

Minutes of the Board of Directors Meeting No. 314/2018
Public joint stock Company of power industry and electrification of Kuban
(Kubanenergo PJSC)

Date of the meeting	28 June 2018
Form of the meeting	Absentee (by filling in questionnaires)
Place of vote counting	office 105, building 1, 2A Stavropolskaya St., Krasnodar (postal address of the Corporate Secretary of “Kubanenergo” PJSC)
Date of drawing up minutes	28 June 2018

Board of Directors Members: 11

Questionnaires were submitted by: Sergeeva O.A. (Chairperson of the BoD), Varvarin A.V., Gavrilov A.I., Gritsenko V.F., Medvedev M.V., Osipova Ye.N., Tyukanko A.S., Tyurkin K.V., Khokholkova K.V., Shagina I.A.

Questionnaires were not submitted by:

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

Quorum is present

Agenda

1. Approval of the Plan of Kubanenergo PJSC on reduction of overdue accounts receivable for electricity transmission services and settlement of disputes existing as of 01.04.2018.
2. Approval of contract of free of charge use of residential premises between Kubanenergo PJSC and employees of Kubanenergo PJSC
3. Expressing opinion of Kubanenergo on agenda items for the AGMs of the Company’s subsidiaries “Recreation Centre “Energetik” JSC and “Energoservis Kuban” JSC
4. Discussion of a report on the process of implementing the Company’s investment projects from the list of priority facilities of Kubanenergo PJSC for the 1st quarter of 2018
5. Approval of a report on the implementation of the Innovation Development Programme of Kubanenergo PJSC in 2017

Item 1

Approval of the Plan of Kubanenergo PJSC on reduction of overdue accounts receivable for electricity transmission services and settlement of disputes existing as of 01.04.2018.

The following resolution is proposed:

1. Approve the Plan of Kubanenergo PJSC on reduction of overdue accounts receivable for electricity transmission services and settlement of disputes existing as of 01.04.2018, in accordance with annex 1 to this resolution of the Company's Board of Directors.
2. Take into consideration the Report on implementation of the Plan of Kubanenergo PJSC on reduction of overdue accounts receivable for electricity transmission services and settlement of disputes existing as of 01.04.2018, in accordance with annex 2 to this resolution of the Company's Board of Directors.
3. Take into consideration the Report of Kubanenergo PJSC on dealing with newly accrued overdue receivables, in accordance with annex 3 to this resolution of the Company's Board of Directors.
4. Take into consideration the Report on implementation of resolutions issued on 30.03.2018 by the Board of Directors (minutes of meeting No.305/2018) pertaining collection of receivables in 2018 in amount of 2 766 million rubles from the total receivables existing as of 01.01.2018, in accordance with annex 4 to this resolution of the Company's Board of Directors.
5. Confidential.

Voting results

Sergeev O.A.	-	FOR	Osipova Ye.N.	-	FOR
Varvarin A.V.	-	FOR	Tyukanko A.S.	-	FOR
Gavrilov A.I.	-	FOR	Tyurkin K.V.	-	FOR
Gritsenko V.F.	-	FOR	Khokholkova K.V.	-	FOR
Medvedev M.V.	-	FOR	Shagina I.A.	-	FOR

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

Item 2

Approval of contract of free of charge use of residential premises between Kubanenergo PJSC and employees of Kubanenergo PJSC.

The following resolution is proposed:

Approve contracts of free of charge use of residential premises between Kubanenergo PJSC and employees of the breach of Kubanenergo PJSC – Sochi Power Networks on conditions described in annex 5 to this resolution of the Company's Board of Directors.

Voting results

Sergeev O.A.	-	FOR	Osipova Ye.N.	-	FOR
Varvarin A.V.	-	FOR	Tyukanko A.S.	-	FOR
Gavrilov A.I.	-	FOR	Tyurkin K.V.	-	FOR
Gritsenko V.F.	-	FOR	Khokholkova K.V.	-	FOR
Medvedev M.V.	-	FOR	Shagina I.A.	-	FOR

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

Item 3

Expressing opinion of Kubanenergo on agenda items for the AGMs of the Company's subsidiaries "Recreation Centre "Energetik" JSC and "Energoservis Kuban" JSC

The following resolution is proposed:

1. Instruct representatives of Kubanenergo PJSC at the AGM of "Recreation Centre "Energetik" JSC:

1.1. To choose “FOR” when voting on agenda item “Election of the Board of Directors”:

Elect the following persons to the Board of Directors of “Recreation Centre “Energetik” JSC:

1	Ocheredko Olga Vyacheslavovna	Deputy Director General for Economic and Financial Affairs, Kubanenergo PJSC
2	Golovakha Lyudmila Alekseevna	Deputy Director General, Chief of Staff, Kubanenergo PJSC
3	Didenko Yekaterina Yevgenievna	Head of the Corporate Governance and Shareholder Relations Department, Kubanenergo PJSC
4	Treputin Ivan Alexeevich	Head of HR and Organization Planning Department, Kubanenergo PJSC
5	Fidyaeva Vera Vasilievna	Head of Property Management Department, Kubanenergo PJSC

1.2. To choose “FOR” when voting on agenda item “Election of the Auditing Commission”:

Elect the following persons to the Auditing Commission of “Recreation Centre “Energetik” JSC:

1	Ochikov Sergey Ivanovich	Head of Internal Audit Department, Kubanenergo PJSC
2	Gaidar Dmitriy Vyacheslavovich	Chief Specialist of Internal Audit Department, Kubanenergo PJSC
3	Smirnov Vyacheslav Nikolaevich	Chief Specialist of Internal Audit Department, Kubanenergo PJSC

1.3. To choose “FOR” when voting on agenda item “Distribution of profit (as well as payment of dividends) by the results of 2017 financial year” in part pertaining to distribution of profit (losses) and payment of dividends:

1.3.1. Approve the following to distribution of profit (losses) of the Company by the results of 2017 financial year:

Indicator	(thousand rubles)
Undistributed profit (loss) of the reporting period	4.0
To be distributed to: Reserve fund	0.2
Profit for development	-
Dividends	-
Recovery of losses of previous years	3.8

1.3.2. Dividends on ordinary shares of “Recreation Centre “Energetik” JSC shall not be paid out by the results of 2017.

1.4. To choose “FOR” when voting on agenda item “Approval of the Company’s Charter in new edition”:

To approve the Company’s Charter in new edition.

