on the possible cases of corruption, the Regulations for the Commission of Kubanenergo for Compliance of corporate ethics and conflicts of interest, the Regulations for the settlement of the conflicts of interest in Kubanenergo PJSC.

The Issuer updated the Commission on compliance with the rules of conduct and conflict of interest in Kubanenergo PJSC, organized work on the prevention of corruption, provided legal education and formation of the foundations of law-abiding behavior among employees of the electric grid complex and many other anti-corruption procedures, introduced an interactive channel of communication with applicants through the corporate web-site, the "hotline" for reporting on corruption.

Information about the activity of Kubanenergo PJSC in the field of preventing and combating corruption is available on the Company's web site at: <http://kubanenergo.ru/o-kompanii/antikorrupsionnaya-politika/>

5.5. Information on members of bodies controlling the Issuer's business activity

The body controlling business activity of the issuer – **the Auditing Commission**

Name: **Zadorozhnaya Anzhelika Alexandrovna**
(chairperson)

Year of birth: **1966**

Education:

- V. D. Kalmykov Taganrog Radiotechnical Institute, diploma: "Automated control systems" (1988); "Business administration" (1995)
- The Russian Presidential Academy of National Economy and Public Administration (RANEPA), diploma: "Finance and tax policy of the state" (2003)
- Moscow Institute of Economics, Management and Law, diploma: "Legal studies" (2009)

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	to		

2000	2013	RF Auditing Chamber	Head of Inspection
2014	2014	Government Accountability Office of Moscow	Head of Department
2014	2016	RusHydro PJSC	Deputy Head of Department
2016	present time	Rosseti PJSC	Head of Administration for Control and Analysis at Department of Control and Audit Activity
2017	present time	IDGC of the North Caucasus PJSC, Tyumenenergo PJSC, Kubanenergo PJSC, MOESK PJSC, IDGC of the South PJSC	Member of the Auditing Commission

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **information is not provided.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **information is not provided.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **information is not provided**

Name: **Kabizskina Yelena Alexandrovna**

Year of birth: **1964**

Education:

Higher. Far Eastern State Technical Fisheries University, engineering and financial faculty.

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	till		
2005	2013	FGC UES JSC	Deputy Head of Department for Control and Inspections; then Head of Department for Internal Control and Risks Management
2013	2014	MOESK JSC	Head of Directorate for Methodological Support at Department of Internal Audit
2014	present time	Rosseti PJSC (former – Rosseti JSC)	Deputy Head of Directorate for Auditing Activity at Department of Supervisory Activity; then Deputy Head of Division for Auditing Activity at Department of Control and Auditing Activity
2015	present time	Kubanenergo PJSC, IDGC of North	Member of the Auditing Commission

		Caucasus PJSC, Lenenergo PJSC, TRK PJSC, IDGC of North-West PJSC, Yantarenergo JSC, IDGC of Siberia PJSC, Sevkavkazenergo PJSC, Kabbalkenergo PJSC, Karachaevo-Cherkesskenergo JSC, Tyvaenergoby JSC, Scientific and research centre of UES, Chechenenergo JSC, Dagestan energy selling company PJSC, Kalmenergosbyt JSC, “Ingushenergo” JSC	
2016	present time	North-West power industry managing company PJSC, IDGC of Centre and Volga region PJSC, IDGC of Volga PJSC, IDGC of the South PJSC, IDGC of Ural PJSC, MOESK PJSC	Member of the Auditing Commission

The person holds no participatory stake in the Issuer’s authorized capital or the Issuer’s ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Kirillov Artyom Nikolayevich**

Year of birth: **1984**

Education:

Higher. Moscow Power Industry Institute – “Engineer-electrical fitter” (2008).

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	to		
2009	2013	FGC UES PJSC	Chief Specialist, later – Chief Expert at Department of Control and Audits
2013	present	Rosseti PJSC (former – Rosseti JSC)	Head of Sector for Investment Audit

	time		at Directorate Auditing Activity and Internal Audit at Department of Internal Audit and Control; later – Deputy Head of Directorate Auditing Activity and Internal Audit at Department of Internal Audit and Control
2013	2014	Kubanenergo JSC	Member of the Auditing Commission
2016	present time	Kubanenergo PJSC, MOESK PJSC, IDGC of Ural PJSC, “TRK PJSC, IDGC of the South PJSC, IDGC of Volga PJSC, IDGC of the North Caucasus PJSC, IDGC North-West PJSC, Lenenergo PJSC, North-Western power industry managing company PJSC, Sevkavkazenergo PJSC, Ingushenergo JSC, NIITs IDGC JSC, Kalmenergosbyt JSC, VNIPIenergoprom JSC, FOCL-Power Lines Administration JSC, Scientific and Reseach Cnetre of UES JSC, Nurenergo JSC, Power engineering university ENIN JSC	Member of the Auditing Commission
2017	present time	IDGC of Siberia PJSC, Karachaevo-Cherkesskenergo JSC	Member of the Auditing Commission

The person holds no participatory stake in the Issuer’s authorized capital or the Issuer’s ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Malyshev Sergey Vladimirovich**

Year of birth: **1965**

Education:

Higher, Higher military financial college in Yaroslavl (1986)

All offices having been/being held by the person concerned with the Issuer and other organizations

during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	to		
2013	2013	FGC UES JSC	Head of Department of Investments Audit at Department for Internal Control and Risks Management
2013	present time	Rosseti PJSC (former Rosseti JSC)	Chief Expert at Directorate for Auditing Activity at Department for Control Activity; Leading Specialist at Directorate for Auditing Activity at Department for Control and Auditing Activity
2014	2015	Lenenergo JSC, Tyumenenergo JSC, IDGC of Centre and Volga region JSC, IDGC of Ural JSC, Kalmenergosbyt JSC, Scientific and research centre of Ural JSC	Member of the Auditing Commission
2014	present time	IDGC of Volga PJSC (former IDGC of Volga JSC), IDGC of Centre PJSC (former IDGC of Centre JSC), IDGC of Siberia PJSC (former IDGC of Siberia JSC), IDGC of North-West PJSC (North-West JSC), Sevkavenergo PJSC (Sevkavenergo JSC), Kubanenergo PJSC (former Kubanenergo JSC), Yantarenergo JSC (Yantarenergo OJSC), Karachaevo-Cherkesskenergo JSC, Tyvaenergosbyt JSC (Tyvaenergosbyt OJSC), Dagestan energy selling company PJSC (Dagestan energy selling company JSC), Ingushenergo JSC (Ingushenergo OJSC), SZEUK PJSC (former SZEUK JSC)	Member of the Auditing Commission
2015	present time	Kabbalknergo PJSC, IDGC of North Caucasus PJSC, Chechenenergo JSC, Scientific and research centre of IDGC JSC, VNIPIenergoprom Association JSC, VNIPIenergoprom real property JSC, ITs UES real property JSC, Real property of the Southern	Member of the Auditing Commission

		centre of power industry”	
2016	present time	Lenenergo PJSC, Tyumenenergo JSC	Member of the Auditing Commission
2017	present time	Kalmenergosbyt JSC	Member of the Auditing Commission

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Information on any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Name: **Slesareva Yelena Yurievna**

Year of birth: **1970**

Education:

Higher. Academy of Labor and Social Relations, Moscow

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
from	till		
2009	2013	IDGC of the South JSC	Chief Specialist at Department of Internal Audit and Risks Management
2013	present time	Rosseti PJSC (former Rosseti JSC)	Leading Specialist at Sector of Investments Audit, Auditing Activity and Internal Audit at Department of Internal Audit and Control; then Chief Expert at Internal Audit Directorate
2014	2015	IDGC of Volga JSC, Tyumenenergo JSC, IDGC of Centre JSC, IDGC of Siberia JSC, IDGC North-West JSC, IDGC of the North Caucasus JSC, MOESK JSC, Sevkavkazenergo JSC, Kubanenergo JSC	Member of the Auditing Commission
2014	present time	IDGC of the South PJSC (former IDGC of the South JSC)	Member of the Auditing Commission
2015	2016	IDGC of the North Caucasus PJSC,	Member of the Auditing Commission

		Tyumenenergo JSC, Tyvaenergoby JSC, Association VNIPIenergoprom JSC	
2015	present time	IDGC of Center and Volga Region PJSC, Chechenenergo JSC, Dagestan Energy Retail Company PJSC, Kalmenergosbyt JSC	Member of the Auditing Commission
2016	present time	Kubanenergo PJSC	Member of the Auditing Commission
2017	present time	Kabbalkenergo PJSC, IDGC of Ural JSC, Tyumenenergo JSC	Member of the Auditing Commission

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details of the nature of any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Body controlling business activity of the issuer: **other**

Internal Control Department

Head of such department, name of position: **Head of Internal Control Department**

Name: **Karmiryan Anatoliy Viktorovich**

Year of birth: **1972**

Education:

Higher education.

