

## QUARTERLY REPORT

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

### Публичное акционерное общество энергетики и электрификации Кубани

Issuer Code 00063-A

Quarter 4, 2018

Address of the issuer: **2A Stavropolskaya str., Krasnodar, Russia 350033**

**The information contained in this quarterly report is subject to disclosure in accordance with the legislation of the Russian Federation on securities**

Director General

Date: 13 February 2019

\_\_\_\_\_ Gavrilov A.I.

signature

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

\_\_\_\_\_ Skiba I.V.

signature

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Webpage(s) used for disclosure of information contained in this quarterly report:  
**[www.kubanenergo.ru/stockholders/disclosure\\_of\\_information/amp\\_reports/](http://www.kubanenergo.ru/stockholders/disclosure_of_information/amp_reports/),**  
**<http://www.e-disclosure.ru/portal/company.aspx?id=2827>.**

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## **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 issuer's exchange-traded bonds are admitted to regulated trading on an exchange, and the exchange is provided with the relevant prospectus of exchange-traded bonds.**

In this 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).

This report contains additional information which disclosure is required by the restated Regulations for the Information Policy of the Company approved by the Board of Directors on 30.03.2018 (Minutes No.305/2018). The full text of the Regulations for 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 (REC-PTD KR).

Abbreviation "SDCs" means subsidiary 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 the estimates and forecasts of the duly authorized management bodies of the issuer pertaining to future events and/or actions, prospects for development within the branch of economy in which the issuer carried out its core business and performance of the issuer, including the issuer's plans, the likelihood of occurrence of certain events and performance of certain actions. Investors should not fully rely on the estimates and forecasts of the issuer's management bodies, since the future actual performance of the issuer may differ from the forecast performance for a variety of reasons. The acquisition of the issuer's securities is associated with the risks described in this quarterly report.

## **I. Information on the Bank Accounts, Auditor (Auditing Company), Appraiser and Financial Consultant of the Issuer as well as Other Individuals Who Signed the Quarterly Report**

### **1.1. Information on the bank accounts of the issuer**

Information contained in this paragraph remained unchanged in the reporting quarter.

### **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 (selected) 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**

Short 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 five most recently closed 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 most recently closed 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) from the issuer, including information on any material interests connecting 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) from the issuer, including information on any material interests connecting 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 tender 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 of 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 recommended by the issuer's Board of Directors to approve the auditor for 2015-2017 at the General Meeting of Shareholders.**

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 (auditing company); actual amount of remuneration paid to the auditor (auditing company) by the results of the last completed financial year on which the auditor (auditing company) performed independent audit of accounting (financial) statements and (or) annual consolidated financial statements of the issuer:

**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.**

Full business name: **Limited Liability Company Ernst and Young**  
 Short business name: **Ernst and Young LLC**  
 Location: **Petrovsky pereulok, 8, bldg.2, Moscow 107031 Russian Federation**  
 TIN: **7709383532**  
 PSRN: **1027739707203**  
 Telephone: **(495) 755-9700**  
 Fax: **(495) 755-9701**  
 E-mail: **rfp@ru.ey.com**

Auditor’s membership in self-regulating auditor organizations:

Name: **Self-regulatory Organization of Auditors “Russian Union of Auditors” (Association)**  
 Address: **Petrovsky pereulok 8, bldg.2, Moscow 107031 Russian Federation**  
 Additional Information:  
**The primary registration number of Ernst and Young LLC in: 11603050648.**

Financial year(s) from among the five most recently closed 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
2014	2014
2018	2018

Periods from among the five most recently closed 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)	Consolidated financial
------------------------	------------------------

statements, reporting date	report, reporting date
9 months of 2014	-
9 months of 2018	6 months of 2018

Factors that may affect the independence of the auditor (auditing company) from the issuer, including information on any material interests connecting 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) from the issuer, including information on any material interests connecting 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 tender 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 2018-2020 (minutes of meeting No.13/595p dated 16.04.2018), the Board of Directors recommended the candidature of Ernst and Young LLC to be approved as the auditor for 2018-2020 at the Company's AGM. The AGM approved Ernst and Young LLC as the Company's auditor (minutes No.40 of 25.05.2018).**

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 (auditing company); actual amount of remuneration paid to the auditor (auditing company) by the results of the last completed financial year on which the auditor (auditing company) performed independent audit of accounting (financial) statements and (or) annual consolidated financial statements of the issuer:

**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 Company's Board of Directors determined the amount of payment to Ernst and Young LLC for the audit of accounting (financial) statements of the Issuer for 2018 prepared in accordance with the Russian Accounting Standards and audited consolidated financial statements for 2018 prepared in accordance with the International Financial Reporting Standards: 5 284 594 rubles 54 kopecks, including VAT (minutes No.319/2018 of 24.09.2018).**

**Due to changes in the RF Tax Code coming into force on 01.01.2019 in accordance with the Federal LAW 303-FZ of 03.08.2018 "On amendments to certain legislative acts of the Russian Federation on taxes and levies", an additional agreement was concluded with on 13.12.2018 No. 1/407/30/1511 on increase of the costs of services of the auditor. According to this additional agreement the amount of payment for the services is 5 333 857 rubles 71 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 Alexander 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 category (type) concerned and the market price per share disclosed by the securities trading institutor.

Unit of measurement: **thousand rubles**

Indicator	31.12.2017	31.12.2018
Market capitalization	21 299 970.2	14 825 115.5

Information concerning the securities trading institutor that serves as a basis for calculating market capitalization and, at the issuer's sole discretion, other additional information concerning public securities trading:

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

**Short business name: Moscow Exchange, PJSC**

**Location: 13, Bolshoy Kislovsky pereulok, Moscow, 125009**

**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 of 29.08.2013 issued by the Federal Service for Financial Markets**

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

### 2.3. Liabilities of the issuer

#### 2.3.1. Borrowed funds and accounts payable

Not applicable to the report for the 4<sup>th</sup> quarter

#### 2.3.2. Credit history of the issuer

Fulfillment by the issuer of its obligations under any loan agreements and/or credit facility agreements, including agreements involving the issue and sale of bonds, 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 of 10.11.2015 series 001P-02	
Terms of the obligation and information on its fulfillment	
Name, location or of the creditor (lender)	Purchasers of issued 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
Overdue interest on the credit (loan); if any, the total number of overdue payments and the number of days in arrears	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 issuer at its discretion	no

<b>Type and identification characteristics of the obligation</b>	
<b>2. credit line, resolution to issue securities No. 4B02-01-00063-A-001P of 10.11.2015 series 001P-01</b>	
<b>Terms of the obligation and information on its fulfillment</b>	
Name, location of the creditor (lender)	Purchasers of issued 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
Overdue interest on the credit (loan); if any, the total number of overdue payments and the number of days in arrears	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. Obligations of the Issuer with regard to its collateral**

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)**

Information contained in this paragraph remained unchanged in the reporting quarter.

### 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 respectively) the Federal Intellectual Property Service registered the trademarks (service marks) in favour of the Company in Russian language – КУБАНЬЭНЕРГО, valid until 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, АО Кубаньэнерго**

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 of 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, АО Кубаньэнерго**

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 of 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, ОАО Кубаньэнерго**

Date of introducing the name: **30.06.1998**

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

##### 3.1.2. Information 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**

Date of making an entry on a legal entity registered before 1 July 2002 to the National Registry of Legal Entities: **17.09.2002**

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

### **3.1.3 Information on establishment and development of the Issuer**

Information contained in this paragraph remained unchanged in the reporting quarter.

### **3.1.4. Contact information**

Location of the issuer:

**Krasnodar, Russian Federation**

Address of the issuer specified in the National Registry of Legal Entities:

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

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

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

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

Internet page(s) with information on the Issuer and on securities issued and/or being issued by the Issuer:

**www.kubanenergo.ru,**

**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:

**Corporate Governance and Shareholder Relations Department**

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 during 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

**In the reporting the directors of the branches of the Company were issued new powers of attorney with validity period up to 31.12.2019.**

## **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

<p>OKVED, Russian Standard Industrial Classification of Economic Activities</p>
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35.12
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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 4<sup>th</sup> quarter

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

Not applicable to the report for the 4<sup>th</sup> quarter

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

Core markets wherein the Issuer carries out its activity:

The Company is the largest power grid company in the Krasnodar region and the Republic of Adygea carrying out transmission and distribution of electric energy across networks with voltage equal or below 110kV among the populated localities, in rural settlements and individual cities and regional centres of the Krasnodar region and the Republic of Adygea, including Sochi.

The total market share of the Company was 69.03% in 2017 and 67.19% in 2018.

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 sale of services in future.

Since 01.01.2007 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 selling electric energy in the regional market pay "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 the region's network 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 KR.

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)
- 32 energy selling companies: participants 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, “Rusenergosbyt” LLC, “Rusenergoresurs” 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, “GazProm Energosbyt” JSC, “Energosbyt” LLC, “Garantenergo” LLC, “KNGK-Energo” LLC, “Alternativ-Energo-Sbyt” LLC, “AER” LLC, “AER” LLC, “ProfServisTrade” LLC, “Forest” LLC, “UES Garant” LLC, “ESK Nezavisimost” LLC, “VN-Energotrade” LLC, “Retail Energo Consult” LLC, “KSK” LLC, “MTS Energo” LLC, and “Izhenergosbyt” LLC)
  - 94 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, Federal State Budgetary Institution “Board of Kubanmeliovodkhoz”, “Sad-Gigant” JSC, “Verkhnebakan cement factory” JSC, “Abrau Durso” CJSC, “Novoroslesexport” JSC, “Stud farm “Leninskiy put” JSC, “Stud farm “Gulkevichskiy” CJSC, “RAMO-M” CJSC, “Novomol” LLC, “Novorossiysk Commercial Seaport” PJSC, “Formika-Yug” LLC, “Kanevskiy Gas Fitting Plant” LLC, “IPP” JSC, etc.)
  - commercial grid company (“Maikop CHP” LLC).

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

Factors that may have a negative effect on Kubanenergo PJSC products marketing are:

- 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 take corresponding decision for 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 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, Krasnodar region**

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 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 0083905, registration number 1863**

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 **13.07.2018**

Expiry date of licence or access to particular types of works: **13.07.2023**

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 of 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 possibility of licenses prolongation.

### **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. Plans for future activity of the Issuer**

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 830 MW in 2019; the amount of revenue (payment for grid connection) is projected to be 1 300 million rubles (without VAT).

It is expected that in 2022, 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 20 176 736.13 thousand kWh (108.48% compared to 2018).

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 across seaside area of the Krasnodar region (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.18@ of 10.12.2018).

Sources of funding the Investment Programme 2019:

depreciation – 2 293.92 million rubles; funds received from allotment of additional shares of the Company – 17 673.01 million rubles; advanced payments from grid connection – 424.12 million rubles; credit funds – 1 723.73 million rubles.

Implementation of the investment programme includes construction and upgrade of 966.49 km of power lines and commissioning of transformer capacity in amount of 1 044.86 MVA.

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

### **Future prospects in terms of sources of future income:**

The strategy of the Company concerning the sources of future incomes presupposes:

- 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
- enhancing 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 similar 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: shaping 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 4<sup>th</sup> quarter.

## **IV. Information on the Issuer's business activity**

### **4.1. Results of business activity**

Not applicable to the report for the 4<sup>th</sup> quarter.

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

Not applicable to the report for the 4<sup>th</sup> quarter.

### **4.3. Financial investments of the Issuer**

Not applicable to the report for the 4<sup>th</sup> quarter.

### **4.4. Intangible assets**

Not applicable to the report for the 4<sup>th</sup> 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 4<sup>th</sup> quarter.

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

Implementation of investment programmes of the Company that ensure development, technical re-equipment and upgrade of the issuer's power networks, will help provide reliable power supply to the existing and future electricity consumers in the years 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
- digitalization of power networks and automation of business processes
- 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 focused on provision of uninterrupted power supply in the Krasnodar region's seaside areas (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.

In the current macroeconomic conditions, the core activity of the issuer is influenced by inflation. In addition, the growth of productive supply and revenue from electricity transmission are 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 28.12.2018, the Order of the Regional Energy Commission - Price and Tariff Department for the Krasnodar Region (REC-PTD KR) No.90/2018-e approved uniform ("boiler") tariffs on transmission services for 2019. One-part tariffs ("boiler") for 2019 were approved at the maximum possible level of tariffs for 2019. The growth of tariff will reach 5% from 01.07.2019.

Growth of approved "boiler" required gross revenues of the region in the current year in comparison with 2018 amounts 2.8%.

Growth of approved own required gross revenues for maintenance of Kubanenergo PJSC for 2019 in comparison with 2017 amounts 4.0%.

Growth of average "boiler" transmission tariff in 2019 in comparison with 2018 amounts 2.8%.

REC-PTD KR has set for 2019 individual tariffs for mutual settlements with territorial grid companies in accordance with paragraph 52 of Guidelines for calculation of regulated tariffs and prices on electric (thermal) energy at retail (consumer) electricity market, that were approved by the Federal Tariff Service of Russia on 06.08.2004, order No.20-e/2. The Commission set the individual tariffs taking the planned balanced power exchange between network companies as the base for calculation of individual tariffs on payment for technical losses of electric energy.

On 28.12.2018, the Order of the Regional Energy Commission - Price and Tariff Department for the Krasnodar Region No.91/2018-e "On setting the price for technological connection to electric networks of power companies on the territory of Krasnodar region and the Republic of Adygea" approved standardized tariff rates and rate for payment per unit of maximum capacity for technological connection to networks of Kubanenergo PJSC for 2019.

Growth of rate of payment per unit of maximum capacity for coverage of maintenance costs (C1) in comparison with last year amounts 4.6% in 2019.

Standardized tariff rate C1<sup>1</sup> per one connection was approved: 6.9%.

Standard tariff rates and rates per 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 lead 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.

**The Issuer's activity in the sphere of transmission services is influenced by the following circumstances:**

- due to the fact that calculation of technological losses is performed for a 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

- absence 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 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 focuses on development of its 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.

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 and repair programmes;

- a range of activities pertaining the requirements of Regulations on Certificate of Reliability;

- studying the conception of digitalization of power grid complex and automation of business processes.

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.

Digitalization of power grid and automation of business processes will allow control centre instantly receive a signal on disconnection of any network section and eliminate the problem as soon as possible.

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<sup>1</sup> C1 is a rate towards the cost of technological connection that do not include expenses on construction and reconstruction of power facilities

Each substation comprises lots of complex equipment that has to be operated. Automation of equipment (as part of digitalization) will allow to decrease hand labour of engineers, operational and repair personnel, specialists of relay protection and other workers that carry out maintenance of power facility.

Digitalization of power grid equipment is automated remote control, the possibility of self-diagnosis of equipment, as well as compactness, which is especially important in the reconstruction and development of network infrastructure in settlements with dense buildings.

Digitalization of power grid equipment will allow to increase the reliability of power supply for customers.