2. Instruct representatives of Kubanenergo PJSC at the AGM of “Energoservis Kuban” JSC:

2.1. To choose “FOR” when voting on agenda item “Election of the Board of Directors”:

Elect the following persons to the Board of Directors of “Energoservis Kuban” JSC:

1	Armaganian Edgar Garrievich	First Deputy Director General – Director of Sochi electric grids, branch of Kubanenergo PJSC
2	Nischyuk Oleg Fyodorovich	Deputy Director General for Selling of Services, Kubanenergo PJSC
3	Dvorniy Vladimir Viktorovich	Head of Department for Energy Saving and Increase of Energy Efficiency, Kubanenergo PJSC
4	Abusalimov ANatoliy Lachinovich	Deputy Head of Department for Energy Saving and Increase of Energy Efficiency, Kubanenergo PJSC
5	Solod Grigoriy Viktorovich	Head of Sector for Selling of Services at Department of Selling of Services and Accounting of Electric Energy, Kubanenergo PJSC

6	Didenko Yekaterina Yevgenievna	Head of the Corporate Governance and Shareholder Relations Department, Kubanenergo PJSC
7	Lebedev Vladimirovich Alexandrovich	Director General, Energoservis Kuban JSC

2.2. To choose “FOR” when voting on agenda item “Election of the Auditing Commission”:
Elect the following persons to the Auditing Commission of “Energoservis Kuban” JSC:

1	Ochikov Sergey Ivanovich	Head of Internal Audit Department, Kubanenergo PJSC
2	Yatsenko Ivan Alexandrovich	Deputy Head of Internal Audit Department, Kubanenergo PJSC
3	Rebryaeva Viktoria Alexandrovna	Chief Specialist of Internal Audit Department, Kubanenergo PJSC

2.3. To choose “FOR” when voting on agenda item “Distribution of profit (as well as payment of dividends) by the results of 2017 financial year” in part pertaining to distribution of profit (losses) and payment of dividends:

2.3.1. Approve the following to distribution of profit (losses) of the Company by the results of 2017 financial year:

Indicator	(thousand rubles)
Undistributed profit (loss) of the reporting period	36 271
To be distributed to: Reserve fund	-
Profit for development	27 203
Dividends	9 068
Recovery of losses of previous years	-

2.3.2. To pay out dividends on the Company’s ordinary shares by the results of 2017 in amount of 90 677.50 rubles per one ordinary share of the Company in monetary form.

The deadline for payment of dividends is 25 business days after preparing the list of persons entitled to dividends.

The date of preparing the list of persons entitled to dividends: 19 July 2018

2.4. To choose “FOR” when voting on agenda item “Approval of the Company’s Charter in new edition”:

To approve the Company’s Charter in new edition.

Voting results

Sergeev O.A.	-	FOR	Osipova Ye.N.	-	FOR
Varvarin A.V.	-	FOR	Tyukanko A.S.	-	FOR
Gavrilov A.I.	-	FOR	Tyurkin K.V.	-	FOR
Gritsenko V.F.	-	FOR	Khokholkova K.V.	-	FOR
Medvedev M.V.	-	FOR	Shagina I.A.	-	FOR

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

Item 4

Discussion of a report on the process of implementing the Company’s investment projects from the list of priority facilities of Kubanenergo PJSC for the 1st quarter of 2018

The following resolution is proposed:

1. Take note of the report on the process of implementing the Company’s investment projects from the list of priority facilities of Kubanenergo PJSC for the 1st quarter of 2018, in accordance with annex 6 to this resolution of the Company’s Board of Directors.

2. Confidential

Voting results

Sergeev O.A.	-	FOR	Osipova Ye.N.	-	FOR
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Varvarin A.V.	-	FOR	Tyukanko A.S.	-	FOR
Gavrilov A.I.	-	FOR	Tyurkin K.V.	-	FOR
Gritsenko V.F.	-	FOR	Khokholkova K.V.	-	FOR
Medvedev M.V.	-	FOR	Shagina I.A.	-	FOR

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

Item 5

Approval of a report on the implementation of the Innovation Development Programme of Kubanenergo PJSC in 2017

The following resolution is proposed:

Approve the report on the implementation of the Innovation Development Programme of Kubanenergo PJSC in 2017, in accordance with annex 7 to this resolution of the Company's Board of Directors.

Voting results

Sergeev O.A.	-	FOR	Osipova Ye.N.	-	FOR
Varvarin A.V.	-	FOR	Tyukanko A.S.	-	FOR
Gavrilov A.I.	-	FOR	Tyurkin K.V.	-	FOR
Gritsenko V.F.	-	FOR	Khokholkova K.V.	-	FOR
Medvedev M.V.	-	FOR	Shagina I.A.	-	FOR

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

Chairperson of the BoD

Sergeeva O.A.

Corporate secretary

Russu O.V.