Kuban State Agrarian University:

- **"Accounting and audit", 1999**
- **"Law studies", 2008**

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2012	2016	AiS, LLC	Director General
2016	present time	Kubanenergo PJSC	Head of Internal Control Department

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's subsidiary and dependent companies: **The person does not hold such stake.**

Details of the nature of any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

Body exercising control over financial and economic activities of the issuer: **Other**

Directorate of Internal Control and Risk Management

Information about the leader of the separate structural unit (body) of the issuer

Position name of the head of structural department: **Head of directorate of internal control and risks management.**

Name: **Ochikov Sergei Ivanovich**

Year of birth: **1983**

Education:

Higher education.

Krasnoyarsk state technical university: "Power stations and substations".

Siberian federal university: "Economics and management of power industry enterprises".

All offices having been/being held by the person concerned with the Issuer and other organizations during the last 5 years and at present, including those held on part-time basis

Period		Company	Position
From	To		
2013	2013	"FGC UES" JSC	Chief expert of internal control and risks management department
2013	2017	Rosseti PJSC (former Rosseti JSC)	Lead expert of internal audit and risks management department, after – lead expert of directorate of internal audit, then – chief expert of the same directorate
2017	now	"Kubanenergo" PJSC	Head of directorate of internal control and risks management

The person holds no participatory stake in the Issuer's authorized capital or the Issuer's ordinary shares.

The person's participatory stake in authorized (pooled) capitals (co-op share funds) of the Issuer's

subsidiary and dependent companies: **The person does not hold such stake.**

Details of the nature of any family relations with other persons that are members of the Management Bodies of the Issuer and/or bodies for control of the Issuer's financial and business activity: **There are no such family relations.**

Details of the person having been brought to administrative responsibility for offences in the field of finance, taxes and levies, securities market or to criminal responsibility (existence of criminal record) for economic crimes or crimes against the State: **The person has not been brought to responsibility as specified.**

Details of the person having held offices with management bodies of commercial organizations in a period when bankruptcy procedures were instigated and/or a bankruptcy procedure as stipulated by the Russian Federation bankruptcy (insolvency) legislation initiated against such organizations: **The person did not hold such offices**

5.6. Information on the amount of benefits and/or compensation of expenses on the bodies controlling the Issuer's financial and business activity

Remunerations

For each body exercising control of financial and economic activities (except for the individual holding the position (performing the functions) of the issuer's internal auditor), information concerning the amounts of all types of remuneration, including salaries of members of bodies exercising control of the issuer's financial and economic activities who are (were) the issuer's employees (including part-time employees), bonuses, commission fees, remuneration specifically paid for participation in the work of the relevant body exercising control of the issuer's financial and economic activities, and other types of remuneration paid by the issuer within the relevant reporting period, also specifying the amounts of expenses associated with the performance of the functions of members of bodies exercising control of the issuer's financial and economic activities and reimbursed by the issuer within the relevant reporting period.

Body controlling the Issuer's business activity: **Auditing Commission**

Remuneration for participation in the work of the control body

Unit of measurement: **thousand rubles**

Indicator	2017
Remuneration for participation in the work of the body exercising control of the issuer's financial and economic activities	782
Salary	
Bonuses	
Commission fees	
Other remunerations	
Total	782

Information concerning the existing agreements for such payments in the present fiscal year:

In accordance with the Regulations on payments of remunerations and compensations to the members of the Auditing Commission approved by the annual General meeting of shareholders (minutes of meeting No.36 dd 11.06.2015), the remuneration shall be paid as a lump-sum by the results of activity in the corporate year.

The remuneration shall be paid to the members of the Auditing Commission of the Company depending on the degree of their participation in the activity of the Committee on the basis of the base

amount of remuneration with application of a coefficient of participation of the committee member in the Committee's activity by the results of a corporate year.

The Base amount of the remuneration is determined on the basis of Company's revenue calculated in accordance with Russian Accounting Standards.

Body controlling the Issuer's business activity: **Internal Audit Department**

Remuneration for participation in the work of the control body

Unit of measurement: **thousand rubles**

indicator	2017
Remuneration for participation in the work of the body exercising control of the issuer's financial and economic activities	0
Salary	5 488
Bonuses	3 159
Commission fees	0
Other remunerations	208
Total	8 855

Details on the existing agreements on such payments in the current financial year:

Payments to the employees of the Internal Audit Department were carried out according to the Order №439 of 27.05.2016 "On introduction of the Regulation on material incentives and benefits for the leading managers of Kubanenergo PJSC" from 01.01.2016 and the Collective Agreement of Kubanenergo PJSC for 2016-2018, enacted on 31.12.2015 by the order of the Company No.1149.

Body controlling the Issuer's business activity: **The Internal Audit and Risks Management Department**

Remuneration for participation in the work of the control body

Unit of measurement: **thousand rubles.**

Indicator	2017
Remuneration for participation in the work of the body exercising control of the issuer's financial and economic activities	0
Salary	3 078
Bonuses	759
Commission fees	0
Other remunerations	119
Total	3 956

Information on the existing agreements concerning such payments in the current fiscal year:

Payments to the employees of the Internal Audit and Risks Management Department were carried out according to the Order №439 of 27.05.2016 "On introduction of the Regulation on material incentives and benefits for the leading managers of Kubanenergo PJSC" from 01.01.2016 and the Collective Agreement of Kubanenergo PJSC for 2016-2018, enacted on 31.12.2015 by the order of the Company No.1149.

Compensations

Unit of measurement: **thousand rubles**

Name of the control body	2017
Auditing Commission	0
Internal Audit Department	14
Internal Audit and Risks Management Department	13

Additional information:

In accordance with the Regulations for payment of remunerations and compensations to the members of the Auditing Committee of Kubanenergo PJSC approved by the Annual General Meeting of Shareholders (Minutes of meeting No.36 dated 11.06.2015), compensation of the costs of members of the Auditing Committee associated with their participation in the activities of the Auditing Committee shall be determined on the basis of the established standards.

In accordance with Section 6 of the Collective Agreement “Additional Benefits, Guarantees and Compensations”, the employer assists in improving living conditions of its Employees by providing financial assistance in real estate loan, namely:

- a) compensation of insurance costs for all types of insurance provided for by the mortgage (loan) contract;
- b) compensation of expenses for payment of state duties provided by current legislation of the Russian Federation related to execution of a mortgage (credit) contract;
- c) annual repayment of a part of loan interest.

5.7. Information on the number of employees (workers) and summary data on their education and staff composition as well as changes in the number of employees (workers) of the Issuer

Unit of measurement: **thousand rubles**

Indicator	2017
Average number of employees	8 494
Volume of cash allocated for payment of wages in the reporting period	4 480 041.4
Volume of cash allocated for social welfare in the reporting period	45 419

There were no significant changes in the number of the issuer’s employees during the reporting period.

There are no employees substantially affecting financial and business activity of the Issuer in Kubanenergo.

A trade union body has been founded by employers (workers) of the Issuer.

5.8. Information on any other liabilities of the Issuer to employees (workers) related to possibility of their participation in authorized capital of the Issuer

The Issuer has no liabilities to its employees (workers) related to possibility of their participation in authorized capital of the Issuer

VI. Information on the Issuer’s participants (shareholders) and on

interested-party transactions effected by the Issuer

6.1. Information on the total number of the Issuer's shareholders (participants)

Total number of persons registered in the Issuer's Register of Shareholders as of the expiry date of the last reporting quarter: **1 810**

Total number of the Issuer's nominal shareholders: **2**

Total number of persons included in the last list of persons who had (have) the right to participate in the general meeting of the issuer's shareholders (other list of persons compiled for the purpose of exercising (implementing) rights granted by the issuer's shares and for which the nominal holders of the issuer's shares represented data on persons in whose interests they owned (own) shares of the issuer): **2 678**

Date of making the list persons included in the last list of persons who had (have) the right to participate in the general meeting of the issuer's shareholders (other list of persons compiled for the purpose of exercising (implementing) rights granted by the issuer's shares and for which the nominal holders of the issuer's shares represented data on persons in whose interests they owned (own) shares of the issuer): **23.05.2017**

Holders of ordinary shares of the issuer subject to inclusion in the list: **2 675**

Information on the number of own shares possessed by the issuer as at the reporting quarter:

Own shares possessed by the issuer: no

Information on the number of shares belonging to the organizations controlled by the issuer

There are no shares belonging to organizations under the issuer's control

6.2. Information on participants (shareholders) of the issuer owning at least five percent of its authorized capital or at least five percent of its ordinary shares, as well as information on those controlling such participants (shareholders), and in case of absence of such persons - information on participants (shareholders), owning at least 20 percent of the authorized capital or at least 20 percent of ordinary shares.

Participants (shareholders) of the issuer owning at least five percent of its authorized capital or at least five percent of its ordinary shares

1.