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 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 of 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 in the Company’s area of responsibility, and construction of various facilities are accompanied by an increase in electricity consumption. There is a situation in which may occur and increase the risks in failing to ensure 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 worn-out equipment, buildings and structures that are subject to replacement, reconstruction or technical re-equipment is growing constantly. The probability of such events is estimated by the Company as average.

Among negative factors and conditions affecting the Issuer’s activities are half automatized electricity metering systems that reduce the accuracy of the reporting of account information from user.

**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 2018 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 as well as their digitalization, 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**

Information contained in this paragraph remained unchanged in the reporting quarter.

## **V. Detailed Information Concerning Individual Members of the Issuer's Management Bodies, the Issuer's Bodies Controlling Its Financial and Economic Activities and Brief Information Concerning the Issuer's Employees (Personnel)**

### **5.1. Information on the structure and jurisdiction of the Management Bodies of the Issuer**

Full description of the structure of the issuer's management bodies and their jurisdiction as specified in the Charter (constitutive documents) of the issuer:

In accordance with the Company's Charter, the management bodies of the Company are as follows:

- **General Meeting of Shareholders (supreme governing body);**
- **Board of Directors of the Company (general management);**
- **Management Board of the Company (collegial executive body);**
- **Director General of the Company (sole executive body).**

General Director and the Management Board of the Company manage the Company's current activity.

Issues referred by the Company's Charter to the competence of the General Meeting of Shareholders of the Issuer:

- 1) amendments and supplements to the Company's Charter or approval of a restated version of the Company's Charter;
- 2) reorganization of the Company;
- 3) liquidation of the Company, appointment of a liquidation commission, and approval of an interim and final liquidation balance sheets;
- 4) determination of the quantity, par value, category (type) of authorized shares and rights attaching thereto;
- 5) increase in the Company's authorized capital by raising the par value of the shares or by placing additional shares of the Company;
- 6) decrease in the Company's authorized capital by reducing the par value of the shares, by the Company's purchase of some shares in order to reduce their total quantity, and by retirement of the shares acquired or bought back by the Company;
- 7) share splitting and consolidation;
- 8) decision on placement of the Company's bonds convertible into shares and other securities convertible into shares;
- 9) Determination of the number of members of the Board of Directors of the Company, election of its members and early termination of their powers
- 10) election of members of the Company's Auditing Commission and early termination of their powers, determination of the size of remuneration and compensation for members of the Company's

Internal Audit Commission;

- 1) approval of the Company's Auditor;
- 12) approval of resolution on transfer of the power of the sole executive body of the Company to a management organization (manager) and on early termination of their powers;
- 13) approval of annual reports and annual accounting (financial) statements of the Company;
- 13.1) distribution of profits (including dividend payment (declaration) except for dividend payment (declaration) based on the results of the first quarter, half, or nine months of the reporting year) and losses of the Company for the reporting year;
- 14) payment (declaration) of dividends based on the results of the first quarter, half, or nine months of the reporting year;
- 15) establishment of the procedure for holding the General Meeting of Shareholders;
- 16) decisions to give consent or subsequent approval to transactions as specified in Article 83 of the Federal Law "On Joint-Stock Companies";
- 17) decisions to give consent or subsequent approval to major transactions as specified in Article 79 of the Federal Law "On Joint-Stock Companies";
- 18) decisions on the Company's participation in financial industrial groups, associations, and other groupings of commercial entities;
- 19) approval of internal documents governing the activities of the Company's bodies;
- 20) decision on payment of remuneration and (or) compensations to the members of the Board of Directors
- 21) decision on payment of remuneration and (or) compensations to the members of the Board of Directors
- 22) decisions on any application for the delisting of the Company's shares and/or the Company's issue-grade securities convertible into its shares;
- 23) other issues specified in the Federal Law "On Joint-Stock Companies.

**In accordance with the Charter, the competence of the Board of Directors shall include the following issues:**

- 1) determine the priority areas of the Company's activities and its development strategy;
- 2) convene the Annual and Extraordinary General Meetings of Shareholders, except where otherwise specified in Clause 14.8 of Article 14 of the Charter and declaration of the new General Meeting date to be held instead of a failed one due to absence of quorum;
- 3) approve the agenda of the General Meeting of Shareholders;
- 4) elect the secretary of the General Meeting of the Company's Shareholders
- 5) define the date of the list of the persons entitled to participate in the General Meeting of Shareholders, define the date of making the list of persons entitled to receive dividends, approving of costs estimated on holding general meeting and making decisions on other issues related to preparation and holding of the General Meeting of the Company's Shareholders;
- 6) submit for review by the General Meeting of Shareholders the issues specified in subparagraphs 2, 5, 7, 8 and 12–20 of paragraph 10.2 of the Charter, the issue related to a decrease in the authorized capital of the Company by reducing the par value of shares, and the issue in relation to determining the date of the list of the persons entitled to dividends;
- 7) place additional shares, into which preferred shares placed by the Company of a certain type are converted, convertible into common shares or preferred shares of other types, if such a placement is not associated with an increase in the authorized capital of the Company, as well as placement of bonds or other equity securities other than shares; Eurobond issue and determining policy in the sphere of the issue of securities (except for shares) and Eurobonds
- 8) approve resolutions on issue of securities (additional issue), securities prospectus, and reports on the results of issue (additional issue), and notification on the results of issue (additional issue) of securities; approve reports on the results of purchase of the Company's own shares from the

- shareholders; reports on the results of redemption of shares; reports on the results of claims by shareholders of the Company to repurchase their shares; approve resolutions on acceptance of offers on acquisition of additional shares offered publicly after the expiration of the preemptive right, in cases determined by the Board of Directors of the Company;
- 9) determine the value (money value) of the property and the offering price, or the procedure for determining the offering price, and the buyback price of issue-grade securities where specified in the Federal Law “On Joint-Stock Companies” as well as decisions on the issues specified in Items 11, 21, 38 of Clause 15.1 of the Charter
  - 10) acquire shares, bonds, and other issue-grade securities placed by the Company where specified in the Federal Law “On Joint-Stock Companies” or other federal laws
  - 11) alienation (selling) of the Company’s shares occurring at the Company’s disposal as a result of their acquisition or repurchase from the shareholders of the Company and in other cases stipulated by the Federal Law “On Joint Stock Companies”
  - 12) elect the General Director of the Company and early terminate their powers, including resolution on early termination of the employment contract
  - 13) determine the number of members of the Management Board of the Company, election of members of the Management Board of the Company, fixing the remuneration and compensation to be paid to them, early termination of their powers
  - 14) make recommendations concerning the size of remuneration and compensation payable to members of the Company’s Auditing Commission and set the size of the Auditor’s fees
  - 15) make recommendations as to the size of dividends on shares and the procedure for dividend payment
  - 16) approve internal documents of the Company determining the procedure of formation and use of the Company’s funds
  - 17) approve resolutions on the use of the Company funds; approval of the estimates for the use of the special purpose funds and consideration of the results of implementation of estimates of the special purpose funds
  - 18) approve the Company’s internal documents, except for internal documents that shall be approved by the General Meeting of Shareholders or the Company’s executive bodies
  - 19) approve business plan (adjusted business plan) and quarterly report on the progress of its implementation (1<sup>st</sup> quarter, six months, nine months and reporting year), approval (adjustment) of the list and values of cash flow benchmarks of the Company
  - 19.1 consideration of investment programme, including amendments to it and quarterly report on the progress of its implementation (1<sup>st</sup> quarter, six months, nine months and reporting year)
  - 20) set up (liquidate) branch offices and open (liquidate) representative offices of the Company
  - 21) approve resolutions on the Company’s participation in other organization (joining an existing organization or establishment of a new organization, including approval of constituent documents) and on acquisition, alienation, and encumbrance of shares and shareholdings in the charter capital of the organizations in which the Company participates change of participatory interest in the charter capital of a corresponding organization and termination of the Company’s participation in other organizations, excluding resolutions on participations stipulated in subparagraph 18 of paragraph 10.2 of article 10 of the Charter;
  - 22) determine the credit policy of the Company as regards the Company’s granting loans, entering into credit agreements and loan agreements, issue of sureties, assuming liabilities on bills and notes (issue of promissory notes and bills of exchange), pledge of property, and passing resolutions on the Company’s participation in such transactions in the cases when the decision-making procedure in their respect has not been determined by the credit policy of the Company, and the approval of resolutions on bringing the Company’s debts in balance with the limits established by the credit policy of the Company in accordance with the procedure stipulated in the credit policy of the Company;
  - 23) decide to give consent or subsequent approval to major transactions as specified in Chapter X

of the Federal Law “On Joint-Stock Companies”;

- 24) decide to give consent or subsequent approval to transactions specified in Chapter XI of the Federal Law “On Joint-Stock Companies”
- 25) approve the Company’s Registrar, terms and conditions of an agreement, as well as termination of the agreement;
- 26) elect Chairperson of the Board of Directors of the Company and early termination of their powers;
- 27) elect Deputy Chairperson of the Board of Directors of the Company and early termination of their powers;
- 28) elect Corporate Secretary of the Company and early termination of their powers
- 29) preliminary approve resolutions on making transactions connected with gratuitous transfer of the Company property and property rights (claims) as regards itself or a third party; transactions connected with release from property liability towards itself or a third party; transactions connected with free of charge rendering of services (performance of work) by the Company to third parties in the cases (within the scopes) determined by specific resolutions of the Board of Directors of the Company, and approval of resolutions on the Company’s making of such transactions in the cases when the above specified cases (scopes) are not determined;
- 30) approve organizational structure of the executive authority of the Company and alterations to it;
- 31) decide to suspend the powers of the managing company (manager);
- 32) decide to appoint acting Director General in cases determined by specific resolutions of the Board of Directors of the Company, as well bringing acting Director General to disciplinary responsibility;
- 33) bring the General Director of the Company and members of the Management Board of the Company to disciplinary responsibility, and their reward pursuant to the labor law of the Russian Federation;
- 34) review reports of the General Director on the Company’s activity (including performance of obligations), on implementation of the resolutions of the General Meeting of Shareholders and the Board of Directors of the Company;
- 35) approve the procedure of relations of the Company with the organizations, in which the Company participates;
- 36-37) define the position of the Company (representatives of the Company), including instructions to participate or not participate in voting on the items on the agenda, vote for or against or abstain from voting, on the following items on the agendas of general meetings of shareholders (members) and BoD meetings of subsidiaries and dependent companies (“SDCs”)
- 38) preliminary approval of resolutions on the Company’s entering into certain transactions;
- 39) appointment of Company representatives for participation in supreme governance bodies of organizations with any legal form of incorporation, in which the Company participates;
- 40) approval of resolutions on nominating of persons to the position of sole executive body, to other governance bodies, control bodies, and nominees to the position of external auditor of the organizations of organizations of any legal form of incorporation, in which the Company is a participant;
- 41) scoping of the Company’s policy in the field of insurance, control of insurance coverage for the Company, including the approval of the Company's nominees Insurers;
- 42) approval of appraiser (appraisers) for determination of the value of shares, property and other assets of the Company in the cases stipulated by the Federal Law “On Joint Stock Companies”, this Charter, and specific resolutions of the Board of Directors of the Company;
- 43) preliminary approval of collective agreement, contracts entered into by the Company within the scope of regulation of social and labor relations, and approval of documents on non-state pension schemes for the Company employees;

- 44) approval of financial adviser engaged pursuant to the Federal Law “On Securities Market”, and organizers of securities issue, and advisors on transactions directly connected with raising funds in the form of public borrowings;
- 45) preliminary approval of transactions which may entail origination of currency liabilities (or liabilities the amount whereof is linked with foreign currency), transactions with derivative financial instruments, in the cases and in the amounts to be determined by specific resolutions of the Board of Directors of the Company, and when such cases (amounts) have not been determined by the Board of Directors of the Company; determination of Company’s policy in the sphere of conclusion of transactions with derivative financial instruments;
- 46) determination of procurement policy of the Company, including approval of Regulations on purchase of goods, works, services, and approval of procurement plan, and passing of other resolutions in accordance with the approved documents of the Company regulating the procurement activity of the Company;
- 47) approval of methodology for calculating and evaluating the key performance indicators (KPIs) of the Company’s General Director, their target values (adjusted values) and reports on their implementation;
- 48) approval of resolution on nominating the General Director of the Company to be decorated with state awards;
- 49) determination of housing policy of Company in terms of providing the Company participants with corporate assistance in improving their housing conditions in the form of subsidies, compensation of expenses, interest free loans and approval of resolutions on rendering the above support by the Company in the cases when the procedure of such support is not defined in the housing policy of the Company;
- 50) determination of the Company policy as regards the enhancement of reliability of the distribution facilities of electric mains and other power grid facilities, including approval of strategic programs of the Company on enhancement of reliability of the power grid facilities, development and safety of power grid facilities;
- 51) establishment of committees of the Company Boards of Directors, election of members of the committees of the Company Boards of Directors, and early termination of their powers, election and early termination of powers of the chairmen of the committees of the Company Boards of Directors;
- 52) approval of regulations on material incentives of the General Director, regulations on material incentives of top managers of the Company; approval of the list of top managers;
- 53) approval of nominees to certain positions in the Company’s executive body, determined by the Company’s Board of Directors;
- 54) filing an application for listing of Company’s shares and (or) securities of the Company convertible into shares
- 55) decision on joining the Company to industry and inter-industry standards, regulations and other documents in the electricity sector in various areas of the Company’s activities, including the technical regulation.
- 56) determination of the principles and approaches to internal audit, risk management and internal control systems in the Company;
- 57) assessment of key operational risks (both financial and non-financial risks), as well as the establishment of an acceptable amount of risk for the Company;
- 58) at least once a year organization of analysis and evaluation of the systems of risk management and internal control including on the basis of data from reports regularly received from the executive bodies of the company, internal audit and external auditors of the company;
- 59) annual review of questions of arrangement, functioning and effectiveness of the risk management and internal control systems in the Company;
- 60) control and organization of activity of the internal audit, including approval of regulations on the division of internal audit, in case of involvement of an external independent organization for the

internal audit – approval of such an organization and conclusion of a contract with it, approval of a plan of internal audit activity, the report on performance of the plan of activities of internal audit and budget of the internal audit, approval of decisions on the appointment, termination, and also definition of remuneration of the head of the internal audit, review of results of assessment of the quality of the internal audit function;

61) monitoring the compliance of the company's executive bodies to the strategy approved by the Company; hearing of reports of General Director and members of Company's Management Board on the implementation of the approved strategy;

62) recommendations to the executive bodies of the Company on any matters of the Company's activity;

63) other issues, referred to the competence of the Board of Directors by the Federal Law "On Joint Stock Companies" and this Charter.