Full business name: **Russian Federation represented by the Federal Agency for Management of State Property**

Abbreviated business name: **RF represented by the Federal Agency for Management of State Property**

Address

9 Nikolsky lane, Moscow, Russia, 109012

TIN: **7710723134**

PSRN: **1087746829994**

Participatory interest of the person in the authorized capital of the Issuer: **7.36%**

Portion of the Issuer's ordinary shares held by the person: **6.86%**

Persons (entities) controlling the participant (shareholder) of the Issuer: **There aren't such persons (entities)**

Participants (shareholders) of the person holding no less than 20 percent of their authorized (pooled) capitals (co-op share funds) or no less than 20 percent of their ordinary shares: **There aren't such persons (entities)**

2.

Full business name: **Public Joint-Stock Company “Russian Grids”**

Abbreviated business name: **Rosseti PJSC**

Address: **Moscow, Russia**

TIN: **7728662669**

PSRN: **1087760000019**

Participatory interest of the person in the authorized capital of the Issuer: **92.24%**

Portion of the Issuer’s ordinary shares held by the person: **92.78%**

Persons (entities) controlling the participant (shareholder) of the Issuer

2.1.

Full business name: **Russian Federation represented by the Federal Agency for Management of State Property**

Abbreviated business name: **RF represented by the Federal Agency for Management of State Property**

Address:

9 Nikolsky lane, Moscow, Russia, 109012

TIN: **7710723134**

PSRN: **1087746829994**

The reason whereby the entity that controls the participant (shareholder) of the Issuer exercises such control (participation in a legal entity being a participant (shareholder) of the Issuer, the conclusion of a simple partnership agreement, agency contract, the conclusion of the shareholders' agreement, the conclusion of other agreements, the subject of which is the exercise of rights certified by shares (interests) of the legal entity that is a participant (shareholder) of the issuer): **RF is a shareholder of Rosseti PJSC.**

The sign of the entity controlling the participant (shareholder) of the issuer of such control: **the right to dispose of more than 50 percent of the votes in the supreme governing body of the legal entity that is a participant (shareholder) of the Issuer**

Type of control: **direct control**

The share of such entity in the authorized (share) capital (mutual fund) of the participant (shareholder) of the Issuer, %: **88.04**

The share of this entity in the ordinary shares (shareholder) of the Issuer, %: **88.89**

Other information provided by the issuer at its own discretion: **none**

Other information provided by the issuer at its own discretion:

Currently, the Company is placing additional shares of the issue that was registered by the Bank of Russia on 15.12.2016 (paragraph 8.2 of the report), but changes in the chapter of the Company’s Charter pertaining the authorized capital have not been made, therefore:

- the shares of shareholders in the authorized capital of the issuer are indicated without consideration of the placed additional shares,
- the shares owned by the shareholders are indicated with regard of the placed additional shares.

6.3. Information on participatory stake of the State or a municipal unit in the authorized capital of the Issuer and on availability of a special right (“Golden Share”)

Information about the controllers of state, municipal shares: **There are no such persons (entities)**

Persons (entities) who, on behalf of the Russian Federation, subject of Russian Federation or municipal entity, shall perform the functions participant (shareholder) of the Issuer.

Federal property

Name: **Federal Agency of State Property Management**

Address: **9, Nikolskiy lane, Moscow, 109012**

The size of the authorized (share) capital (share fund) of the Issuer of municipal property, located in the state (federal, subjects of Russian Federation): **7.36**

Property of subjects of Russian Federation

Full business name: **Regional state specialized agency “State Property Fund of Krasnodar region”**

Address: **176, Krasnaya street, Krasnodar, 350063**

The size of the authorized (share) capital (share fund) of the Issuer of municipal property, located in the state (federal, subjects of Russian Federation): **0.0002**

Presence of a special right of the Russian Federation, subjects of Russian Federation, municipalities in the management of the issuer - a joint stock company ("golden share"), the validity of a special right (“golden share”): **This right is not provided.**

6.4. Information on restrictions on participation in the Issuer’s authorized capital

There are no restrictions on participation in the Issuer's authorized

6.5. Information on changes in composition and amount of participation of shareholders (participants) of the Issuer holding no less than 5% of the Issuer’s authorized capital or no less than 5% of one’s ordinary shares

Shareholders (participants) of the Issuer holding at least 5% of the Issuer’s authorized capital, for joint-stock company issuers – also those holding at least 5% of one’s ordinary shares as determined as of the date of making the list of persons having the right to participate in each General Meeting of Shareholders (Participants) of the Issuer carried out for the last completed financial year preceding the end date of the reporting quarter, as well as for the period from the beginning of the current year and to the end date of the reporting quarter according to the list of persons entitled to participate in each such meeting.

Date of making the list of persons having the right to participate in the General Meeting of Shareholders (Participants) of the Issuer: **06.05.2016**

List of Shareholders (Participants):

Full business name: **Russian Federation represented by Federal Agency for the Administration of State Property**

Abbreviated business name: **RF represented by Federal Agency for the Administration of State Property**

Address: **9, Nikolskiy lane, Moscow 109012**

TIN: **7710723134**

PSRN: **1087746829994**

Participatory interest of the person in the authorized capital of the Issuer, %: **7.36**

Portion of the Issuer’s ordinary shares held by the person, %: **7.36**

Full business name: **Public Joint Stock Company “Russian Grids”**

Abbreviated business name: **Rosseti PJSC**

Address: **Moscow, Russia**

TIN: **7728662669**

PSRN: **1087760000019**

Participatory interest of the person in the authorized capital of the Issuer, %: **92.24**

Portion of the Issuer’s ordinary shares held by the person, %: **92.24**

Date of making the list of persons having the right to participate in the General Meeting of Shareholders (Participants) of the Issuer: **26.08.2016**

List of Shareholders (Participants):

Full business name: **Russian Federation represented by Federal Agency for the Administration of State Property**

Abbreviated business name: **RF represented by Federal Agency for the Administration of State Property**

Address: **9, Nikolskiy lane, Moscow 109012**

TIN: **7710723134**

PSRN: **1087746829994**

Participatory interest of the person in the authorized capital of the Issuer, %: **7.36**

Portion of the Issuer's ordinary shares held by the person, %: **7.36**

Full business name: **Public Joint Stock Company "Russian Grids"**

Abbreviated business name: **Rosseti PJSC**

Address: **Moscow, Russia**

TIN: **7728662669**

PSRN: **1087760000019**

Participatory interest of the person in the authorized capital of the Issuer, %: **92.24**

Portion of the Issuer's ordinary shares held by the person, %: **92.24**

Date of making the list of persons having the right to participate in the General Meeting of Shareholders (Participants) of the Issuer: **23.05.2017**

List of Shareholders (Participants):

Full business name: **Russian Federation represented by Federal Agency for the Administration of State Property**

Abbreviated business name: **RF represented by Federal Agency for the Administration of State Property**

Address: **9, Nikolskiy lane, Moscow 109012**

TIN: **7710723134**

PSRN: **1087746829994**

Participatory interest of the person in the authorized capital of the Issuer, %: **7.36**

Portion of the Issuer's ordinary shares held by the person, %: **6.86**

Full business name: **Public Joint Stock Company "Russian Grids"**

Abbreviated business name: **Rosseti PJSC**

Address: **Moscow, Russia**

TIN: **7728662669**

PSRN: **1087760000019**

Participatory interest of the person in the authorized capital of the Issuer, %: **92.24**

Portion of the Issuer's ordinary shares held by the person, %: **92.77**

Additional information: **No.**

6.6. Information on the interested-party transactions of the Issuer

The number and volume in terms of money made by the issuer transactions recognized in accordance with the laws of the Russian Federation party transactions which had an interest requiring approval by the governing body of the issuer, for the most recent reporting quarter

Unit of measurement: thousand rub.

Indicator	Total amount, pieces	Total amount in monetary assets
Transactions of interest concluded by the issuer during the reporting period which require the approval by the governing body of the Issuer	3	611 183 346
Transactions of interest concluded by the issuer during the reporting period which have been approved by the general meeting of members (shareholders) of the Issuer	0	0
Transactions of interest concluded by the issuer during the reporting period which have been approved by the board of directors (supervisory board of the issuer)	3	611 183 346
Transactions of interest concluded by the issuer during the reporting period which require approval, but have not been approved by the authorized body of the issuer	0	0

Transactions (groups of related transactions), the price of which is 5 percent or more of the book value of assets of the issuer as defined according to its financial statements for the last reporting date before the transaction, the issuer of the last reporting quarter

Such transactions have not been performed

Transactions (groups of related transactions) in the commission of which there was an interest and which is subject to the board of directors (supervisory board) or a general meeting of shareholders (members) of the Issuer was not taken in cases where such approval is required under the legislation of the Russian Federation

Such transactions have not been performed

Additional Information:

Interested party transactions and transactions that required notification / approval of management bodies of Kubanenergo PJSC concluded in the reporting quarter:

#	Contractor	Contract	Sum of the contract, rubles
1	Energoservis Kuban JSC	service contract	78 579 741.13
2	Elektrosetservice UNEG JSC	tender contract on construction, installation and commissioning (horizontal directional drilling)	133 498 408.63
3	Elektrosetservice UNEG JSC	tender contract on construction, installation and commissioning (electrical work)	399 105 195.88

Total: 611 183 345.64

6.7. Information on the accounts receivable

Not applicable to the report for the 4th quarter

VII. The issuer's accounting (financial) statements and other

financial information

7.1. The Issuer's annual accounting (financial) statements

Not applicable to the report for the 4th quarter

7.2. Interim accounting (financial) statements of the Issuer

Not applicable to the report for the 4th quarter

7.3. Consolidated accounting statements of the Issuer

Not applicable to the report for the 4th quarter

7.4. Information on the accounting policy of the Issuer

During the reporting quarter information did not change

7.5. Information on the total sum of export and of the portion of export in the total volume of sales

Not applicable to the report for the 4th quarter

7.6. Information on material changes in the Issuer's property after the most recently closed reporting year

Information concerning material changes in the issuer's property over the 12 months preceding the last date of the reporting quarter

Change: **purchase of property**

Type of property (real property object) that has left the structure (has been purchased) of the issuer's property: **Constructions**

Brief description of property that has left the structure (has been purchased) of the issuer's property: **Grid facilities 110/35/6/10kV "Cheremushki"**

Basis for change: **commissioning**

Date of change: **30.09.2017**

Price of the property: **20 135.59**

Unit of measurement: **thousand rubles**

Change: **purchase of property**

Type of property (real property object) that has left the structure (has been purchased) of the issuer's property: **Building**

Brief description of property that has left the structure (has been purchased) of the issuer's property: **Grid facilities 110/35/6/10kV "Cheremushki"**

Basis for change: **commissioning**

Date of change: **30.09.2017**

Price of the property: **22 937.52**

Unit of measurement: **thousand rubles**

Additional Information: None

7.7 Details on the Issuer's participation in judicial trials that may substantially affect the Issuer's financial and business activity

Within 2016 the Company participated in 20 trials:

– the claim of EnergoSeti LLC to Kubanenergo PJSC on collection of debt in amount of 178 270 237 rubles 56 kopecks on service contract for electric energy transmission. On 26.02.2015 the Arbitration Court of the Krasnodar region satisfied the claim, Kubanenergo was charged 178 270 237 rubles 56 kopecks. Decision of the Fifteenth arbitration appeal court on 31.08.2015 cancelled the

decision of the Arbitration Court of 26.02.2015 and the requirements of “MK Energoset” were denied. On 08.12.2015 resolution of the Commercial Court of the North Caucasus region cancelled the decision of the Commercial Court of Krasnodar region from 26.02.2015 and the decision of the Fifteenth arbitration appeal court on 31.08.2015, the case was sent for retrial to the Commercial Court of the Krasnodar region. The case is under consideration by the Commercial Court of Krasnodar region. The hearing is postponed till 12.03.2018.

– the claim of Kubanenergo PJSC to “Maikop Thermal Power Station” LLC on collection of debt in amount of 318 198 950 rubles on service contract for electric energy transmission. Disagreements on the main debt are reversed by agreement of the parties in the amount of 110 700 188.50 rubles. The main debt of the uncontested part is fully paid. The resolution of the Commercial Court of Adygea dated 07.11.2017 charged Maikop Thermal Power Station LLC a forfeit in amount of 13 162 144.17 rubles and expenses on payment of state duty in amount of 195 394.49 rubles on case #A01-263/2016. The defendant filed in an appeal. The hearing at the Court of Appeal is scheduled for 20.02.2017;

– the claim of Kubanenergo PJSC to “Maikop Thermal Power Station” LLC on collection of debt in amount of 105 538 930 rubles on service contract for electric energy transmission. Disagreements on the main debt are reversed by agreement of the parties in the amount of 20 355 636.39 rubles. The main debt of the uncontested part is fully paid. The resolution of the Commercial Court of Adygea dated 05.10.2017 charged Maikop Thermal Power Station LLC a forfeit in amount of 3 466 602.57 rubles and expenses on payment of state duty in amount of 198 499.66 rubles on case #A01-263/2016;

– the claim of Kubanenergosbyt JSC to Kubanenergo PJSC on collection of debt (disagreement on agreement) in amount of 47 969 240 rubles. The case is under consideration by the Commercial Court of Krasnodar region. As of 31.12.2016 the final decision is not determined, the case will proceed in 2017.

– the claim of Kubanenergo PJSC to Oboronenergosbyt JSC on collection of debt in amount of 153 294 823 rubles 41 kopecks under the contract for services on electric power transmission. By the decision of the Commercial Court of the Krasnodar region of 20.02.2017 the claim was satisfied, Oboronenergosbyt was charged the amount of debt: 153 294 823.41 rubles.

– the claim of FGC UES PJSC to Kubanenergo PJSC on collection of debt on service contract for electric energy transmission in amount of 338 622 360 rubles. The resolution of the Commercial Court of Krasnodar region dd. 21.01.2016 on case #A32-28104/2015 left the claim unchanged; the resolution of the Fifteenth Arbitration Court of Appeal dd. 06.05.2016 and the resolution of Commercial court of North-Caucasus district dd. 28.07.2016 satisfied the plaintiff's claims; Kubanenergo was charged 347 767 154 rubles 10 kopecks.

– the claim of Kubanenergo PJSC to Lukoil-Kubanenergo LLC on recovery of unjust enrichment in amount of 48 435 825 rubles 85 kopecks. The resolution of the Commercial Court of Krasnodar region dd. 06.05.2016 satisfied claims of Kubanenergo PJSC; appellee was charged 56 874 277 rubles. The resolution of the Fifteenth Arbitration Court of Appeal dd. 15.08.2016 changed the resolution of the Commercial Court of Krasnodar region dd. 06.05.2016 was charged and charged 48 435 825 rubles.

– the claim of Aksoi LLC to Kubanenergo PJSC on collection of debt on service contract for electric energy transmission in amount of 49 755 484 rubles 55 kopecks. The resolution of the Commercial Court of Krasnodar region dd. 10.03.2016 partially satisfied claims; Kubanenergo was charged 35 514 509 rubles 65 kopecks. The resolution of the Fifteenth Arbitration Court of Appeal dd. 01.06.2016 cancelled the resolution of the Commercial Court of Krasnodar dd. 10.03.2016, case is dismissed.

– the claim of Kubanenergo PJSC to Kubanenergosbyt JSC on recovery of costs in amount of 41 258 375 rubles 80 kopecks on service contract for electric energy transmission. The resolution of the Commercial Court of Krasnodar region dd. 17.06.2016, left the resolution of the Fifteenth Arbitration Court of Appeal dd. 18.08.2016 unchanged, claims were satisfied, appellee was charged 41 258 375 rubles 80 kopecks in favor of Kubanenergo. The case was closed.

– the claim of Kubanenergo PJSC to “Maikop Thermal Power Station” LLC for the recovery of debt in the amount of 111 980 720 rubles 00 kopecks under the contract for services on electric power transmission. The resolution of the Commercial Court of Adygea on case #01-1330/2015 dd 29.004.2016, that was left unchanged by the 15th Court of Appeal on 26.08.2016 and by the Cassation Court of the North-Caucasus on 07.12.2016, the plaintiff’s claims were partially satisfied; in favour of Kubanenergo PJSC interested was charged in amount of 3 027 285.63 rubles and state duty in amount of 18 527.72 rubles.

–the claim of Kubanenergo PJSC to Lukoil-Ekoenergo LLC for the collection of unjust enrichment in the amount of 180 138 010 rubles. By the decision of the Arbitration Court of the Rostov region dd. 25.01.2016 the requirements of Kubanenergo PJSC were denied. By decision of the Fifteenth arbitration appeal court dd. 11.07.2016 the claims were partially met, in favor of Kubanenergo PJSC to recover the amount of unjust enrichment in the amount of 67 995 498 rubles. The resolution of the Commercial Court of North-Caucasus on 29.09.2016 the resolution was left unchanged. The case is closed.

–the claim of Glavstroy-Ust-Labinsk LLC to Kubanenergo PJSC on recovery of unjust enrichment in amount of 83 378 770 rubles. By the decision of the Arbitration Court of the Krasnodar region on 29.07.2016 on case #A32-18025/2014, that was changed by resolution of the 15th Commercial Appellation Court on 23.09.2016, plaintiff’s claims were partially satisfied; Kubanenergo PJSC was charged the sum of unjust benefit in amount of 63 999 494.24 rubles. The resolution of the Commercial Court of the North-Caucasus on 23.01.2017 did not change the resolutions. The case was closed;

– the claim of Kubanenergo PJSC to SKERK JSC for recovery of the penalty under contract in the amount of 67 636 800 rubles. The decision of the Arbitration Court of Stavropol region dd. 22.10.2015 was upheld by the Sixteenth Appellate Court dated 24.02.2016, the claim is partially satisfied in favor of Kubanenergo PJSC to recover the penalty in the amount of 33 583 040 rubles. Resolution of the Arbitration Court of the North Caucasus region of 26.05.2016 cancelled the decision of the Arbitration Court of Stavropol region dated 22.10.2015 and the decision of the Sixteenth Arbitration Appeal Court dated 24.02.2016, the case was sent for retrial to the Arbitration Court of Stavropol region. The Arbitration Court of Stavropol region from 13.09.2016 rejected the claims of Kubanenergo PJSC on case #A63-3471/2015. The case was closed.