**The following issues fall within the competence of the Management Board of the Company:**

1) approval of resolutions on the issues falling within the competence of the supreme governance bodies of economic societies in which 100 (one hundred) percent of charter capital or all voting shares are held by the Company (taking into account Item 36 of Clause 15.1 of Article 15 of the Charter);

2) elaboration and submission to the Board of Directors of plans for future development of the principal areas of Company activities;

3) preparation of business plan (adjusted business plan), and reports on the progress of its implementation, approval and adjustment of cash flow in accordance with the list and values of benchmarks of Company's cash flow approved by the Board of Directors (with obligatory further submission to the Board of Directors of the Company);

4) preparation of the annual report on financial and business activities of the Company, on implementation of the resolutions of the General Meeting of Shareholders and Board of Directors by the Management Board;

5) approval of plans and arrangements for training and skill development of the Company employees;

6) establishing social benefits and guarantees for the Company employees;

7) approval of resolutions on entering into transactions the subject matter whereof is the property, works and services, the value of which makes from 1 to 25 percent of the book value of the Company's assets according to the accounting statements as of the latest reporting date (except for the cases specified in Item 38 of Clause 15.1 of Article 15 of the Charter);

8) consideration of reports of the Deputies General Director of the Company, heads of structural divisions of the Company on the results of implementation of the adopted plans, programs, instructions, consideration of reports, documents and other information on the activities of the Company and its SDCs;

9) effective risk management within the framework of the current activities of the Company; approval of the budget for the risk management activities within the limits agreed by the Board of Directors of the Company; the resolution of cross-functional (performed by several structural divisions) objectives for risk management;

10) solving of other issues of management of day to day operations of the Company in compliance with the resolutions of the General Meeting of Shareholders, Board of Directors of the Company, and other issued submitted by the General Director to the Management Board for consideration.

**Items related by Company Charter to the competence of the Director General of the Issuer:**

According to the Charter, the competence of the Company's Director General includes all matters pertaining to management of the company's day-to-day activities, with the exception of those matters, which are referred to the competence of the Company's General Meeting of Shareholders, the Board of Directors or the Management Board.

The Director General of the Company acts on behalf of the Company without a power of attorney, including subject to the restrictions imposed by the law of the Russian Federation in force, the Charter and the decisions of the Board of Directors of the Company:

- ensures fulfillment of the Company's plans necessary for achievement of the goals of the Company;
- organizes accounting and statements recording in the Company;
- manages the Company's property, makes transactions on behalf of the Company, issues powers of attorney, opens settlement accounts and other accounts in banks and other credit institutions (as well as in organizations of securities market professionals, in cases stipulated in laws);
- issues orders, approves (adopts) instructions, local normative acts and other internal documents of the Company related to the matters assigned to his competence, and gives instructions binding upon all employees of the Company;
- approves Regulations on branches and representative offices of the Company;
- adopts general structure of the Company's executive body;
- approves staff schedule and official salaries of the Company's employees, in accordance with the general structure of executive mechanism of the Company;
- exercises rights and bears duties of the employer in respect of Company's employees in accordance with the labour legislation;
- performs the functions of the Chairperson of the Management Board of the Company;
- assigns responsibilities among Deputies Director General;
- submits Annual Report, Balance Sheet, Profit and Loss Account, Report on Distribution of Profit and Losses of the Company to the Board of Directors not later than Forty-Five (45) days prior to the date of annual General Shareholders Meeting of the Company;
- resolves other questions concerning current activities of the Company, excluding the matters assigned to the competence of the General Shareholders Meeting, of the Board of Directors and of the Management Board of the Company;
- is personally liable for ensuring secrecy order in the Company, including in case of organization of cipher communications;
- is personally liable for selection of persons having access to the information representing state secret, as well as for organization of conditions in which Company employees get acquainted only with such information representing state secret, and in such amounts which, in compliance with the legislation of the Russian Federation on state secret, are necessary for execution of their job content (functions)
- approves methods for calculation and evaluation of key performance indicators of subdivisions (officials) of the Company and their indicators (amended indicators) and performance reports.

The Issuer has adopted (accepted) the Corporate Governance Code or any other similar document.

The information on corporate governance code or similar document:

For the purpose of Issuer's management transparency, observance of standards of due corporate governance, the Board of Directors adopted Corporate Governance Code on 30.10.2006. Redrafted document dd. 06.03.2013 approved by Company's BoD (Minutes No. 154/2013 dd. 07.03.2013).

Full text of the Corporate Governance Code is available on the Company's website at:

<http://kubanenergo.ru/o-kompanii/uchreditelnye-i-vnutrennie-dokumenty/vnutrennie-polozheniya/>

## **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)**

Name: **Sergeeva Olga Andreevna**

**(chairperson)**

Year of birth: **1984**

Education:

**Higher education**

**Plekhanov Russian University of Economics:**

**“Economics and Corporate Management, Building and Construction” (2006).**

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		
2010	2017	Department for Fuel and Energy Economy of Moscow Government	Consultant at General Administrative Department; later: General Administrative Department Advisor; later: Deputy Head of General Administrative Department; later: Head of General Administrative Department; later: Head of Organizational and Legal Department; later: Deputy Head Department for Fuel and Energy Economy
2017	2017	Moscow Department of Housing, Utilities and Amenities	Deputy Head
2018	present day	Rosseti PJSC	Member of the Management Board; Advisor; Chief Advisor; Deputy Director General – Chief of Staff
2018	present day	IDGC of the South PJSC, MOESK PJSC, IDGC of North-West PJSC, Lenenergo PJSC, IDGC of North Caucasus PJSC	Member of the Board of Directors
2018	present day	Kubanenergo JSC	Chairperson of the Personnel and Remuneration Committee under 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
Personnel and Remuneration 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: **Varvarin Alexander Viktorovich**

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, later: Managing Director in charge of Corporate Relationships and Legal Groundwork; later: Vice-President in charge of Corporate Relations and Legal Support; now: Vice President - Managing Director of Corporate Relations and Legal Support
2006	present day	TsRKO RES NP (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	MSO PAU 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 the Auditing Committee
2013	2015	Research and Development Centre JSC, TsNIIMashdetal 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	2018	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	2018	Mosenergostroy Construction Industrial Company	Member of the Board of Directors
2017	present day	Institute of Internal Auditors, Non-Profit Partnership	Member of the Board
2017	2018	Scientific and Technological Company Russian Interbranch Scientific and Technical Complex (RMNTK) “Nefteotdacha”	Member of the Board of Directors
2018	present day	IDGC of Centre PJSC	Member of the Board of Directors
2018	present day	Kubanenergo PJSC	Member of the Audit Committee
2018	present day	Kubanenergo PJSC	Member of the Grid Connection 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
Grid Connection 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.**

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**

**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: “Organization of mobilization work in the organizations of the fuel and energy complex having mobilization assignments” (2017)
- Federal State-Funded Institution “Education Centre” at Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Oversight of Russia): “Training and testing of knowledge of labor protection requirements of executives and specialists” (2018)
- International Education Academy, LLC: “First Aid at Work Training Course” (2018)
- Science and Technology Education Centre of RF Federal Antimonopoly Service: “Tariff regulation in 2018 and objectives of the government regulatory agencies for 2019” (2018)

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 Chairperson of the 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.**

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 Board of Directors**

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
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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 Board of Directors
2016	present day	Kubanenergo PJSC	Member of the Committee for Strategy, Development, Investments and Reform under the Board of Directors
2016	present day	FGC UES JSC	Member of the Committee for Investments under 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
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: **Medvedev Mikhail Vladimirovich**

**Independent member of the Board of Directors**

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 Board of Directors
2017	present day	Kubanenergo PJSC, Avangard JSC	Member of the Board of Directors
2017	present day	Kubanenergo PJSC	Member of the Reliability Committee under

			the Board of Directors
2017	present day	Tyumenenergo JSC	Member of the Committee for Strategy and Development under 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
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		
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; later: Head of Administration for Financial Analysis and Liquidity Management at Treasury Department
2017	present day	Kubanenergo PJSC	Member of the Board of Directors
2017	2018	Kubanenergo PJSC	Member of the Audit Committee under 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: **Selivanova Lyudmila Vasilievna**

Year of birth: **1958**

Education:

**Higher education. Lomonosov State University “Journalism” (1994).**

**Ph.D. in Economics**

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		
2012	2014	European Institute JUSTO	Dean of the Industrial and Economic Department; later: Head of the Department of Problems of National Economy Development; later: Head of the Department of Economic Policy, Taxes and Taxation
2017	present day	Rosseti PJSC	Advisor; then Chief Advisor; then Deputy Director General for Relations with Government Agencies
2018	present day	Kubanenergo PJSC, IDGC of Volga PJSC, 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:

**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: **Tyukanko Alexey Sergeevich**

Year of birth: **1983**

Education:

**Higher education. Kursk State Technical University: “Inspection and Property Management” and “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	till		
2013	present day	Rosseti PJSC (former Rosseti PJSC)	Head of the Analytical Sector of the General Affairs Department; later: Head of the Department for Analysis of Investment Activities; later: Head of the Information Management Department; Head of the Expert Board; later: Head of the Expert and Control Department of the Situation Analysis Centre; now: Head of the Department of Documentation Support and Control of the Implementation of Instructions of the Department of Organizational Support
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:

**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: **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	to		
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, later: Deputy Head of Securities and Information Disclosure Sector of the same Department; now: Chief Expert at Securities and Information Disclosure Sector at Department of Corporate Governance
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 Board of Directors
2014	2015	Scientific and research centre of Volga region JSC, Energoservice 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 and Chairperson of the Audit committee under to the Board of Directors
2014	2016	Kubanenergo PJSC (former Kubanenergo JSC)	Member of the Committee for strategy, investments, reform and development under to the Board of Directors
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” (2001);**

- **Vladimir Law Institute at the Federal Penal Correction Service: “Legal studies” (2013)**

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	2015	Federal Tariff Service of Russia	Head of Sector; later: 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; later: Acting Head of Tariff Policy Department; now: Head of Tariff Policy Department
2016	2018	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 Board of Directors
2017	2018	IDGC of Centre PJSC, IDGC of Centre and Volga region PJSC, IDGC of North Caucasus PJSC	Member of Strategy and Development Committee under the Board of Directors
2018	present day	TRK PJSC, IDGC of North-West PJSC	Member of the Board of Directors
2018	present day	MOESK PJSC, IDGC of Ural JSC	Member of Strategy and Development Committee under 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	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 education of the BoD members in the reporting quarter: during the reporting quarter the members of the Board of Directors were not trained at the Company's expense**

**Committees under the Board of Directors of the Issuer<sup>1</sup>:**

In order to ensure the Board of Directors of "Kubanenergo" PJSC is efficient in its functions of general management of the Company's activity, the Board of Directors has established the following Committees representing advisory and consultative bodies:

**The Reliability Committee** was established by the decision of the Board of Directors on 15.09.2006, Minutes No.21/2006.

The Committee's tasks consist in provision of recommendations to the Board of Directors on the following activities of the Board of Directors:

- expertise of production programmes, upgrade plans, upgrade, 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, as well as control of their performance;
- evaluation of the quality of investigations of 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);
- evaluation and 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;
- 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 occupational safety and health management system in the Company;
- evaluation of the implementation of the environmental policy;
- expertise of fire and safety systems.

Current Reliability Committee under the BoD:

#	Name of the candidate	Employment
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

<sup>1</sup> Employment of the members of the Company's Committees of BoD are specified at the moment of nomination of the candidates for these positions.

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

**The Audit Committee:** established on October 16, 2009 by the 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 Audit Committee under the BoD:

#	Name of the candidate	Employment
1	Khokholkova Kseniya Valerievna, chairperson	Chief Expert at Directorate of Securities Management and Information Disclosure at Department of Corporate Governance, Rosseti PJSC, member of the Board of Directors of Kubanenergo PJSC
2	Varvarin Aleksandr Viktorovich	Vice-president – Managing Director in charge of Corporate Relations and Legal Support, Russian Union of Industrialists and Entrepreneurs, member of the Board of Directors of Kubanenergo PJSC
3	Shagina Irina Alexandrovna	Head of Tariff Policy 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 was established on 4 February 2010 by the decision of the Board of Directors of “Kubanenergo” JSC, Minutes No. 84/2010 of 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 core principles of the Company strategic development;
- evaluation of the Company’s efficiency;
- increase of investment attractiveness of the Company, improvement of investment activity and taking justified investment decisions;

- adjustment of the Company's existing development strategy;
- control of the process of implementation of adopted programmes, projects and the Company's reform process;
- provision of recommendations on the dividend policy;
- control of implementation and functioning of risks management system

Current Committee for Strategy, Development, Investment and Reforms under the BoD:

#	Name of the candidate	Employment
1	Pavlov Alexey Igorevich, chairperson	Head of Treasury Department, Rosseti PJSC
2	Gritsenko Vladimir Fyodorovich	Director of Business Development, Yunitel Engineering LLC, member of the Board of Directors of Kubanenergo PJSC
3	Guselnikov Konstantin Sergeyevich	Director General, FinInvest Consulting LLC
4	Balaban Fyodor Nikolaevich	Deputy Head of Strategic Projects Division at Department of Strategic Development, Rosseti PJSC
5	Mikryukov Dmitriy Vasilievich	Chief Expert of Division for Consolidated Planning and Reporting at Investments Activity Department, Rosseti PJSC
6	Ocheredko Olga Vyacheslavovna	Deputy General Director for Economics and Finance, Kubanenergo PJSC, member of the Management Board of Kubanenergo PJSC
7	Rafalskaya Inna Sergeyevna	Deputy Head of Division for Settlement of Disputes in the field of Tariff Formation of the Tariff Policy Department, Rosseti 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

**The Personnel and Remuneration Committee** under the Board of Directors was established on 5 August 2010 by the decision of the Board of Directors of "Kubanenergo" JSC, Minutes No. 94/2010 of 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 payable to the members of the Board of Directors of the Company;
- determination 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 performing 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 performing 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 Personnel and Remuneration Committee under the BoD:**

#	Name of the candidate	Employment
1	Sergeeva Olga Andreevna, chairperson	Deputy Director General – Chief of Staff, Rosseti PJSC; chairperson of the Board of Directors of Kubanenergo PJSC
2	Chevkin Dmitriy Aleksandrovich	Head of Personnel and Organization Development Department, Rosseti PJSC
3	Erpsheer 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 established on 11 October 2011 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 the Company's efficiency in technological connection of consumers to networks
- assessment of the Company's efficiency in improving the quality of planning the development of electric networks in the regions of the Company's responsibility;
- analysis of current situation in the Company and preparation of propositions to the BoD on technological connection of consumers to electric grids

**Current Grid Connection Committee under the BoD:**

#	Name	Position
1	Pyatigor Alexander Mikhailovich	Acting Deputy Director General for Development and Selling of Services, Rosseti PJSC; Chairperson of the Committee
2	Varvarin Aleksander Viktorovich	Vice-president – Managing Director in charge of Corporate Relations and Legal Support, Russian Union of Industrialists and Entrepreneurs, member of the Board of Directors of Kubanenergo PJSC
3	Korneyev Alexander Yurievich	Head of Department of Perspective Development of Grids and Grid Connection, Rosseti PJSC
4	Kostetsky Vyacheslav Yurievich	Deputy Director General for Development and Grid Connection, Kubanenergo 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)

Doctor of Economics

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: “Organization of mobilization work in the organizations of the fuel and energy complex having mobilization assignments” (2017)

- Federal State-Funded Institution “Education Centre” at Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Oversight of Russia): “Training and testing of knowledge of labor protection requirements of executives and specialists” (2018)

- International Education Academy, LLC: “First Aid at Work Training Course” (2018)

- Science and Technology Education Centre of RF Federal Antimonopoly Service: “Tariff regulation in 2018 and objectives of the government regulatory agencies for 2019” (2018)

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. 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)

**Doctor of Economics**

**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: “Organization of mobilization work in the organizations of the fuel and energy complex having mobilization assignments” (2017)
- Federal State-Funded Institution “Education Centre” at Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Oversight of Russia): “Training and testing of knowledge of labor protection requirements of executives and specialists” (2018)
- International Education Academy, LLC: “First Aid at Work Training Course” (2018)
- Science and Technology Education Centre of RF Federal Antimonopoly Service: “Tariff regulation in 2018 and objectives of the government regulatory agencies for 2019” (2018)

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: **Armaganyan Edgar Garriyevich**

Year of birth: **1984**

Education:

**Higher education:**

- Kuban State Agrarian University, diploma: “Electrification and Automation (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)
- Federal State-Funded Institution “Education Centre” at Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Oversight of Russia): “Training and testing of knowledge of labor protection requirements of executives and specialists” (2018)
- International Education Academy, LLC: “First Aid at Work Training Course” (2018)
- Federal State Autonomous Institution for Continuing Professional Education Institute for training senior officials and experts of fuel and energy complex, course: “Ensuring the protection of state secrets, maintaining secret office work and essentials of information security in organizations”, programme: 08.01.01 “Organization of protection of state secrets (state certification of managing directors)” (2018)

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 (former Kubanenergo JSC)	Head of Sector for Implementation of Energy Transmission Services; later: Head of Sector for Technological Connection; later: Head of Sector for Electricity Transport; later: Deputy Director in charge of Development and Implementation of Services at Kubanenergo branch Sochi Electric Networks; later: Advisor to Director General of Kubanenergo JSC; later: Acting first Deputy Director General of the Company; later: Head of Kubanenergo branch Sochi Electric Networks (main job) with part-time job as Acting First Deputy Director General (combined duties); later: Director of branch Sochi Electric Networks, later: First Deputy Director General – Director of Kubanenergo branch Sochi Electric Networks, Deputy Director General in charge of Implementation of Services (combined duties); now: First Deputy Director General - Director of Kubanenergo branch Sochi Electric Networks
2014	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Member of the Management Board
2015	2017	Kubanenergo PJSC	Member of Reliability Committee under the

			Board of Directors
2016	present day	Energoservice of Kuban JSC (former Energoservice of Kuban OJSC)	Chairperson 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: **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: **Golov Andrei Valerievich**

Year of birth: **1980**

Education:

**Higher education:**

- **Orenburg State University, diploma: "Finance and credit" (2002); conferred a degree of Candidate of Sciences (Economics) (2008).**

**Advanced training courses:**

- **Ernst&Young: "Risk management" (2015)**

- **Consulting and Education Centre "Energopersonal", course "Internal audit: basic theory and practice" (2015)**

- **Federal State-Funded Institution "Education Centre" at Rostekhnadzor (Federal Service for Environmental, Technological and Nuclear Oversight of Russia): "Training and testing of knowledge of labor protection requirements of executives and specialists" (2018)**

- **International Education Academy, LLC: "First Aid at Work Training Course" (2018)**

- **Science and Technology Education Centre of RF Federal Antimonopoly Service: "Tariff regulation in 2018 and objectives of the government regulatory agencies for 2019" (2018)**

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	Kubanenergo PJSC (former Kubanenergo JSC)	Adviser of Director General; later: Acting Deputy Director General in charge of Logistics and Inventory without discharge from the main job; later: Deputy Director General in charge of Logistics and Inventory; later: Acting Deputy Director General in charge of Investment

			Activity (part time job); now: 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		
2013	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Director of branch South-Western Electric Networks, 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” (2017)**

**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)**
- **International Education Academy, LLC: “First Aid at Work Training Course” (2018)**

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)	Director General Adviser; later: Deputy Director General – Chief of Staff; Member of the Management Board

2017	present day	Recreation Centre “Energetik” JSC	Member of the Board of Directors
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**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: **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)
- International Education Academy, LLC: “First Aid at Work Training Course” (2018)

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; later: Deputy Director General for Development and Sales; later: Deputy Director General for Implementation and Development of Services; now: Deputy Director General

			for Development and Grid Connection; Member of the Management Board
2013	2015	Energoservice of 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 Board of Directors
2013	2017	Kubanenergo PJSC (former Kubanenergo JSC)	Member of the Grid Connection Committee under the Board of Directors
2018	present day	Kubanenergo PJSC	Member of the Grid Connection Committee under 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: **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: **Nischyuk Oleg Fyodorovich**

Year of birth: **1978**

Education:

**Higher education:**

**Kuban State University: "World Economy" (2001)**

**Advanced training:**

**Bauman Moscow State Technical University at Educational Centre of Kubanenergo:  
"Management"**

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	Administration of Krasnodar	Deputy head of Municipal Service Department and Fuel and Energy Complex
2015	present day	Kubanenergo PJSC (former Kubanenergo JSC)	Deputy Head of Department for Service Implementation and Accounting of Electric Energy; now: Deputy Director General for Service Implementation
2016	present	Energoservice of Kuban	Member of the Board of Directors

	day	JSC (former Energoservice of Kuban OJSC)	
2018	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: **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)**

- “EnergoEvolution” LLC, course: “Operation of networks and energy selling companies in 2018. Distribution pricing for 2018-2019 with regard of changes in laws and regulations. Topical and problematic issues of cooperation and settlement of disputes.” (2018)
- International Education Academy, LLC: “First Aid at Work Training Course” (2018)
- Science and Technology Education Centre of RF Federal Antimonopoly Service: “Tariff regulation in 2018 and objectives of the government regulatory agencies for 2019” (2018)

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; later: Head of Directorate – Head of Division at Financial Department; later: Head of Financial Division for Construction of Olympic Facilities; later: Deputy Head of Department – Head of Financial Division at Financial Department, later: Head of Financial Department; later: Head of Division for Construction of Olympic Facilities at Department of Property and Legal Support of Construction of Olympic Facilities; now: 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 (Recreation centre “Energetik” OJSC)	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 Board of Directors
2017	present day	Kubanenergo PJSC	Member of the Reliability Committee under 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: **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: **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 Deputy Director General in charge of Security; later: Director General Assistant; later: Deputy Director General; now: 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.**

Name: **Khazikova Zanda Ivanovna**

Year of birth: **1980**

Education:

**Higher education:**

- **Kalmyk State University: “History” (2003)**
- **Saratov State Academy of Law: “Legal studies” (2005)**

**PhD in Law**

**Courses:**

- **Informational Web Portal of Administration of Housing Services and Utilities: online seminar on electric power industry (2018)**

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
2012	2014	GPB Bank (JSC)	Leading specialist at Underwriting Unit of the Credit Sector (Krasnodar branch)
2014	2017	Kubanenergo PJSC (former Kubanenergo JSC)	Deputy Head of Internal Audit and Risk Management, later: Deputy Head of Legal Support Department
2017	present day	Kubanenergo PJSC	Deputy Head of Legal Support Department, later: Acting Deputy Director General for Corporate Governance, now: Deputy Director General for Corporate Governance
2018	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:

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:

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”, “Precertification training of managers and specialists of organizations operating electric networks”, “Precertification training of managers and specialists responsible for the operation of hazardous production sites where lifting constructions designed for lifting and moving cargoes are used”, “Precertification 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)

- International Education Academy, LLC: “First Aid at Work Training Course” (2018)

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 Krasnodar Electric Networks; later: Head of Division for Production Control and Occupational Safety at Krasnodar Electric Networks; later: Deputy Chief Engineer – Head of Division for Production Control and Occupational Safety at Krasnodar Electric Networks and Sochi Electric Networks; later: First Deputy Director – Chief Engineer of Sochi Electric Networks; now: 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**

**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 remuneration, 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 remunerations 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	2018
Remuneration for participation in activity of the management body	7 605
Salary	
Bonuses	
Commission fees	
Other remunerations	
Total	7 605

#### **Information on the existing 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 of 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	2018
Remuneration for participation in activity of the management body	1 401
Wages	31 404
Bonuses	32 281
Commission fees	0
Fringe benefits	0
Other remunerations	1 977
Total	67 063

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

In accordance with decision adopted by the Company's Board of Directors on 24.02.2015 (minutes of meeting No. 203/2015 of 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 Board of Directors (minutes of meeting No.207/2015 of 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 – the Management Board of Kubanenergo PJSC.

#### Compensations

Unit of measurement: **thousand rubles.**

Management body	2018
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 of 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 the order of the Company on March 27, 2015 No.262, are compensated 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 writing-off 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 instructions 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 (events) related to review of the Issuer's financial and business activity.

**Following the results of inspections of the Issuer's financial and business activity, the Company's Auditing Commission 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, and the Issuer's financial and business activity.

The procedure and terms for preparing a report following the results of review of the Issuer's business activity are determined by legal instruments of the Russian Federation and internal documents of the Issuer.

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

Based on the contract and in accordance with requirements of the RF legislation, the Issuer's Auditor checks business activity of the Company.

**Following the results of inspections of the Issuer's business activity, the Company's Auditing Commission and 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 has 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
Varvarin Alexander Viktorovich	no
Shagina Irina Alexandrovna	no

Information on presence 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 of 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 of 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 of 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 of 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 of 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;
- 5) 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.
- 6) monitoring of implementation of activities and internal control procedures in the Company;
- 7) provision of information on the state of ICS and RMS in the Company;
- 8) organization to ensure compliance with the requirements of state supervisory bodies to the ICS;
- 9) ensuring interaction with state regulatory authorities in the exercise of control measures in respect of the Company and its subsidiaries;
- 10) 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 had been performed 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 "IDGC of South" OJSC of 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 of 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

of 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 of 27.02.2015) approved the creation of internal control and risks unit 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 of 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 Rosseti 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 Rosseti PJSC;
- 5) organization of activities of the Audit Commission of affiliates;
- 6) participation of employees of the Department of Internal Audit as elected members of audit commissions or invited experts in the activities of the Audit Commission of an affiliate;
- 7) participation in special (official) investigations 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) informing 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) monitoring of 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 paragraph 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.**

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

Information on the issuer's internal document establishing the rules to prevent misuse of confidential and 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 that was amended and adjusted by the resolution of the BoD on 30.07.2018 (minutes of the meeting No.315/2018);

- 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;

- established 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 Rosseti PJSC and affiliated companies of Rosseti (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 of

02.02.2017), the Anti-corruption policy was updated. 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 of 25.12.2008 “On anti-corruption”;
- methodological recommendations of the Federal Agency for State Property Management and other instructions of federal executive authorities.

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

The Programme of anti-corruption measures in Kubanenergo PJSC (Order of Kubanenergo PJSC No. 140 of 13.02.2018) is developed and approved for 2018, 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 activities;
- assigns schedule of implementation of specific activities;

**Keynotes of the 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 this imposes a special obligation on the Issuer when 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 focuses on formation of transparent business standards. The automated system – “Analysis and collection of information on 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 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 filling-in 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 combat 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: **Kim Svetlana Anatolievna**

**(Chairperson)**

Year of birth: **1981**

Education:

**Higher education:**

**Moscow State University of Railway Engineering: "Commerce" (2004)**

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	FGC UES PJSC	Leading expert of the Directorate of Financial Control and Internal Audit; later: Chief Expert of the Control and Audit Department; later: Head of the Investment Control Department of the Control and Audit Department
2013	present day	Rosseti PJSC (former Rosseti JSC)	Head of the Audit and Internal Audit Division of the Internal Audit and

			Control Department; later: Head of the Directorate for Inspection Activity of the Control Department; now: Head of Directorate for Inspection Activity at Department for Control and Inspection Activity
2013	2014	Lenenergo JSC	Member of the Auditing Commission
2014	present day	IDGC of Ural PJSC, IDGC of Volga PJSC (former IDGC of Volga JSC), IDGC of Siberia PJSC (former IDGC of Siberia JSC)	Member of the Auditing Commission
2014	2017	IDGC of North Caucasus PJSC (former IDGC of North Caucasus JSC), MOESK PJSC (former MOESK JSC)	Member of the Auditing Commission
2015	2017	Kubanenergo PJSC	Member of the Auditing Commission
2015	present day	Yantarenergo JSC	Member of the Auditing Commission
2015	present day	IDGC of Centre PJSC, Scientific and Research Centre of IDGC JSC, Association VNIPI EnergoProm JSC, Administration of “Fiber-Optic Communication Lines – VL” JSC	Member of the Auditing Commission
2015	2016	IDGC of the South PJSC	Member of the Auditing Commission
2016	present day	Lenenergo JPSC, Scientific and Research Centre of UES JSC	Member of the Auditing Commission
2017	present day	IDGC of Centre and Volga Region PJSC, IDGC of North-West PJSC	Member of the Auditing Commission
2018	present day	Kubanenergo PJSC, IDGC of the South PJSC, MOESK PJSC, IDGC of North Caucasus 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: **Yerandina Yelena Stanislavovna**

Year of birth: **1972**

Education:

**Higher education:**

**Moscow State University of Environmental Engineering: “Economics and Management in Agribusiness Industry” (1994)**

**State University of Management: “Finances and Credit” (2006)**

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	2013	Oil Assets Management CJSC	Deputy Head of the Sector for Audit of Financial and Economic Activities under the Internal Control Department
2013	2015	Elekrtosetservis UES JSC	Chief Specialist of the Internal Audit Sector
2016	present day	Rosseti PJSC	Chief Expert of the Control and Expert Sector under the Control and Audit Department
2016	2017	Kalmenergosbyt JSC, Tyumenenergo JSC	Member of the Auditing Commission
2016	2018	Kabbalkenergo JSC, IDGC of Centre and Volga Region PJSC, IDGC of Centre PJSC, IDGC of Siberia PJSC	Member of the Auditing Commission
2016	present day	Karachaevo-Cherkesskenergo JSC, Tyvaenergosbyt JSC, MOESK PJSC, Yantarenergo JSC, Sevkvkazenergo JSC, Dagestan Energy Selling Company PJSC	Member of the Auditing Commission
2017	present day	IDGC of North Caucasus PJSC, TRK PJSC	Member of the Auditing Commission
2018	present day	Kubanenergo PJSC, IDGC of the South PJSC, IDGC of North-West PJSC, Lenenergo PJSC, Chechenenergo JSC, Kalmenergosbyt JSC, Sevkvkazenergo 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: **Kabizskina Yelena Alexandrovna**