– the claim of Kubanenergo PJSC to RZhD JSC on collection of debt on debt recovery under the contract of fee-based services on deregulation on land-use in amount of 4 340 221 360 rubles. The resolution of the Commercial Court of Krasnodar region on case #A32-22203/2016 dd. 16.08.2016 established amicable agreement between the parties, claims of Kubanenergo were partially satisfied, appellee was charged 664 978 235 rubles 92 kopeks. The case was closed.

– the claim of Kubanenergo PJSC to SOGAZ JSC for the recovery under the insured event in the amount of 113 150 450 rubles. The resolution of the Commercial Court of Krasnodar region from 31.10.2016 on case #A32-1830/2016 partially satisfied the claims, appellee was charged 50 703 906 rubles 54 kopeks. The case was closed.

– the claim of Kubanenergosbyt JSC to Kubanenergo PJSC on collection of debt (compensation for electricity losses) in amount of 1 376 411 190 rubles. The resolution of the Commercial Court of Krasnodar region dd. 29.09.2016 partially satisfied claims, Kubanenergo was charged 304 731 440 rubles 40 kopeks. By decision of the Fifteenth Arbitration Court of Appeal of 03.05.2017, the proceedings were dismissed Kubanenergosbyt JSC waived the claim;

– the claim of FGC UES PJSC to Kubanenergo PJSC for the recovery of debt under the contract for services on electric power transmission in amount of 748 419 004 rubles 79 kopeks. By the decision of the Commercial Court of the Krasnodar region of 12.01.2017 on case #A32-30842/2016, the claim was partially satisfied, Kubanenergo was assigned to pay in favor of FGC UES PJSC: the debt in the

amount of 666 484 348.44 rubles, use-of-money interest in the amount of 1 524 096.18 rubles, a fine in the amount of 54 179 677.83 rubles, expenses on payment of state duty in the amount of 192 592.42 rubles. The Fifteenth Arbitration Appeal Court of 17.03.2017 did not change the prior resolution. The case was closed.

– the claim of Kubanenergo PJSC to Oboronenergosbyt JSC on collection of debt in amount of 127 832 810 rubles under the contract for services on electric power transmission. By the decision of the Commercial Court of the Krasnodar region of 20.02.2017 on case #A32-32638/2015, that was left unchanged by the decision of the Fifteenth Arbitration Appeal Court on 16.05.2017, Oboronenergosbyt JSC was charged debt in the amount of 111 569 412.88 rubles, contract penalty contract penalty 4 020 923.28 rubles, legal forfeit in the amount of 37 504 487.25 rubles, expenses on payment of government fees in the amount of 200 000 rubles. The case was closed;

– the claim of Kubanenergosbyt JSC to Kubanenergo PJSC on collection of debt (compensation for electricity losses) in amount of 155 395 380 rubles. As of 31.12.2016 the final decision is not determined, the case will proceed in 2017. Claims have been reduced to 1 660 02800 rubles. By the decision of the Commercial Court of the Krasnodar region of 21.09.2017 on the case #A32-36809/2015, the proceedings on the case were terminated.

– the claim of Kubanenergo PJSC to Kubanenergosbyt JSC on collection of interest on third-party money in the amount of 82 706 920 rubles. The decision of the Commercial court of Krasnodar region dd. 14.12.2016 on the case #A32-37869/2015 left unchanged by the decision of the Fifteenth Commercial Appeal Court dd. 24.04.2017, the claims were satisfied, the amount of 67 098 453 rubles 71 kopecks was recovered from Kubanenergosbyt JSC. The case was closed

In 2017 the Company participated in 31 trials:

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 318 198 950 rubles under the service contract for electric energy transmission. Disagreements on the main debt are reversed by agreement of the parties in the amount of 110 700 188.50 rubles. The main debt of the uncontested part is fully paid. The resolution of the Commercial Court of Adygea dated 07.11.2017 charged Maikop Thermal Power Station LLC a forfeit in amount of 13 162 144.17 rubles and expenses on payment of state duty in amount of 195 394.49 rubles on case #A01-263/2016. The defendant filed in an appeal. The hearing at the Court of Appeal is scheduled for 20.02.2018;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 105 538 934.66 rubles under the service contract for electric energy transmission. Disagreements on the main debt are reversed by agreement of the parties in the amount of 20 355 636.39 rubles. The main debt of the uncontested part is fully paid. The resolution of the Commercial Court of Adygea dated 05.10.2017 charged Maikop Thermal Power Station LLC a forfeit in amount of 3 466 602.57 rubles and expenses on payment of state duty in amount of 198 499.66 rubles on case #A01-263/2016; the resolution remained unchanged by the court of appeal on 21.12.2017.

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 43 196 200 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 41 229 866.36 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-181/2017, that was left unchanged by the court of appeal on 30.06.2017, charged in favour of Kubanenergo PJSC 1 917 188.78 rubles of forfeit and 133 463.00 rubles of state duty. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 45 848 410 rubles under the service contract for electric energy transmission. In the course

of the judicial proceedings, the main debt in amount of 33 091 800.66 rubles. The resolution of the Commercial Court of Adygea on case #A01-181/2017, that that was left unchanged by the court of appeal on 30.06.2017, charged in favour of Kubanenergo PJSC 1 917 188.78 rubles of forfeit and 133 463.00 rubles of state duty. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 49 233 150 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 48 820 062.04 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-566/2017 dd 13.09.2017 charged a forfeit in amount of 5 143 347.49 rubles and state duties in amount of 200 000 rubles. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 47 369 078.52 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 45 179 605.34 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-402/2017 dd 01.09.2017, that was left unchanged by the court of appeal on 15.11.2017, charged Maikop Thermal Power Station LLC a forfeit in amount of 5 598 257.72 rubles and 200 000.00 rubles of expenses on state duty. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 51 031 078.30 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 46 941 802.88 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-1058/2017 dd 02.10.2017, that was left unchanged by the court of appeal on 28.12.2017, charged Maikop Thermal Power Station LLC the main debt in amount of 2 333 845.77 rubles, 4 909 046.76 rubles of forfeit and 195 200.00 rubles of expenses on state duty. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 49 591 920,15 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 46 984 291.95 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-1449/2017 dd 03.11.2017 charged Maikop Thermal Power Station LLC a forfeit in amount of 5 098 699.23 rubles and 196 519.16 rubles of expenses on state duty. As of 31.12.2017 the resolution had not yet come into force, the defendant filed in an appeal.;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 48 439 976.20 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings, the main debt in amount of 9 828 156.02 rubles was fully paid. The resolution of the Commercial Court of Adygea on case #A01-1813/2017 dd 23.10.2017 charged Maikop Thermal Power Station LLC 36 039 692.37 rubles of the main debt, 4 095 967.00 rubles of forfeit and 200 000.00 rubles of expenses on state duty. As of 31.12.2017 the resolution had not yet come into force, the defendant filed in an appeal;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on recovery of a legal penalty for late payment for services under a contract for provision of electric power transmission services in the amount of 5 782 478.86 rubles. The resolution of the Commercial Court of Adygea on case #A01-2451/2016 dd 05.09.2017, that was left unchanged by the court of appeal on 30.11.2017, charged Maikop Thermal Power Station LLC 4 774 678.86 rubles of forfeit and 42 864.52 rubles of expenses on state duty. The case is closed;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 46 147 553.87 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings on case #A01-2344/2017, the main debt was partially paid in the amount of 8 960 307.63 rubles. The decision is pending at the Commercial Court of Adygea;
- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 44 266 131.07 rubles under the service contract for electric energy transmission. In the course of the judicial proceedings on case #A01-2713/2017, the main debt was partially paid in the amount of 41 877 424.32 rubles. The decision is pending at the Commercial Court of Adygea;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 69 112 900 rubles. The judicial proceedings on case #A32-39069/2016 were suspended;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 92 266 71 rubles. The resolution of the Commercial Court of Adygea from 18.04.2017 in favour of Kubanenergo PJSC entered into force on 07.08.2017. Funds were transferred to the Company's account. The case is closed;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 79 742 400 rubles. The judicial proceedings on case #A32-5031/2017 were suspended by the Commercial Court of the Krasnodar region;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 100 187 610 rubles. The judicial proceedings on case #A32-3730/2017 was postponed till 19.02.2018;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of penalties for untimely performance of obligation to pay 143 541 430 rubles. The plaintiff's claims were satisfied; 129 635 499.87 rubles were charged. Funds were transferred to the Company's account. The case is closed;
- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of penalties for untimely performance of obligation to pay 188 376 700 rubles. The order of the Court of Appeal dated 26.07.2017 on case #A32-1936/2017 satisfied plaintiff's claims in part of recovery of 148 359 113.00 rubles. The order of the Commercial Court of the North-Caucasus dated 04.12.2017 did not change the order of the Court of Appeal. A cassation appeal was filed in to the Supreme Court of RF;
- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (electricity losses) in amount of 299 616 490 rubles. The order dated 27.04.2017 on from the case #A32-377/2017 the following cases:
 - the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (electricity losses) in amount of 36 250 119.70 rubles. The case #A32-377/2017 is under consideration at the Commercial Court of the Krasnodar region;
 - the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (electricity losses) in amount of 60 685 219,49 rubles. The case #A32-16866/2017 is under consideration at the Commercial Court of the Krasnodar region;
 - the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (imbalance of electric energy) in amount of 94 025 738.53 rubles. The case #A32-16867/2017 is under consideration at the Commercial Court of the Krasnodar region;
 - the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (electricity losses) in amount of 704 210 666.72 rubles. The case #A32-33976/2017 is under consideration at the Commercial Court of the Krasnodar region;
 - the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on recovery of penalty in amount of