Year of birth: **1964**

Education:

**Higher education:**

**Far Eastern State Technical Fisheries University, Engineering and Finance Department.**

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		
2005	2013	FGC UES JSC	Deputy Head of Department for Control and Inspections; later: Head of Department for Internal Control and Risks Management
2013	2014	MOESK JSC	Head of Directorate for Methodological Support at Department of Internal Audit
2013	2014	Chechenenergo JSC, IDGC of North Caucasus PJSC, Lenenergo JSC, IDGC of Volga JSC, Sevkavkazenergo JSC	Member of the Auditing Commission
2014	present day	Rosseti PJSC (former Rosseti JSC)	Deputy Head of Directorate for Auditing Activity at Department of Supervisory Activity; later: Deputy Head of Division for Auditing Activity at Department of Control and Auditing Activity
2014	2015	Administration of "Fiber-Optic Communication Lines – VL" JSC, Scientific and research centre of UES JSC, Tyumenenergo JSC	Member of the Auditing Commission

2014	present day	Karachaevo-Cherkesskenergo JSC (former Karachaevo-Cherkesskenergo OJSC), Kalmenergosbyt JSC (former Kalmenergosbyt OJSC), Tyvaenergosbyt JSC (former Tyvaenergosbyt OJSC), Yantarenergo JSC (former Yantarenergo OJSC)	Member of the Auditing Commission
2015	2016	Ingushenergo JSC	Member of the Auditing Commission
2015	2017	IDGC of North-West PJSC, Lenenergo PJSC, Scientific and research centre of UES JSC	Member of the Auditing Commission
2015	present day	Kubanenergo PJSC, IDGC of North Caucasus PJSC, TRK PJSC, IDGC of Siberia PJSC, Sevkavkazenergo JSC (former Sevkavkazenergo PJSC), Kabbalkenergo JSC (former Kabbalkenergo PJSC), Dagestan Energy Selling Company PJSC, Chechenenergo JSC	Member of the Auditing Commission
2016	2018	MOESK PJSC, IDGC of Volga PJSC	Member of the Auditing Commission
2016	present day	SZEUK PJSC, IDGC of Centre and Volga Region PJSC, IDGC of the South PJSC, IDGC of Ural JSC	Member of the Auditing Commission
2017	2018	TsTZ JSC (Technical Customer Centre)	Member of the Auditing Commission
2018	present day	Tyumenenergo JSC, IDGC of Centre PJSC, IDGC of North-West PJSC, Lenenergo PJSC, Scientific and research centre of UES 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 education:**

**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 day	Rosseti PJSC (former Rosseti JSC)	Chief Expert at Directorate for Auditing Activity at Department for Control Activity; now: Leading Specialist at Directorate for Auditing Activity at Department for Control and Auditing Activity
2013	2015	IDGC of Ural JSC	Member of the Auditing Commission
2013	present day	Dagestan energy selling company PJSC (former Dagestan energy selling company JSC)	Member of the Auditing Commission
2014	2015	Lenenergo JSC, Tyumenenergo JSC, IDGC of Centre and Volga region JSC, Kalmenergosbyt JSC, Scientific and research centre of Ural JSC	Member of the Auditing Commission
2014	2018	Karachaevo-Cherkesskenenergo JSC, former Karachaevo-Cherkesskenenergo OJSC), Tyvaenergosbyt JSC (former Tyvaenergosbyt OJSC), IDGC of North-West PJSC (North-West JSC), Ingushenergo JSC (Ingushenergo OJSC)	Member of the Auditing Commission
2014	present day	IDGC of Volga PJSC (former IDGC of Volga JSC), IDGC of Centre PJSC (former IDGC of Centre JSC), IDGC of Siberia JPSC (former IDGC of Siberia JSC), Sevkavkazenergo PJSC (former Sevkavkazenergo JSC), Kubanenergo PJSC (former Kubanenergo JSC), Yantarenergo JSC (Yantarenergo OJSC), SZEUK PJSC (SZEUK JSC)	Member of the Auditing Commission
2015	present	Kabbalkenergo PJSC (former	Member of the Auditing Commission

	day	Kabbalkenergo JSC), IDGC of North Caucasus PJSC, Scientific and research centre of IDGC JSC, VNIPIenergoprom Association JSC, VNIPIenergoprom real property JSC, Scientific and research centre UES JSC, Real property of the Southern centre of power industry”	
2015	2018	Tyumenenergo JSC	Member of the Auditing Commission
2016	2018	Lenenergo PJSC	Member of the Auditing Commission
2016	present day	Chechenenergo JSC	Member of the Auditing Commission
2017	present day	Kalmenergosbyt JSC	Member of the Auditing Commission
2018	present day	TRK PJSC, IDGC of Ural 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 education:**

**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	2018	Rosseti PJSC (former Rosseti JSC)	Leading Specialist at Sector of Investments Audit, Auditing Activity and

			Internal Audit at Department of Internal Audit and Control; now: Chief Expert at Internal Audit Directorate
2014	2015	IDGC of Volga JSC, IDGC of Centre JSC, IDGC of Siberia JSC, IDGC North-West JSC, MOESK JSC, Sevkavkazenergo JSC, Kubanenergo JSC, Karachaevo-Cherkesskenegero JSC, Kabbalkenergo JSC, TRK JSC	Member of the Auditing Commission
2014	2016	Tyvaenergosbyt JSC (former Tyvaenergosbyt OJSC), Tyumenenergo JSC (former Tyumenenergo OJSC)	Member of the Auditing Commission
2014	2017	IDGC of the North Caucasus PJSC (former IDGC of the North Caucasus JSC)	Member of the Auditing Commission
2014	2018	IDGC of the South JSC ( IDGC of the South PJSC), Dagestan Energy Retail Company PJSC (former Dagestan Energy Retail Company JSC)	Member of the Auditing Commission
2015	2016	Tyumenenergo JSC,, VNIPI Energoprom Association JSC	Member of the Auditing Commission
2015	2017	IDGC of Centre and Volga Region PJSC	Member of the Auditing Commission
2015	2018	Chechenenergo JSC, Kalmenergosbyt JSC	Member of the Auditing Commission
2016	present day	Kubanenergo PJSC	Member of the Auditing Commission
2017	2018	Kabbalkenergo PJSC, IDGC of Ural JSC, Tyumenenergo JSC	Member of the Auditing Commission
2017	2018	Ingushenergo JSC	Member of the Auditing Commission
2018	present day	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.**

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**

Information on the head of such department (body) of the issuer

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

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, later: Lead Expert of Directorate of Internal Audit, later: Chief Expert at the same directorate
2017	present day	Kubanenergo PJSC	Head of Directorate of Internal Control and Risks Management; later: Head of Directorate of Internal Control and Risks Management and on a part-time basis Head of Internal Control Department; now: Head of Internal Control Department
2018	present day	“Recreation Centre “Energetik” JSC, Energoservice of Kuban JSC	Member of the Audit 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 exercising control over financial and economic activities of the issuer: **Other Directorate of Internal Control and Risk Management**

Information about the head 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: **Chernyshenko Nikolay Gennadievich**

Year of birth: **1986**

Education:

**Higher education.**

**Kuban State Agrarian University, "Accounting, Analysis, and Audit".**

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	Lead Specialist of the Internal Audit and Risk Management Department; later: Chief Specialist of the Internal Audit and Control Department; later Chief Specialist of the Internal Control and Risk Management Department; now: Head of Internal Control and Risk Management Directorate

**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.

Unit of measurement: **thousand rubles**

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

Remuneration for participation in the activity of the control body

Unit of measurement: **thousand rubles**

Indicator	2018
Remuneration for participation in the activity of the body exercising control of the issuer's financial and economic activities	797
Salary	
Bonuses	
Commission fees	
Other remunerations	
Total	797

**Information concerning the existing agreements pertaining to such payments in the current 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.40 of 28.05.2018), the remuneration shall be paid as a lump-sum by the results of activity within the period of election of the Auditing Commission at the General Meeting of Shareholders till the next General Meeting of Shareholders with agenda item pertaining to election of members to the Auditing Commission.

The amount of remuneration paid to the members of the Auditing Commission of the Company is calculated depending on the base amount of remuneration and the degree of their participation in the activity of the Committee.

The base amount of remuneration paid to the Auditing Commission is derived from the Company's revenue calculated in accordance with Russian Accounting Standards for the financial year.

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

Remuneration for participation in the activity of the control body

Unit of measurement: **thousand rubles**

indicator	2018
Remuneration for participation in the activity of the body exercising control of the issuer's financial and economic activities	0
Salary	6 094
Bonuses	3 078
Commission fees	0
Other remunerations	184
Total	9 356

**Information concerning the existing agreements pertaining to such payments in the current fiscal year:**

Payments to the employees of the Internal Audit Department were carried out according to the Order No.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 activity of the control body

Unit of measurement: **thousand rubles.**

Indicator	2018
Remuneration for participation in the activity of the body exercising control of the issuer’s financial and economic activities	0
Salary	2 712
Bonuses	1 795
Commission fees	0
Other remunerations	161
Total	4 668

**Information concerning the existing agreements pertaining to 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 No.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**

Control Body	2018
Auditing Commission	0
Internal Audit Department	0
Internal Audit and Risks Management Department	0

**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.40 of 28.05.2018), 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.

**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	2018
Average number of employees	8 640

Cash allocated for payment of wages in the reporting period	5 050 613.9
Cash allocated for social welfare in the reporting period	37 226.8

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 the 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 Concluded by the Issuer**

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

Total number of persons having non-zero balances on their personal accounts and registered in the issuer's shareholder register as of the end date of the reporting quarter: **1 806**

Total number of nominee holders of the issuer's shares: **2**

Total number of persons included on the latest list of the persons entitled to participate in the issuer's general meeting of shareholders (any other list of persons that is prepared for the purposes of exercising the rights attaching to the issuer's shares and for the preparation of which the nominee holders of the issuer's shares provided details of the persons on whose behalf they held (hold) the issuer's shares): **2 615**

Date of preparing the list of persons included on the latest list of the persons entitled to participate in the issuer's general meeting of shareholders (any other list of persons that is prepared for the purposes of exercising the rights attaching to the issuer's shares and for the preparation of which the nominee holders of the issuer's shares provided details of the persons on whose behalf they held (hold) the issuer's shares): **30.04.2018**

Holders of ordinary shares of the issuer subject to inclusion in such list: **2 615**

Information on the number of treasury shares on the issuer's balance sheet as of the last date of the reporting quarter: **None**

Information on the number of the issuer's shares held by issuer-controlled entities: **There are no shares belonging to the issuer-controlled entities**

### **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**

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

Address

**9 Nikolsky lane, Moscow 109012, Russia**

INN (Taxpayer Identification Number): **7710723134**

OGRN (Principal State Registration Number): **1087746829994**

Stake held by the participant (shareholder) in the authorized capital of the issuer: **6.86%**

Percentage of ordinary shares held by the participant (shareholder) in the issuer: **6.86%**

Persons (entities) controlling the participant (shareholder) of the Issuer: **None**

Participants (shareholders) of the entity owning at least 20 percent of its authorized capital or at least 20 percent of its ordinary shares: **None**

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

**2.**

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

Abbreviated business name: **Rosseti PJSC**

Address: **Moscow, Russia**

INN (Taxpayer Identification Number): **7728662669**

OGRN (Principal State Registration Number): **1087760000019**

Stake held by the participant (shareholder) in the authorized capital of the issuer: **92.78%**

Percentage of ordinary shares held by the participant (shareholder) in the issuer: **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 109012, Russia**

INN (Taxpayer Identification Number): **7710723134**

OGRN (Principal State Registration Number): **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 such 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:**

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

Information about the controllers of state or municipal shares: **None**

Persons (entities) that 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**

Stake in the authorized capital of the issuer held as the government’s (federal or constituent entity) or a municipality’s property: **6.86**

**Property of subjects of Russian Federation**

Full business name: **Regional state specialized agency “State Property Fund of the 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): **0.00015**

Special right of participation of the Russian Federation, constituent entities of the Russian Federation and municipalities in managing the issuer (joint-stock company) (“golden share”), duration of special right (“golden share”): **This right is not stipulated.**

**6.4. Information on restrictions on participation in the Issuer’s authorized capital**

There are no restrictions on participation in the Issuer’s authorized capital

**6.5. Information on changes in the 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 its ordinary shares**

List of the issuer’s shareholders (participants) owning at least 5% of the issuer’s authorized capital and (for issuers from among joint-stock companies) at least 5% of the issuer’s ordinary shares prepared as of the date of the list of persons entitled to participate in each General Meeting of Shareholders (Participants) of the issuer held in the most recently closed fiscal year preceding the last date of the reporting quarter and in the period from the beginning of the current year to the last date of the reporting quarter based on data from the list of persons entitled to participate in each of such meetings.

Date of preparing the list of persons (entities) entitled 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**

Short business name: **RF represented by Federal Agency for the Administration of State Property**

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

INN (Taxpayer Identification Number): **7710723134**  
 OGRN (Principal State Registration Number): **1087746829994**  
 Participatory interest of the person (entity) in the authorized capital of the Issuer, %: **7.36**  
 Percentage of the Issuer's ordinary shares held by the person (entity), %: **6.86**

Full business name: **Public Joint Stock Company "Russian Grids"**

Short business name: **Rosseti PJSC**

Address: **Moscow, Russia**

INN (Taxpayer Identification Number): **7728662669**

OGRN (Principal State Registration Number): **1087760000019**

Participatory interest of the person (entity) in the authorized capital of the Issuer, %: **92.24**

Percentage of the Issuer's ordinary shares held by the person (entity), %: **92.77**

Date of preparing the list of persons (entities) entitled to participate in the General Meeting of Shareholders (Participants) of the Issuer: **30.04.2018**

List of Shareholders (Participants):

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

Short business name: **RF represented by Federal Agency for the Administration of State Property**

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

INN (Taxpayer Identification Number): **7710723134**

OGRN (Principal State Registration Number): **1087746829994**

Participatory interest of the person (entity) in the authorized capital of the Issuer, %: **7.36**

Percentage of the Issuer's ordinary shares held by the person (entity), %: **6.86**

Full business name: **Public Joint Stock Company "Russian Grids"**

Short business name: **Rosseti PJSC**

Address: **Moscow, Russia**

INN (Taxpayer Identification Number): **7728662669**

OGRN (Principal State Registration Number): **1087760000019**

Participatory interest of the person (entity) in the authorized capital of the Issuer, %: **92.24**

Percentage of the Issuer's ordinary shares held by the person (entity), %: **92.78**

Additional information: **None**

## 6.6. Information on the interested-party transactions of the Issuer

The number and cost of the transactions conclude by the issuer and recognized in accordance with the laws of the Russian Federation as interested-party transactions requiring approval by the governing body of the issuer, for the most recent reporting quarter

Unit of measurement: rubles

Indicator	Total amount, pieces	Total amount in monetary assets
Transactions of interest concluded by the issuer in the reporting period which require the approval by the governing body of the Issuer	1	1 957 869 992
Transactions of interest concluded by the issuer in the reporting period which have been approved by	0	0

the general meeting of members (shareholders) of the Issuer		
Transactions of interest concluded by the issuer in the reporting period which have been approved by the board of directors (supervisory board of the issuer)	1	1 957 869 992
Transactions of interest concluded by the issuer in 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 accounts for 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 most recent reporting quarter

**Such transactions have not been performed**

Transactions (groups of related transactions) of interest that were not approved by the Board of Directors (Supervisory Board) or by the General Meeting of Shareholders in cases when such approval was required by the legislation of the Russian Federation.