149 165 650 rubles. The resolution of the Commercial Court of the Krasnodar region dated 23.03.2017 did not change the resolutions of the Court of Appeal and Court of Cassation on case #A32-45474/2016; Kubanenergo PJSC was charged in favour of TNSenergo Kuban PJSC the penalty in amount of 147 689 968.57 rubles and expenses on state duty in amount of 198 021.42 rubles. The case is closed;

- the claim of Kubanenergo PJSC to NESK JSC on indebtedness collection (disputes on connection points of “Energosistema” LLC) in amount of 119 855 150 rubles. The case #A32-6135/2017 is under consideration of the Commercial Court of the Krasnodar region. The legal proceedings were postponed for 2018;

- the claim of NTT-Tsentr LLC to Kubanenergo PJSC on indebtedness collection on rent fee in amount of 1 843 537 850 rubles. The resolution of the Commercial Court of the Krasnodar region dated 26.06.2017 declined satisfaction of plaintiff’s claim on case #A32-9963/2014 An appeal was submitted;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of penalty in amount of 46 848 152 rubles. The case #A32-17637/2017 is under consideration at the Commercial Court of the Krasnodar region. The legal proceedings were postponed for 2018;

- the claim of Kubanenergo PJSC to NESK JSC on indebtedness collection (disputes on connection points of “Energosistema” LLC and VT-Resurs LLC) in amount of 37 951 577.72 rubles. The case #A32-13291/2017 is under consideration of the Commercial Court of the Krasnodar region. The court hearing was postponed for 2018;

- the claim of Oboronenergo JSC presented by the branch “Yuzhniy” to Kubanenergo PJSC on indebtedness collection under the contract on rendering services on electricity transmission in amount of 35 562 367.04 rubles. The case #A32-16484/2017 is under consideration of the Commercial Court of the Krasnodar region;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on recovery of penalty fee in amount of 23 407 058.53 rubles. The case #A32-27412/2017 is dismissed;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on recovery of debt in amount of 318 702 086.57 rubles. The case #A32-1878/2018 is under consideration of the Commercial Court of the Krasnodar region; hearing is scheduled for 07.03.2018.

VIII. Additional information on the Issuer and on the issued securities

8.1. Additional information on the Issuer

8.1.1. Information on the value and structure of the Issue’s authorized capital

The value of the Issuer’s authorized capital as of the last date of the most recent reporting quarter (rubles): **28 286 813 000**

Ordinary shares

Total par value: **28 286 813 000**

Percentage of the authorized capital, %: **100**

Preference shares:

Total par value: **0**

Percentage of the authorized capital, %: **0**

Information about whether the authorized capital specified in this paragraph corresponds to the issuer’s constitutive documents:

The sum authorized capital mentioned in this paragraph corresponds to issuer’s Charter.

8.1.2. Information on changes in the Issuer's authorized capital

The value of authorized capital did not change during the reporting quarter

8.1.3. Information on convocation and holding meetings (sessions) of the supreme management body of the Issuer

Information contained in this paragraph remained unchanged in the reporting quarter.

8.1.4. Information on commercial organizations in which the Issuer owns at least five percent of the authorized capital, or not less than five percent of ordinary shares

During the reporting quarter changes in information disclosed in this chapter did not occur.

8.1.5. Information on material deals effected by the Issuer

The specified transactions were not concluded during the reporting quarter

8.1.6. Information about credit ratings of the Issuer

The Issuer is not aware of any credit ratings.

8.2. Information on each category (type) of the Issuer's shares

Shares category: **Ordinary**

Nominal value of each share (rubles): **100**

Amount of shares in circulation (shares that were not cancelled or discharged): **282 868 130**

Quantity of additional shares placement whereof is in progress (quantity of additional issue shares in respect of which the state registration of the report on their issue has not been carried out or the notification on the results of additional issue was not provided, if in accordance with federal law "On securities market" the state registration of report is not necessary): **57 457 846**

Quantity of declared shares: **194 439 107**

Quantity of shares on the Issuer's balance sheet: **0**

Quantity of additional shares that may be placed as a result of conversion of placed securities convertible into shares or as a result of fulfilment of liabilities under the Issuer's options: **0**

Issues of shares of the said category (type):

State registration date:	Registration number
08.07.2003	1-02-00063-A
15.12.2016	1-02-00063-A

Rights granted to holders of the shares:

In accordance with Clause 6.2 of the Issuer's Charter, an equal scope of rights shall be granted to the holder of each ordinary share of the Company.

Shareholders holding registered ordinary shares of the Company have the right to:

- 1) participate in the General Meeting of Shareholders (personally or through a representative) with the right of vote on all issues referred to their competence;
- 2) propose agenda items to the General Meeting of Shareholders in accordance with the procedure stipulated by the Russian Federation legislation and the Charter;
- 3) obtain information on the Company's activity and access to the Company's documents in accordance with Article 91 of Federal Law "On Joint-Stock Companies", other regulatory legal instruments and the Charter;
- 4) receive dividend announced by the Company;
- 5) on a preferential basis acquire shares and issue-grade securities convertible into shares that are being placed by way of subscription in amounts proportional to the quantity of ordinary shares one holds in cases stipulated by the Russian Federation legislation;
- 6) receive a part of the Company's property in case of liquidation of the Company;

- 7) appeal against decisions of managing bodies of the Company causing civil law consequences in case and in manner provided by the Russian Federation legislation;
- 8) claim compensation for losses caused to the Company;
- 9) challenge transactions implemented by the Company on the grounds provided by Legislation of Russian Federation and invoke consequences of their nullity, and invoke consequences of nullity of void transactions of the Company;
- 10) conclude between themselves and with Credit Companies, and other third Parties the Contract on implementation of corporate laws (corporate agreement);
- 11) exercise other rights stipulated by the Russian Federation legislation and the Charter.

Other details on the shares indicated by the Issuer at its sole discretion:

On 15.12.2016 the Bank of Russia carried out the state registration of the additional issue and the prospectus of the Company's securities.

From 20.12.2016 to 16.10.2017 the issuer was collecting requests on purchase of the Company's additional shares as part of exercising the pre-emption right, as a result of which 20 925 220 shares were purchased, which is 36.4% of the total volume of the additional issue.

The Company publicly offered the remaining 36 532 626 additional shares, that could be purchased from 24.10.2017 to 13.11.2017. Because of the presence of unplaced additional shares, on 13.11.2017 the Company's Board of Directors decided (minutes of meeting No.189/2017) to make changes in the Decision on additional issue of shares and Securities Prospectus pertaining to prolongation of the period of collecting offers on purchase of shares up to 28.02.2018 and the deadline for allotment of shares up to 28.03.2018. The changes made in the issue documents were registered by the Bank of Russia on 14.12.2017.

8.3. Information on the previous issues of the Issuer's issuable securities, except the Issuer's shares

8.3.1. Details of the issues all securities that have been redeemed

Changes did not occur in this chapter during the reporting quarter.