**Such transactions have not been performed**

Additional information:

**Interested party transactions and transactions requiring notification/approval of the management bodies of Kubanenergo PJSC concluded in the reporting quarter:**

#	Contractor	Sum of the contract, rubles	Contract
1	“FGC UES” PJSC	1 957 869 991.84	Agreement on redemption of the issuer’s debt on transmission services

Total: 1 957 869 991.84

**The Company informed the members of the Board of Directors and Management Board of the issuer on these transactions in accordance with the procedure and deadlines specified by paragraph 1.1 of article 81 of the Federal Law “On Joint Stock Companies”.**

**6.7. Information on the accounts receivable**

Not applicable to the report for the 4<sup>th</sup> 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 4<sup>th</sup> quarter

**7.2. Interim accounting (financial) statements of the Issuer**

Not applicable to the report for the 4<sup>th</sup> quarter

**7.3. Consolidated financial statements of the Issuer**

The consolidated financial statements of the Group companies Kubanenergo PJSC under IFRS are prepared quarterly starting from 01.01.2017.

#### **7.4. Information on the accounting policy of the Issuer**

Information contained in this paragraph remained unchanged in the reporting quarter.

#### **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 4<sup>th</sup> 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: **110 kV "Lazurnaya" substation**

Basis for change: **commissioning**

Date of change: **29.06.2018**

Price of the property: **22 524.507**

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: **Nonresidential construction**

Brief description of property that has left the structure (has been purchased) of the issuer's property: **110 kV "Lazurnaya" substation**

Basis for change: **commissioning**

Date of change: **29.06.2018**

Price of the property: **16 232.455**

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: **Transfer unit**

Brief description of property that has left the structure (has been purchased) of the issuer's property: **110 KV "Lazurnaya-Novomikhailovka"**

Basis for change: **commissioning**

Date of change: **29.06.2018**

Price of the property: **14 606.556**

Unit of measurement: **thousand rubles**

Additional Information: None

#### **7.7 Details on the issuer being a party to litigation if such litigation may materially affect the issuer's financial and economic activities**

**In 2017 the Company participated in the following lawsuits:**

- 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 of 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 Court of Appeal left the decision unchanged. The case is closed.

- 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; a contractual penalty in the amount of 3 466 602.57 rubles and fee for payment of the state duty in the amount of 198 499.66 rubles were charged. The case is closed.

- 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 of 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 of 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 of 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. Maikop Thermal Power Station LLC filed a cassation appeal. The proceedings on cassation appeal were suspended till issues of a decision of the Krasnodar Regional Court of April 9, 2017 on case # 3a-52/2018. By the order of the Commercial Court of the North Caucasus District of 13.12.2018, the decision and the order of the court of appeal remained

unchanged, and the cassation appeal was not satisfied;

- 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 of 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. The defendant filed a cassation appeal; On 23.05.2018 the proceedings on the cassation appeal of Maikop Thermal Power Station LLC against the decision of the Arbitration Court of the Republic of Adygea of 03.11.2017 and the decision of the Fifteenth Arbitration Appeal Court of 19.01.2018 in case # A01-1449/2017 was suspended till consideration of the decision of the Krasnodar Regional Court of 09.04.2018 on the case No.3a-52/2018. Kubanenergo PJSC filed a motion to resume the proceedings. By the order of the Commercial Court of the North Caucasus District of 13.12.2018, the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- 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 of 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. The defendant filed a cassation appeal. On 08.05.2018 the proceedings on case #A01-1813/2017 on the cassation appeal of Maikop Thermal Power Station LLC against the decision of the Arbitration Court of the Republic of Adygea of 23.10.2017 and the decision of the Fifteenth Arbitration Appeal Court of 23.01.2018 were suspended till consideration of the decision of the Krasnodar Regional Court 09.04.2018 on case No.3a-52/2018. By the order of the Commercial Court of the North Caucasus District of 27.11.2018, the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- 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 of 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 a penalty 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. On 15.05.2018 the proceedings on the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on recovery of debts are suspended until the entry into force of the decision of Krasnodar Regional Court on case No.3a-52/2018. By the resolution of the Commercial Court of the Republic of Adygea of 31.10.2018, the proceedings were resumed. By the resolution of 17.12.2018 the claim is fully satisfied. The court hearing at the 15<sup>th</sup> Commercial Court of Appeal is scheduled for 27.02.2019;

- 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. On 14.06.2018 the proceedings on the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on recovery of debts are suspended until the entry into force of the decision of Krasnodar Regional Court on case No.3a-52/2018. By the resolution of the Commercial Court of the Republic of Adygea of 02.11.2018, the proceedings were resumed. The decision of 12.12.2018 fully satisfied the claim. The case is closed;

- 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 case is under consideration. The hearings are scheduled for 20.02.2019;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 100 187 610 rubles. By a court ruling of 04.06.2018 on case #A32-3730/2017, YugEnergoTrade LLC and AMAS LLC were appointed as co-respondents to participate in the case. The court ruling of 04.07.2018 adopted a clarification of the claims, according to which Kubanenergo PJSC requested to recover from the YugEnergoTrade LLC 43 431 045.97 rubles of debt for electricity transmission services, from AMAS LLC – 51 909 582.53 rubles. By the decision of the Commercial Court of the Krasnodar region of 23.10.2018 the claim was rejected. PJSC Kubanenergo is preparing an appeal;

- 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 of 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. Judicial acts are left unchanged. The case is closed;

- 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. Legal proceedings were suspended;

- 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. Legal proceedings were suspended till 13.02.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (imbalance of electric energy) in amount of 94 025 738.53 rubles. By the order of the Commercial Court of Krasnodar region of 30.08.2018 on case # A32-16867/2017, the claim was fully satisfied. By the decision of the Fifteenth Commercial Court of Appeal of 23.11.2018, the decision of the court of first instance was left unchanged. Kubanenergo PJSC filed a cassation appeal. Consideration of the appeal is scheduled for 23.03.2019;

- 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 definition of the Commercial Court of the Krasnodar region of 23.01.2018 on the case #A32-33976/2017, the following requirements were singled out in separate proceedings:

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on case #A32-33976/2017 on indebtedness collection in amount of 97 865 804.45 rubles. Case hearing is scheduled for 04.03.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection in amount of 2 258 355.57 rubles; the case was assigned a number: A32-2662/2018. The case is dismissed due to abandonment of a claim;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection in amount of 126 683 023.66 rubles; the case was assigned a number: A32-2665/2018. Case hearing is scheduled for 11.03.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection in amount of 197 024 074.87 rubles; the case was assigned a number: A32-2663/2018. Case hearing is scheduled for 21.11.2018;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection in amount of 236 085 249.16 rubles; the case was assigned a number: A32-2661/2018. Case hearing is scheduled for 14.02.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection in amount of 10 894 350.84 rubles; the case was assigned a number: A32-2667/2018. Case hearing is scheduled for 20.02.2019;

- 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 108 485 838.21 rubles. The case #A32-6135/2017 is under consideration of the Commercial Court of the Krasnodar region. The legal proceedings were postponed till 11.03.2019;

- 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. Cassation and appellate courts left the decisions unchanged. The case is closed;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of penalty in amount of 46 848 152 rubles. Case No. A32-17637/2017. The resolution, left unchanged by the court of appeal, has partially satisfied the claim. Penalty in the amount of 30 717 776 rubles 32 kopecks was charged. The case is closed;

- 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 22 032 679.33 rubles. The case #A32-13291/2017 is under consideration of the Commercial Court of the Krasnodar region. The court hearing was postponed till 25.03.2019;

- 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. By the decision of the Commercial Court of the Krasnodar region, the claims were partially satisfied: the debt for January-February 2017 was recovered in the amount of 27 191 555.38 rubles, a penalty in the amount of 6 025 562.19 rubles;

- 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. By the decision of the Commercial Court of Krasnodar region of 25.10.2018 on case #A32-1878/ 018, the claim was fully satisfied. Kubanenergo PJSC is preparing an appeal.

**In 2018 the Company participated in the following court processes:**

-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 of 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 Order of the 15<sup>th</sup> Commercial Court of Adygea of 21.02.2018 left the resolution of the court of the first instance unchanged. 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 of 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. Maikop Thermal Power Station LLC filed cassation appeal. The proceedings on the cassation appeal are suspended until the consideration of the decision of the Krasnodar Regional Court of 09.04.2018 on case No.3a-52/2018. By the order of the Commercial Court of the North Caucasus District of 13.12.2018, the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- 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 of 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. The Resolution of the 15<sup>th</sup> Commercial Court of Adygea of 19.01.2018 left the resolution of the court of the first instance unchanged. Maikop Thermal Power Station LLC filed cassation appeal. The proceedings on the cassation appeal are suspended until the consideration of the decision of the Krasnodar Regional Court of 09.04.2018 on case No.3a-52/2018. Kubanenergo PJSC filed a motion to resume the proceedings. By the order of the Commercial Court of the North Caucasus District of 13.12.2018, the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- 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 of 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. The Resolution of the 15<sup>th</sup> Commercial Court of Adygea of 23.01.2018 left the resolution of the court of the first instance unchanged. Maikop Thermal Power Station LLC filed cassation appeal. The proceedings on the cassation appeal are suspended until the consideration of the decision of the Krasnodar Regional Court of 09.04.2018 on case No.3a-52/2018. On 16.10.2018 the Commercial Court of the North Caucasus District set a date of consideration of resuming of the proceedings: 27.11.2018. By the order of the Commercial Court of the North Caucasus District of 27.11.2018, the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied

- 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 proceedings were suspended until the entry into force of the decision of the Krasnodar Regional Court of 09.04.2018 on case No.3a-52/2018. By the resolution of the Commercial Court of the Republic of Adygea of 31.10.2018, the proceedings were resumed. By the resolution of 17.12.2018 the claim is fully satisfied. The court hearing at the 15<sup>th</sup> Commercial Court of Appeal is scheduled for 27.02.2019;

- 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 of 12.12.2018 fully satisfied the claim. The case is closed;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 69 112 900 rubles. The court hearing on case #A32-39069/2016 is suspended;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 79 742 400 rubles. The court hearing on case #A32-5031/2017 is scheduled for 20.02.2019;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 100 187 610 rubles. By a court ruling of 04.06.2018 on case #A32-3730/2017, YugEnergoTrade LLC and AMAS LLC were appointed as co-respondents to participate in the case. The court ruling of 04.07.2018 adopted a clarification of the claims, according to which Kubanenergo PJSC requested to recover from the YugEnergoTrade LLC 43 431 045.97 rubles of debt for electricity transmission services, from AMAS LLC – 51 909 582.53 rubles. By the decision of the Commercial Court of the Krasnodar region of 23.10.2018 the claim was rejected. PJSC Kubanenergo is preparing an appeal

- 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 of 04.12.2017 did not change the order of the Court of Appeal. On 03.04.2018 the Supreme Court of RF dismissed the cassation appeal filed by TNSenergo Kuban PJSC pertaining consideration of the case at Chamber for Commercial Disputes. The case is closed.

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 299 616 490 rubles. The resolution of 27.04.2017 on case #A32-377/2017 singled out the claims for considering them in separate procedures:

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 36 250 119.70 rubles. Case #A32-377/2017 is handled by the Commercial Court of the Krasnodar region. The proceedings are suspended;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 60 685 219.49 rubles. Case #A32-16866/2017 is handled by the Commercial Court of the Krasnodar region. The session is postponed till 13.02.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on indebtedness collection (imbalance of electric energy) in amount of 94 025 738.53 rubles. By decision of the Commercial Court of Krasnodar region of 30.08.2018 on case #A32-16867/2017, the claim was fully satisfied. By the decision of the Fifteenth Commercial Court of Appeal of 23.11.2018, the decision of the court of first instance was left unchanged. Kubanenergo PJSC filed an appeal. Consideration of the appeal is scheduled for 23.03.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 704 210 666.72 rubles. Case #A32-33976/2017 is handled by the Commercial Court of the Krasnodar region. The resolution of 23.01.2018 singled out the claims for considering them in separate procedures:

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 97 865 804.45 rubles; case #A32-33976/2017. The session is scheduled for 04.03.2018;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt in amount of 2 258 355,57 rubles; case #A32-2662/2018. The case is dismissed due to abandonment of a claim;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 126 683 023.66 rubles; case #A32-2665/2018. The session is scheduled for 11.03.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 218 801 245.01 rubles; case #A32-2663/2018. The session is scheduled for

14.02.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 236 085 249.16 rubles; case #A32-2661/2018. The session is scheduled for 14.02.2019;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on collection of debt (electricity losses) in amount of 10 894 350.84 rubles; case #A32-2667/2018. The session is scheduled for 20.02.2019;

- the claim of Kubanenergo PJSC to NESK JSC on indebtedness collection (disputes on connection points of "Energosistema" LLC) in amount of 108 485 838.21 rubles. The case #A32-6135/2017 is handled by the Commercial Court of the Krasnodar region. The legal proceedings were postponed till 11.03.2019;

- The claim of NTT-Tsentr LLC to Kubanenergo PJSC on the recovery of 1 465 495 435.90 rubles for rent arrears for 34 diesel-generator sets and 8 low-noise mufflers, 348 042 425.47 rubles of interest for the use of other party's money. The decision of the Arbitration Court of the Krasnodar region of 26.06.2017 on case #A32-9963/2017, left unchanged the decision of the Fifteenth Arbitration Appeal Court of 08.09.2017 and the decision of the Arbitration Court of the North Caucasus District of 01.02.2018 refused to satisfy the claim requirements. On 22.03.2018 NTT-Tsentr LLC filed cassation appeal on court orders to the Supreme Court of the Russian Federation. The transfer of the complaint to the Judicial Board for Economic Disputes was refused. The case is closed.