8.3.2. Information on the issues of securities that were not redeemed

Kind of securities: **exchange/commercial bonds**

Form of security: **certificated, bearer**

Series: **001P-02**

Other identification characteristic of securities: **subject to mandatory deposit**

The issue of securities is not subject to state registration: **Yes**

State registration number of the issue: **4B02-02-00063-A-001P**

Date of state registration: **10.11.2015**

Authority that registered the issue: **the MICEX Stock Exchange**

Number of securities issued: **3 400 000**

The amount of securities at par value, rubles: **3 400 000 000**

Par value, rubles: **1 000**

In accordance with the legislation of the Russian Federation the presence of par value of this type of securities is not provided: **No**

State of securities: **in circulation**

State registration of the report on the issue has not been performed: **Yes**

The amount of interest (coupon) periods over which the payment of interest (coupons, interest) on securities is made: **20**

Time (date) issue securities repayment: **11.11.2025**

Exact dates: **Yes**

Address of the website, which published the text of the decision to issue securities and the securities prospectus:

www.e-disclosure.ru/portal/company.aspx?id=2827;

<http://kubanenergo.ru/aktsioneram-i-investoram/emissiya-obligatsiy/emissiya-2015-g/emissionnaia-dokumentazia/>

Additional issues of securities: **No**

There are no unfulfilled obligations on bonds

Kind of securities: **exchange/commercial bonds**

Form of security: **certificated, bearer**

Series: **001P-01**

Other identification characteristic of securities: **subject to mandatory deposit**

The issue of securities is not subject to state registration: **Yes**

State registration number of the issue: **4B02-01-00063-A-001P**

Date of state registration: **10.11.2015**

Authority that registered the issue: **the MICEX Stock Exchange**

Number of securities issued: **3 600 000**

The amount of securities issue at par value, rubles: **3 600 000 000**

Par value, rubles: **1 000**

In accordance with the legislation of the Russian Federation the presence of par value of this type of securities is not provided: **No**

State of securities: **in circulation**

State registration of the report on the issue has not been performed: **Yes**

The amount of interest (coupon) periods over which the payment of interest (coupons, interest) on securities is made: **20**

Time (date) issue securities repayment: **21.11.2025**

Exact dates: **Yes**

Address of the website, which published the text of the decision to issue securities and the securities prospectus:

www.e-disclosure.ru/portal/company.aspx?id=2827;

<http://kubanenergo.ru/aktsioneram-i-investoram/emissiya-obligatsiy/emissiya-2015-g/emissionnaia-dokumentazia/>

Additional issues of securities: **No**

There are no unfulfilled obligations on bonds

8.4. Information on the person(s) that provided collateral for collateralized bonds of the Issuer and on collateral for collateralized bonds of the Issuer

The Issuer did not apply for registration of the prospectus for collateralized bonds; collateralized bonds were not admitted for regulated trading.

8.4.1. Additional information on conditions of implementation obligations on mortgage-backed securities

The issuer did not distribute mortgage-backed securities, obligations for which were not implemented

8.4.2. Additional information on security with cash claims under the issuer's secured-bonds with cash claims

The issuer did not place secured-bonds with cash claims, liabilities on which have not been fulfilled yet.

8.5. Information on organizations controlling the implementation of rights on Issuer's securities

Information on the Registrar

Full business name: **“Registrar R.O.S.T.” Joint-Stock Company**

Abbreviated business name: **“Registrar R.O.S.T.” JSC**

Location: **Block 13, Stromynka str. 18, Moscow**

TIN: **7726030449**

PSRN: **1027739216757**

Details of license for engagement in activity for maintenance of a register of securities holders

No.: **045-13976-000001**

Date of issue **03.12.2002**

Expiry date: **Unlimited**

Body issuing the license: **Russian Federal Securities and Exchange Commission**

Date of starting the registry keeping: **16.12.2010**

The Issuer's documentary securities with mandatory centralized custody are in circulation.

Depository

Full business name: **Non-bank credit organization Joint Stock Company “National Settlement Depository”**

Short name: **NSD**

Address: **Spartakovskaya St. 12, Moscow, Russia**

Taxpayer Identification Number: **7702165310**

Primary State Registration Number: **1027739132563**

License of a professional participant of the equity market for performing of depository activities.

No.: **177-12042-000100**

Date of issue: **19.02.2009**

Expiry date: **Unlimited**

Body issuing the license: **Bank of Russia**

8.6. Information on legislative instruments regulating the capital import and export that may affect payment of dividend, interests and other payments to non-residents

1. The Tax Code of the Russian Federation (Part One dd 31.07.1998 No. 146-FZ, the second part of 05.08.2000 No.117-FZ).
2. The Federal Law “On Joint Stock Companies” No.208-FZ dated 26.12.1995.
3. The Federal Law “On Currency Regulation and Currency Control” No.173-FZ dated 10.12.2003.
4. The Federal Law “On the Securities Market” No.39-FZ dated 22.04.1996.
5. The Federal Law “On the Central Bank of Russian Federation (Bank of Russia)” No.86-FZ dated 10.07.02.
6. The Federal Law “On counteraction to legalization (laundering) of proceeds from crime and terrorist financing” No.115-FZ dated 07.08.2001.
7. The Federal Law “On Foreign Investments in the Russian Federation” No. 160-FZ dated July

9, 1999.

8. The Federal Law “On Investment Activity in the Russian Federation in the form of capital foreign investments” No. 39-FZ dated 25.02.1999.

9. The Federal Law “On Protection of Rights and Lawful Interests of Investors on the Securities Market” No. 46-FZ dated 05.03.1999.

10. The Presidential Decree “On improvement of the Russian banking system” No.1184 dated 10.06.1994.

11. The Presidential Decree “On the activity of foreign banks and cooperative banks with non-residents on the territory of the Russian Federation” No.1924 dated 17.11.1993.

12. The Regulations for opening of the Bank of Russia bank accounts for non-residents in the Russian Federation currency and carrying out of approved operations on those accounts CBR No.269-P 04.05.2005.

13. International treaties of the Russian Federation for the avoidance of double taxation.

14. The CBR Instruction “On the procedure for submission by the residents and non-residents to authorized banks of documents and information related to the conduct of foreign exchange operations, the order of registration of transactions passports, as well as the accounting for the authorized banks foreign currency transactions and control over their conduct” No.138–I dated 04.06.2012.

15. Other legislative acts of the Russian Federation.

8.7. Information on the announced (accrued) and paid dividends on the Issuer’s shares as well as on incomes from the Issuer’s bonds

8.7.1. Information on the announced (accrued) and paid dividends on the Issuer’s shares

Information for the last five completed fiscal years or for each completed fiscal year if the Issuer operates less than five years, and for the period from the beginning of the current year to the end of the reporting quarter

Indicator name	Indicator value for reporting period – 2007, full year
Shares category, for preferred shares- type	обыкновенные
Issuer’s management body that made decision on announcing the dividends, date of such decision, date and number of minute of meeting of Issuer’s management body on which the decision was made	Annual General Meeting of shareholders dd. 29.05.2008, minutes of meeting No. 23 dd. 06.06.2008
Amount of announced dividends per one share, rubles	1,67884388
Total amount of announced dividends on all the shares of the specific category (type), rubles	30000000
Date on which the persons who have (had) right on receiving dividends are (were) defined	17.04.2008
Reporting period (year, quarter), for which (by the results) the announced dividends are (were) paid	2007, full year
Term (date) of payment of announced dividends	15 days
Form of payment of announced dividend (monetary funds, other property)	Monetary funds
Source of payment of declared dividends (net profit for the	Net profit

accounting year, undistributed net profits of past years, special fund)	
Share of declared dividends in net revenue of reporting year, %	8.2
Total amount of dividend paid on all the shares of the specific category (type), rubles	29 873 068.07
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.58
In case if announced dividends were not paid or not paid in full amount – causes of nonpayment of announced dividends	Failure to submit by persons registered in Registry of Company’s shareholders the information on changing their data. In accordance with legislation of Russian Federation, as well as with paragraph 8.6 of dividend policy of Kubanenergo, declared and unclaimed within three years upon the end of payout dividends will be included in accounting line 84 “Undistributed profit (uncovered loss)”.
Other information on announced and (or) paid dividends, specified by the Issuer in its sole discretion	No

Indicator name	Indicator value for reporting period – 2008
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2009
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2010
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2011
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2012
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2013
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2014
During the specified period decisions on payment of dividends were not adopted.	

Indicator name	Indicator value for reporting period – 2015, full year
Shares category, for preferred shares- type	Ordinary
Issuer's management body that adopted a decision on announcing the dividends, date of such decision, date and number of minutes of meeting of the Issuer's management body on which such decision was made	Annual General Meeting of shareholders dd. 24.06.2016, minutes of meeting No.37 of 27.06.2016
Amount of the announced dividends per one share, rubles	4.047105
Total amount of the announced dividends for all shares of the specific category (type), rubles	1144797000
Date on which the persons who have (had) right on receiving dividends are (were) defined	13.07.2016
Reporting period (year, quarter), for which (by the results) the announced dividends are (were) paid	2015, full year
Term (date) of payment of the announced dividends	Term of payment to a nominal holder and a trustee that is a market participant: within maximum 10 business days, to other shareholders from the register: within maximum 25 business days from the date of compiling the list of persons entitled to receive dividends
Form of payment of the announced dividends (monetary funds, other property)	Monetary funds
Source of payment of the declared dividends (net profit for the accounting year, undistributed net profits of past years, special fund)	Net profit
Share of the declared dividends in the net revenue of the reporting year, %	78.82
Total amount of the dividends paid on all the shares of the specific category (type), rubles	1144254698.87
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.95
In case the announced dividends were not paid or not paid in full amount – causes of such nonpayment of the announced dividends are specified	The reason the dividends were not paid in full is the lack of necessary information on transfer of dividends in the questionnaire of the registered person.
Other information on the announced and (or) paid dividends, specified by the Issuer in its sole discretion	No

Indicator name	Indicator value for reporting period – 2016, full year
Shares category, for preferred shares- type	Ordinary
Issuer's management body that adopted a decision on announcing the dividends, date of such decision, date and	Annual General Meeting of shareholders, 16.06.2017, minutes

number of minutes of meeting of the Issuer's management body on which such decision was made	No.39, 20.06.2017
Amount of the announced dividends per one share, rubles	1.762658567
Total amount of the announced dividends for all shares of the specific category (type), rubles	535 125 135
Date on which the persons who have (had) right on receiving dividends are (were) defined	27.06.2017
Reporting period (year, quarter), for which (by the results) the announced dividends are (were) paid	2016
Term (date) of payment of the announced dividends	Term of payment to a nominal holder and a trustee that is a market participant: within maximum 10 business days, to other shareholders from the register: within maximum 25 business days from the date of compiling the list of persons entitled to receive dividends
Form of payment of the announced dividends (monetary funds, other property)	Monetary funds
Source of payment of the declared dividends (net profit for the accounting year, undistributed net profits of past years, special fund)	Net profit
Share of the declared dividends in the net revenue of the reporting year, %	25
Total amount of the dividends paid on all the shares of the specific category (type), rubles	534862621.45
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.95
In case the announced dividends were not paid or not paid in full amount – causes of such nonpayment of the announced dividends are specified	-
Other information on the announced and (or) paid dividends, specified by the Issuer in its sole discretion	no

According to the Regulations for the Company's Information Policy, information on the dividends declared and paid shall be specified for the last 10 completed fiscal years.

Additional information disclosed in accordance with the Regulations for the Information Policy:

The Dividend Policy is a system of relations and principles for determining the amount of dividends, the procedure and terms of their payment, as well as the establishment of the Company's liability for failure to fulfill obligations on payment of dividends.

The dividend policy is based on balance of interests of the Issuer and its shareholders when determining the amount of dividend payments in respect for and strict observance of shareholders' rights stipulated by current legislation of the Russian Federation, the Charter and internal documents of the issuer, and is aimed at improving the investment attractiveness of the Issuer, its capitalization and shareholder value.

The Company strives, along with the growth of capitalization, to increase the amount of dividends

paid to shareholders, based on the amount of net profit for the financial period and the needs of production and investment activities of the Company.

In order to ensure the transparency of the mechanism for determining the amount of dividends and their payment, as well as informing the shareholders and other interested parties about the Company's dividend policy, on December 3, 2006 Kubanenergo Board of Directors approved the Regulations for the Dividend Policy (Minutes of meeting No.25/2006). On August 31, 2010 the Board of Directors of Kubanenergo approved this Regulation in the new edition (Minutes of meeting No.95/2010), which further contains provisions that improve the procedure for disclosure of information to shareholders and other stakeholders on the calculation and payment of dividends and the procedure for determining the amount of dividends.

8.7.2. Information on accrued and paid income on Bonds

Information concerning each issue of bonds the yield on which was paid for the five most recently closed reporting years or, if the issuer has operated for less than five years, for each closed reporting year and over the period from the first date of the current year to the last date of the reporting quarter.

Type of securities: **listed/commercial bonds**

Form of security: **bearer bonds**

Series: **001P-02**

non-convertible bonds with the compulsory centralized storage

State registration number of the issue: **4B02-02-00063-A-001P**

Date of assignment of identification number: **10.11.2015**

Agency that assigned identification number to the issue:

Number of bonds in the issue, pcs: **3 400 000**

Par value of each bond of the issue, rubles: **1 000**

Volume of the issue at the par value: **3 400 000 000**

Key information on income from bonds in the issue: Indicator	Its value for the corresponding reporting periods			
Type of the income paid on the bonds of the issue (par value, interest (coupon), other)	coupon	coupon	coupon	coupon
Amount of the income on bonds of the issue to be paid in money as per one bond of the issue rubles/foreign currency	62.98 rubles	62.98 rubles	62.98 rubles	62.98 rubles
Amount of the income on bonds of the issue to be paid in money for all bonds of the issue rubles /foreign currency	214 132 000.00 rubles			
Term (date) of payment of the income on bonds of the issue	24.05.2016	22.11.2016	23.05.2017	21.11.2017

Form of payment of income on bonds of the issue (moneys, other property)	money	money	money	money
Total income paid on all bonds of the issue, rubles/foreign currency	214 132 000.00 rubles			
Share of the income paid on bonds of the issue in the full amount of the income to be paid on bonds of the issue,%	100%	100%	100%	100%
If the income on bonds of the issue have not been paid or paid not in full by the issuer, reasons for such failure	-	-	-	-
Other information on the income on bonds of the issue to be specified by the issuer at their discretion	-	-	-	-

Type of securities: **listed/commercial bonds**

Form of security: **bearer bonds**

Series: **001P-01**

non-convertible bonds with the compulsory centralized storage

State registration number of the issue: **4B02-01-00063-A-001P**

Date of assignment of identification number: **10.11.2015**

Agency that assigned identification number to the issue:

Number of bonds in the issue, pcs: **3 600 000**

Par value of each bond of the issue, rubles: **1 000**

Volume of the issue at the par value: **3 600 000 000**

Key information on income from bonds in the issue:

Indicator	Its value for the corresponding reporting periods			
Type of the income paid on the bonds of the issue (par value, interest (coupon), other)	coupon	coupon	coupon	coupon
Amount of the income on bonds of the issue to be paid in money as per one bond of the issue rubles/foreign currency	52.06 rubles	52.06 rubles	52.06 rubles	52.06 rubles
Amount of the income on bonds of the issue to be paid in money for all bonds of	187 416 000.00 rubles			

the issue rubles /foreign currency				
Term (date) of payment of the income on bonds of the issue	03.06.2016	02.12.2016	02.06.2017	01.12.2017
Form of payment of income on bonds of the issue (moneys, other property)	money	money	money	money
Total income paid on all bonds of the issue, rubles/foreign currency	187 416 000.00 rubles			
Share of the income paid on bonds of the issue in the full amount of the income to be paid on bonds of the issue,%	100%	100%	100%	100%
If the income on bonds of the issue have not been paid or paid not in full by the issuer, reasons for such failure	-	-	-	-
Other information on the income on bonds of the issue to be specified by the issuer at their discretion	-	-	-	-

8.8. Other information

8.8.1. Information on transactions concluded by the Issuer with state companies and quarterly review of such transactions

8.8.1.1. Transactions with state companies:

In the reporting quarter, the Company has concluded 336 transactions with state and municipal companies for a total sum of 22.11 million rubles.

The state and municipal companies provided the following services to the Company:

- lease of land plots;
- technical inventory of real property;
- employees' training
- medical examination of the Company employees;
- processing of legal land and town planning documents;
- information and advertisement servicing;
- subscription for printed periodicals and post services;
- infrastructure guarding
- delivery of special clothes and shoes
- state expert valuation of design and cost estimate documentation
- analysis and review of industrial emissions of contaminants
- public and other services.

The Company provided to the state and municipal companies services for transmission and distribution of electric energy, repair and maintenance of energy facilities, technological connection of electrical units to electric power grids of "Kubanenergo" PJSC, check and replacement of schemes and electricity meters.

8.8.1.2 Intra-group transactions:

During the reporting quarter the Company concluded 3 intra-group transactions for the total sum of 98 936.27 thousand rubles:

#	Contractor	Sum of the contract, in rubles	Contract
1	Rosseti PJSC	20 356 500.00	additional agreement contract on purchase of additional shares of Kubanenergo PJSC pertaining the increase of the amount of shares for purchase
2	Energoservis Kuban JSC	78 579 741.13	service contract
3	Energoservis Kuban JSC	-	additional agreement to service contract pertaining specification of the contract's subject, method of calculating the effect of the contract, etc. (without changes in volume, deadlines and price of the contract)

Total: 98 936 241.13

Transactions between affiliates of the issuer were not concluded in the reporting quarter.

8.8.1.3. Material transactions concluded by the issuer's affiliated companies:

During the reporting period Energoservis Kuban JSC concluded the following material transactions

#	Contractor	Sum of the contract, in rubles	Contract
1	Kubanenergo PJSC	78 579 741.13	service contract
2	Kontakt LLC	3 076 083	rental of devices
3	Kontakt LLC	4 395 323	rental of devices
4	Kontakt LLC	4 400 000	subcontract agreement on development of analytical materials and a list of energy-saving measures
5	SRO Association EnergoProfAudit	2 357 392.23	carrying out expert examination of energy performance certificate

8.9. Information on the securities distributed and on the Issuer of the distributed securities, the property right certified by Russian depository receipts

The Issuer is not the Issuer of the securities, the property right of which is to be certified by Russian depository receipts.