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of penalty in amount of 46 848 152 rubles. Case # A32-17637/2017. The resolution of the Commercial Court of the Krasnodar region partially satisfied claims. TNSenergo Kuban PJSC was charged 30 717 776.32 rubles in favour of Kubanenergo. The case is closed;

- 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 22 032 679.33 rubles. The case #A32-13291/2017 is handled by the Commercial Court of the Krasnodar region. The court hearing is scheduled for 25.03.2019;

- the claim of Oboronenergo JSC 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 handled by the Commercial Court of the Krasnodar region. By the decision of the Commercial Court of the Krasnodar region, the claims were partially satisfied: the debt for January-February 2017 was recovered in the amount of 27 191 555.38 rubles, a penalty in the amount of 6 025 562.19 rubles;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on recovery of debt in amount of 318 702 086.57 rubles. By the decision of the Commercial Court of Krasnodar Region of 25.10.2018 on case #A32-1878/2018, the claim was fully satisfied. By the order of the 15<sup>th</sup> Commercial Court of Appeal of 05.02.2019 the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- the claim of Kubanenergo PJSC to The Administrative Directorate of the President of the Russian Federation on recovery of penalty in amount of 239 257 213.42 rubles. By the decision of the Commercial Court of Moscow of 29.10.2018 on case #A40-44630/2018, the claim is denied. By the order of the 9<sup>th</sup> Commercial Court of Appeal of 29.01.2019 the decision and the order of the court of appeal remained unchanged, and the cassation appeal was not satisfied;

- the claim of TNSenergo Kuban PJSC to Kubanenergo PJSC on recovery of debt (electricity loss) in amount of 93 583 127.5 rubles. The case #A32-38054/2017 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 04.03.2019;

- the claim of Novorossiysk Sea Port to Kubanenergo PJSC on recovery of debt for electricity transmission services in amount of 46 951 639.01 rubles, a penalty in amount of 14 853 399.05 rubles. Case #A32-19558/2017. By the decision of the Commercial Court of the Krasnodar region (operative part 04.02.2019) the claims were fully satisfied;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of a penalty in amount of 38 909 899.10 rubles. By the decision of the Commercial Court of the Krasnodar region of 21.06.2018 on case #A32-12243/2018, that was left unchanged by the decision of the 15<sup>th</sup> Commercial Court of Appeal of 06.09.2018, the claims were partly satisfied. TNSenergo Kuban PJSC was charged 35 632 163.29 rubles. The case is closed;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on recovery of debt for electricity transmission services in amount of 94 313 088.32 rubles, a forfeit in amount of 38 262 447.30 rubles. Case #A32-21123/2018. On 16.01.2019 the claim was fully satisfied. TNS Energo Kuban PJSC was charged debt in the amount of 94 313 088.32 rubles and interest in the amount of 53 232 354.20 rubles;

- the claim of Kubanenergo PJSC to NESK JSC on recovery of debt (disputes on connection points of "Energosistema" LLC and VT-Resurs LLC) in amount of 91 033 463.32 rubles. Proceedings on case #A32-7779/2018 are suspended;

- the claim of Kubanenergo PJSC to NESK JSC on recovery of debt (disputes on connection points of "Energosistema" LLC and VT-Resurs LLC) in amount of 21 484 496.10 rubles. Case #A32-19494/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 18.03.2019;

- the claim of Kubanenergo PJSC to NESK JSC on recovery of debt (disputes on connection points of "Energosistema" LLC and VT-Resurs LLC) in amount of 21 618 797.76 rubles. Proceedings on case #A32-12945/2018 are suspended;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 95 687 876.79 rubles under the service contract for electric energy transmission, and a forfeit in amount of 7 648 577.85 rubles. Case #A01-223/2018 is handled by the Commercial Court of the Republic of Adygea. The case was suspended until the entry into force of the decision of the Krasnodar Regional Court on the case #3a-52/2018 of 09.04.2018. By the resolution of the Commercial Court of the Republic of Adygea of 31.10.2018, the proceedings were resumed. By the decision of 13.12.2018 the claim was partially satisfied. Maikop Thermal Power Station LLC was charged a penalty in amount of 9 655 821 rubles;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 352 474 970.21 rubles under the service contract for electric energy transmission, and a forfeit in amount of 23 513 558.51 rubles. Case #A01-1082/2018 is handled by the Commercial Court of the Republic of Adygea. The case was suspended until the entry into force of the decision of the Krasnodar Regional Court on the case #3a-52/2018 of 09.04.2018. By the resolution of the Commercial Court of the Republic of Adygea of 31.10.2018, the proceedings were resumed. The court hearing is scheduled for the 1<sup>st</sup> quarter of 2019;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 48 686 304.56 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 730 113.35 rubles. Prior to the adoption of a judicial act by the court of the first instance, the principal debt has been paid. By the decision of the Commercial Court of the Republic of Adygea of 27.09.2018 on case #A01-1254/2018 the claim was satisfied. Maikop Thermal Power Station LLC filed an appeal. By the order of the 15<sup>th</sup> Commercial Court of 17.12.2018 the decision of the court remained unchanged, and the claim was not satisfied;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 49 864 078.46 rubles under the service contract for electric energy transmission, and a

penalty in amount of 2 186 175.51 rubles. By the decision of the Commercial Court of the Republic of Adygea of 05.10.2018 By the decision of the Commercial Court of the Republic of Adygea of #A01-1558/2018 the claim was satisfied. By the order of the 15<sup>th</sup> Commercial Court of 19.12.2018 the decision of the court remained unchanged, and the claim was not satisfied;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 45 847 217.34 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 019 777.84 rubles. Prior to the adoption of a judicial act by the court of the first instance, the principal debt has been paid. By the decision of the Commercial Court of the Republic of Adygea of 11.10.2018 on case #A01-1800/2018 the claim was satisfied. By the order of the 15<sup>th</sup> Commercial Court of 21.12.2018 the decision of the court remained unchanged, and the claim was not satisfied;

- the claim of Kubanenergo PJSC to State Unitary Enterprise “Kubanvodkompleks” on collection of debt in amount of 44 653 565.09 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 428 567.37 rubles. By the ruling of the Commercial Court of the Krasnodar region on 10.07.2018 the case #A32-5254/2018 was terminated due to the approval of the settlement agreement;

- the claim of Kubanenergo PJSC to State Unitary Enterprise “Kubanvodkompleks” on collection of debt in amount of 21 485 516.09 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 101 667.40 rubles. By the decision of the Commercial Court of the Krasnodar region of 09.06.2018 on the case #32-11926/2018, the claims were satisfied. The case is closed;

- the claim of Kubanenergo PJSC to Municipal Unitary Enterprise “Raivodokanal” on collection of debt in amount of 21 778 140.29 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 513 974.10 rubles. Case #A32-986/2018 is handled by the Commercial Court of the Krasnodar region. By the decision of 13.11.2018 the claim was partially satisfied. Municipal Unitary Enterprise “Raivodokanal” was charged 21 778 140.9 rubles of debt 1 264 306.69 rubles of penalty;

- the claim of Enerosystema LLC to Kubanenergo PJSC on collection of debt in amount of 32 597 770.66 rubles under the service contract for electric energy transmission. Case #A32-17031/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 04.03.2019;

- the claim of Oboronenergo JSC to Kubanenergo PJSC on collection of debt in amount of 29 892 251.78 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 217 230.87 rubles. By the decision of the Commercial Court of the Krasnodar region of 26.07.2018 on case #A32-15917/2018, that was left unchanged by the decision of the 15<sup>th</sup> Commercial Court of Appeal of 12.10.2018, the claim was partially satisfied. Kubanenergo PJSC was charged 29 892 251.78 rubles of debt under the contract and 2 200 529.61 rubles of penalty in favour of Oboronenergo JSC. The case is closed;

- the claim of Oboronenergo JSC to Kubanenergo PJSC on collection of debt in amount of 29 983 009.31 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 623 62.49 rubles. Case #A32-15921/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for the 1<sup>st</sup> quarter of 2019;

- the claim of Oboronenergo JSC to Kubanenergo PJSC on collection of debt in amount of 32 250 179.91 rubles under the service contract for electric energy transmission, and a penalty in amount

of 4 800 315.24 rubles. Case #A32-9127/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 14.02.2019.

- the claim of Oboronenergo JSC to Kubanenergo PJSC on collection of debt in amount of 26 268 276.90 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 682 395.20 rubles. Case #A32-25453/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for the 1<sup>st</sup> quarter of 2019;

- the claim of Oboronenergo JSC to Kubanenergo PJSC on collection of debt in amount of 29 516 169.40 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 677 963.01 rubles. Case #A32-28628/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for the 1<sup>st</sup> quarter of 2019;

- the claim of Enerosystema JSC to Kubanenergo PJSC on collection of debt in amount of 40 957 663.52 rubles under the service contract for electric energy transmission. Case #A32-28703/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 26.02.2019;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 7 211 768.78 rubles under the service contract for electric energy transmission, and a penalty in amount of 26 248 197.80 rubles. Proceedings on case #A32-25526/2018 are suspended;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of penalty in amount of 85 806 207.03 rubles. Case #A32-35319/2018. By the decision of Commercial Court of the Krasnodar region of 16.02.2019, the claims were satisfied. 23 101 190.93 rubles of penalties were recovered in favor of Kubanenergo PJSC;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 6 519 322.79 rubles under the service contract for electric energy transmission, and a penalty in amount of 41 358 750.32 rubles. Case #A32-32018/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 12.02.2019;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 20 812 366.02 rubles under the service contract for electric energy transmission, and a penalty in amount of 41 041 518.23 rubles. Case #A32-35398/2018 is handled by the Commercial Court of the Krasnodar region; the court hearing is scheduled for 25.02.2019;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 45 052 005.58 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 949 365.63 rubles. In the course of proceedings on case #A01-2113/2018 the principal debt has been paid. By the decision of the Commercial Court of the Republic of Adygea of 11.10.2018 on case #A01-2113/2018 the claim was satisfied. By the order of the 15<sup>th</sup> Commercial Court of Appeal of 21.12.2018 the decision of the court remained unchanged, and the claim was not satisfied;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 46 340 260.40 rubles under the service contract for electric energy transmission, and a penalty in amount of 1 059 587.88 rubles. Case #A01-2406/2018 is handled by the Commercial Court of the Republic of Adygea. The court hearing is scheduled for 18.02.2019;

- the claim of Kubanenergo PJSC to State Unitary Enterprise "Kubanvodkompleks" on collection of debt in amount of 40 167 187.28 rubles under the service contract for electric energy transmission, and a penalty in amount of 2 230 640.55 rubles. The decision of the Commercial Court of the Krasnodar region of 26.09.2018 on case #A32-27916/2018 the claims were satisfied. The case is closed.

-the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 1 857 613 360,09 rubles under the energy transmission contract, penalties in amount of 39 986 049.62 rubles. Later the particulars of the claim were adjusted and now penalty amounts 37 848 965.15 rubles. By the decision on case #A32-41040/18 of 01.23.2019, the claim was satisfied;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of

23 306 084.75 rubles under the energy transmission contract. Legal proceedings on case # A32-41170/2018 were suspended;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of penalties in amount of 37 816 679.73 rubles under the energy transmission contract. Case #A32-45016/2018. By the decision of 05.02.2019 the claims were satisfied. TNSenergo Kuban PJSC was charged 41 399 883.79 rubles of penalties;

- the claim of Kubanenergo PJSC to TNSenergo Kuban PJSC on collection of debt in amount of 1 568 758 745.02 rubles and penalties in amount of 34 846 315.29 rubles under the energy transmission contract. Case #A32-49421/2018 was terminated by amicable settlement;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 48 417 439.72 rubles under the energy transmission contract, penalties in amount of 1 033 526.12 rubles. Case #A01-2995/2018 is handled by the Commercial Court of the Republic of Adygea;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 45 545 398.09 rubles under the energy transmission contract, penalties in amount of 972 219.07 rubles. Case #A01-3294/18 is handled by the Commercial Court of the Republic of Adygea;

- the claim of Kubanenergo PJSC to Maikop Thermal Power Station LLC on collection of debt in amount of 47 378 814.04 rubles under the energy transmission contract, penalties in amount of 847 351.87 rubles. Case #A01-3294/18 is handled by the Commercial Court of the Republic of Adygea;

- the claim of Kubanenergo PJSC to State Unitary Enterprise “Kubanvodkompleks” on collection of debt in amount of 25 234 873.46 rubles under the energy transmission contract, penalties in amount of 510 520.90 rubles. Claims were satisfied on 29.11.2018, the appeal was filed;

- the claim of Kubanenergo PJSC to State Unitary Enterprise “Kubanvodkompleks” on collection of debt in amount of 25653065.83 rubles under the energy transmission contract, penalties in amount of 532773.67 rubles Court hearing is scheduled for 18.02.2019;

- the claim of Kubanenergo PJSC to State Unitary Enterprise “Kubanvodkompleks” on collection of debt in amount of 22384653.63 rubles under the energy transmission contract, penalties in amount of 413685.62 rubles. The case is handled in a simplified procedure.

## **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): **30 379 335 000**

Ordinary shares

Total par value: **30 379 335 000**

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**

If, in the most recently closed financial year preceding the last date of the reporting quarter and over the period from the first date of the current year to the last date of the reporting quarter, the issuer's authorized capital was changed, information concerning each change to be specified:

Date of change in the authorized capital: **10.10.2018**

Amount of the authorized capital before the changes (rubles): **28 286 813 000**

Structure of the authorized capital prior to change

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**

Amount of the authorized capital after the changes (rubles): **30 379 335 000**

Structure of the authorized capital after change

Ordinary shares

Total par value: **30 379 335 000**

Percentage of the authorized capital (%): **100**

Preference shares

Total par value: **0**

Percentage of the authorized capital (%): **0**

Name of the issuer's management body that decided to change the issuer's authorized capital: **the General Meeting of Shareholders of the Issuer**

Date of the minutes of the meeting of the issuer's management body that decided to change the issuer's authorized capital: **21 September 2016**

Number of the minutes: **38**

### **8.1.3. Information on convocation and holding meetings (sessions) of the supreme management body of the Issuer**

Name of the supreme management body of the Issuer: **General Shareholders Meeting**

**The procedure for notification of shareholders (participants) on holding of a meeting (session) of the supreme management body of the Issuer:**

Notification of holding of the General Shareholders Meeting is posted on the Company's website on the Internet: [www.kubanenergo.ru](http://www.kubanenergo.ru) not later than 30 (thirty) days before the meeting.

The announcement on holding the General Meeting of Shareholders by absentee voting is posted on the Company's website on the Internet at [www.kubanenergo.ru](http://www.kubanenergo.ru) not later than 30 (thirty) days before the deadline for receipt of voting ballots by the Company.

In the cases provided for in paragraphs 2 and 8 of Article 53 of the Federal Law "On Joint Stock Companies", the announcement on the General Meeting of Shareholders shall be made not later than 50 days prior to the meeting.

**Persons (bodies) entitled to convene (claim for convocation of) extraordinary meeting (session) of the Issuer's supreme management body, as well as the procedure for submitting (presentation) such claims:**

An Extraordinary General Shareholders Meeting shall be held upon the decision of the Company's Board of Directors on its own initiative, upon demand of the Auditing Commission of the Company or the Auditor of the Company, or by request of a shareholder(s) owning at least 10 (ten) percent of the Company's voting shares as of the date of such request.

The request for convocation of the Extraordinary General Shareholders' Meeting shall include items to be put on the agenda thereof.

Person (persons) requesting the convocation of the Extraordinary General Shareholders Meeting of the Company may include the wording of decisions on each of such issues and also a proposal for the form of the General Shareholders Meeting. If the request to convene an Extraordinary General Meeting of Shareholders contains a proposal on nominating candidates to the Company's bodies, such proposal shall be governed by the corresponding paragraphs of Article 13 of the Charter.

If the request for convocation of an extraordinary general meeting is initiated by the shareholders (shareholder), such request shall include details (names) of the requesting shareholders (shareholder) and the quantity, category (type) of shares belonging to each of such shareholders.

The request for convocation of the Extraordinary General Shareholders Meeting shall be signed by persons (person) having requested for convocation of the Extraordinary General Shareholders Meeting.

**Procedure for determining the date of meeting (session) of the issuer's supreme management body:**

The Annual General Meeting Shareholders shall be held not earlier than two months and not later than six months after the end of the reporting year.

The Extraordinary General Shareholders Meeting of the Company convened by the Auditing Commission, the Auditor or by shareholder(s) owning at least 10% of Company's voting shares, shall be held within 40 days after the request for convocation of the Extraordinary General Meeting of Shareholders.

If the agenda proposed for the Extraordinary General Shareholders Meeting includes the issue of election of members of the Board of Directors, such a General Shareholders Meeting shall be convened within 75 days after the filing of the request for convocation of a General Shareholders Meeting.

**Persons entitled to make proposals on the agenda of the meeting (session) of the Issuer's supreme body, as well as the procedure of making such proposals:**

Shareholders (a shareholder) owning in their aggregate at least 2 (two) percent of the voting shares of the Company shall be entitled to propose issues on the agenda of an Annual General Meeting of the company and nominate candidates to the Board of Directors of the Company, and to the Auditing Commission, the number of which cannot exceed the number of members of a relevant body. Such proposals shall be submitted to the Company within 60 (sixty) days after the end of the reporting year.

A proposal for putting issues on the agenda of the General Shareholders Meeting and a proposal concerning nominees shall be filed in written form and include the indication of the name of the shareholders (shareholder) who filed them, the quantity and category (type) of shares they own and the signatures of the shareholders (shareholder) or their representatives.

Shareholders (shareholder) of the Company that are not in the Company's share register are entitled to put proposals on the agenda of the General Shareholders Meeting and proposals for nominating candidates also by giving relevant directives (instructions) to the person who keeps records of their rights to shares. Such directives (instructions) are given in line with the rules of the legislation of the Russian Federation on securities.

A proposal for putting issues on the agenda of a General Shareholders Meeting shall formulate each issue being proposed and may include a proposed decision on each proposed issue, and a proposal for nominating a candidate shall include the name and the details of the documents certifying the candidate's identity (series and (or) number of the document, the date and the place of issuance thereof, and the authority having issued the document) of each candidate and the name of the Company's body for election to which the candidate is nominated.

**Persons entitled to be familiarized with the information (materials) presented for preparation**

**and holding of the Issuer's supreme management body meeting (session), as well as the order of familiarization with such information (materials):**

Information (materials) with respect to the items on the agenda of the General Meeting of Shareholders shall, within twenty (20) days or, if the items on the agenda of the General Meeting of Shareholders contain the reorganization of the Company, within thirty (30) days prior to the date of the General Meeting of Shareholders, be available to the persons entitled to participate in the General Meeting of Shareholders in the office of the Company's executive body or in any other places at the addresses specified in notice of the General Meeting of Shareholders and shall be posted on the Company's website [www.kubanenergo.ru](http://www.kubanenergo.ru). This information (materials) shall be available to persons participating in the General Meeting of Shareholders at the time of holding the meeting. Along with it, the Company aims to ensure that this information for the general Meeting of Shareholders shall be available at least 30 days prior to the General Meeting of Shareholders.

The procedure for the persons entitled to participate in the General Meeting of shareholders receiving the information (materials) on the agenda of the General Shareholders Meeting and the list of such information (materials) are determined by the Board of Directors.

**The procedure of announcement (communication to the Issuer's shareholders (participants) of the decisions taken by the Issuer's supreme management body, as well as the voting results:**

Resolutions adopted by the General Shareholders Meeting and the voting results may be announced at the General Meeting of Shareholders at which the voting took place, and shall be also communicated to the persons included in the list of persons entitled to attend the General Meeting of Shareholders, in the form of the Voting Report in the manner prescribed for the notice of the General Meeting of Shareholders not later than four business days after the closing date of the General Meeting of Shareholders.

In accordance with the Federal Law "On Joint Stock Companies", if on the date of determination of the persons entitled to attend the general meeting of the shareholders, a person registered in the register of shareholders of the company was a nominee holder of shares, the information contained on the results of the report voting, shall be provided to the nominee holder of shares in accordance with the Russian legislation on securities in the sphere of provision of information and materials to persons exercising rights under securities.

**8.1.4. Information on commercial entities in which the Issuer owns at least five percent of the authorized capital, or not less than five percent of ordinary shares**

List of commercial organizations in which the Issuer, as of the date of the last accounting quarter, owns at least five percent of the authorized (reserve) capital (share fund), or not less than five percent of ordinary shares

**1. Full business name: "Energoservice of Kuban" Joint-Stock Company**

Abbreviated business name: "Energoservice of Kuban" JSC

Location

**47 Novorossiyskaya street, Krasnodar, Russia 350080**

INN (Taxpayer Identification Number): **2312178191**

OGRN (Primary State Registration Number): **1112312000536**

Share of the Issuer in the authorized capital of the person: **100%**

Entity/person's portion of ordinary shares of the Issuer **100%**

Share of person's participation in the authorized capital of the Issuer: **0%**

Entity/person's portion of ordinary shares of the Issuer: **0%**

**2. Full business name: "Recreation Centre "Energetik", Joint-Stock Company**

Abbreviated business name: **Recreation Centre "Energetik", JSC**

Location

**4 Pionerskaya street, Divnomorskoye village, Ghelendjik 353490, Krasnodar region, Russia**

INN (Taxpayer Identification Number): **2304041820**

OGRN (Primary State Registration Number): **1042301876495**

Share of the Issuer in the authorized capital of the person: **100%**

Entity/person's portion of ordinary shares of the Issuer: **100%**

Share of person's participation in the authorized capital of the Issuer: **0%**

Entity/person's portion of ordinary shares of the Issuer: **0%**

#### **8.1.5. Information on material transactions effected by the Issuer**

Such transactions were not concluded

#### **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): **303 793 350**

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): **0**

Quantity of declared shares: **173 513 887**

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 paragraph 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 are entitled 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 dividends 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:** None

### **8.3. Information on the previous issues of the Issuer's securities, exclusive of the Issuer's shares**

#### **8.3.1. Details of the issues all securities that have been redeemed**

Information contained in this paragraph remained unchanged in 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://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://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: **"IRC – R.O.S.T." Joint-Stock Company**

Abbreviated business name: **"Registrar R.O.S.T." JSC**

Location: **18/13 Stromynka str., 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.: **045-12042-000100**

Date of issue: **19.02.2019**

Expiry date: **Unlimited**

Body issuing the license: **Bank of Russia**

#### **8.6. Information on the 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 No. 146-FZ of 31.07.1998, the second part No.117-FZ of 05.08.2000).
2. The Federal Law "On Joint Stock Companies" No.208-FZ of 26.12.1995.
3. The Federal Law "On Currency Regulation and Currency Control" No.173-FZ of 10.12.2003.
4. The Federal Law "On the Securities Market" No.39-FZ of 22.04.1996.
5. The Federal Law "On the Central Bank of Russian Federation (Bank of Russia)" No.86-FZ of 10.07.02.
6. The Federal Law "On counteraction to legalization (laundering) of proceeds from crime and terrorist financing" No.115-FZ of 07.08.2001.
7. The Federal Law "On Foreign Investments in the Russian Federation" No. 160-FZ of July 9, 1999.
8. The Federal Law "On Investment Activity in the Russian Federation in the form of capital foreign investments" No. 39-FZ of 25.02.1999.
9. The Federal Law "On Protection of Rights and Lawful Interests of Investors on the Securities Market" No. 46-FZ of 05.03.1999.
10. The Presidential Decree "On improvement of the Russian banking system" No.1184 of 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 of 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 of 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 of 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	Indicator value for reporting period – 2008
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2009
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2010
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2011
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2012
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2013
During the specified period decisions on payment of dividends were not adopted.	

Indicator	Indicator value for reporting period – 2014
During the specified period decisions on payment of dividends were not adopted.	

Indicator	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 or 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	1144268308.93
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.95
<b><i>If the announced dividends were not paid or not paid in full amount – causes of such nonpayment of the announced dividends shall be specified</i></b>	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	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 number of minutes of meeting of the Issuer's management body on which such decision was made	Annual General Meeting of Shareholders, 16.06.2017, minutes 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	534868722.83
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.95
If the announced dividends were not paid or not paid in full amount – causes of such nonpayment of the announced dividends shall be specified	-
Other information on the announced and (or) paid dividends, specified by the Issuer in its sole discretion	no

Indicator	Indicator value for reporting period: 2017, 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, 25.05.2018, minutes No.40, 28.05.2018
Amount of the announced dividends per one share, rubles	1.0585165
Total amount of the announced dividends for all shares of the specific category (type), rubles	321570000
Date on which the persons who have (had) right on receiving dividends are (were) defined	05.06.2018
Reporting period (year, quarter), for which (by the results) the announced dividends are (were) paid	2017, 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, %	61.2
Total amount of the dividends paid on all the shares of the specific category (type), rubles	321436132.35
Share of paid out dividends from total volume of declared dividends on shares of the type (category), %	99.96
If the announced dividends were not paid or not paid in full amount	-

– causes of such nonpayment of the announced dividends shall be specified	
Other information on the announced and (or) paid dividends, specified by the Issuer in its sole discretion	no

### **Additional information disclosed in accordance with the Regulations for the Information Policy:**

The Company's Dividend Policy is focused on increase of the Company's investment prospects and market capitalization. The Policy is based on the balance of interests of the Company and its shareholders.

The Dividend Policy is defined by the Regulations for Dividend Policy that was approved by the Board of Directors on 31.01.2018 (minutes of the meeting No.297/2018 of 01.02.2018) and amended on 30.07.2018 by the resolution of the Board of Directors (minutes of the meeting No. 316/2018 of 31.07.2018) and posted on the corporate webpage: [www.kubanenergo.ru](http://www.kubanenergo.ru) - Section "About the Company/Constituent and in-house documents".

The basic principles of the Company's Dividend Policy:

- compliance of the practice of accrual and payment of dividends applicable by the Company to the legislation of the Russian Federation and corporate governance standards (Decree of the Government of the Russian Federation No.1094-r of 29.05.2017);
- balance of the interests of the Company and its shareholders;
- determination of the amount of dividends in the amount of at least 50% of the net profit determined according to the financial statements, including consolidated, compiled in accordance with International Financial Reporting Standards and calculated in accordance with the procedure established by the Regulations;
- ensuring the possibility of quarterly dividend payments, if the relevant criteria are met;
- ensuring maximum transparency (clarity) of the mechanism for determining the amount of dividends and the procedure for their payment;
- ensuring positive dynamics of the amount of dividend payments subject to the growth of the Company's net profit;
- availability of information for shareholders and other interested parties on the dividend policy of the Company;
- necessity to maintain the required level of financial and technical condition of the Company (implementation of the investment programme), ensuring development prospects of the Company.

### **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)	<b>coupon</b>	<b>coupon</b>	<b>coupon</b>	<b>coupon</b>	<b>coupon</b>	<b>coupon</b>
Amount of the income on bonds of the issue to be paid in money as per one bond of the issue rubles/foreign currency	<b>62.98 rubles</b>					
Amount of the income on bonds of the issue to be paid in money for all bonds of the issue rubles /foreign currency	<b>214 132 000.00 rubles</b>					
Term (date) of payment of the income on bonds of the issue	<b>24.05.2016</b>	<b>22.11.2016</b>	<b>23.05.2017</b>	<b>21.11.2017</b>	<b>22.05.2018</b>	<b>20.11.2018</b>
Form of payment of income on bonds of the issue (moneys, other property)	<b>money</b>	<b>money</b>	<b>money</b>	<b>money</b>	<b>money</b>	<b>money</b>
Total income paid on all bonds of the issue, rubles/foreign currency	<b>214 132 000.00 rubles</b>					
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,%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
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	-	-	-	-	-	-



amount of the income to be paid on bonds of the issue, %						
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. Review of transactions of the Issuer and its subsidiaries concluded in the reporting quarter

#### 8.8.1.1. Transactions with state companies:

In the reporting quarter, the Company concluded 300 transactions with state and municipal companies for a total sum of 580.32 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 related to transmission and distribution of electric energy, repair and maintenance of energy facilities, technological connection of electrical units to the networks 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 7 intra-group transactions for the total sum of 497.77 million rubles:

#	Contractor	Sum of the contract, in rubles	Contract
1	Recreation Centre "Energetik" JCS	-	Additional agreement to property rent contract: changes in VAT rate

2	Energoservice of Kuban JSC	-	Additional agreement to property rent contract: changes in VAT rate
3	Energoservice of Kuban JSC	-	Additional agreement to contract on services on energy conservation and increase of energy efficiency at the issuer's facilities: changes in VAT rate
4	Energoservice of Kuban JSC	497 771.29	Services on check of electromagnetic environment at facilities of Labinskiye power networks – branch of Kubanenergo
5	Energoservice of Kuban JSC	-	Additional agreement to contract on maintenance of heating unit of heat supply system of the issuer's industrial buildings: changes in service delivery time
6	Rosseti PJSC	-	Additional agreement to contract on engineering supervision of the issuer: changes in VAT rate
7	Rosseti PJSC	-	Additional agreement to contract on ensuring of functioning and development of electric power system: changes in VAT rate

Total: 497 771.29

**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

In the reporting quarter Energoservice of Kuban JSC concluded the following transactions which amount of liabilities is equal to or exceeds 10% of the net value of assets:

#	Contractor	Sum of the contract, in rubles	Contract
1	Orion LLC	23 476 109	Supply of electricity metering devices
2	Stroyresurs-Kuban LLC	4 301 420	Range of works on installation and commissioning of the equipment of the energy metering system
3	Tsentrenergostroy LLC	6 000 000	Range of works on installation of equipment of electricity metering stations
4	Tsentrenergostroy LLC	9 600 000	Range of works on installation of equipment of electricity metering stations, adjustment of meter readings collection and transfer

Total: 43 377 529

### 8.9. Information on the securities distributed and on the Issuer of the distributed securities, the property right certified by Russian depositary receipts

The Issuer is not the Issuer of the securities, the property right of which is to be certified by Russian depositary receipts.