

- organization and control of the Company's executive bodies:
  - / making decisions on the appointment of the Acting General Director of the Company,
  - / disciplinary action against bodies of the Company and their promotion,
  - / consideration of the Company activities General Director reports,
  - / control over the activities of executive bodies in terms of the implementation of the strategy approved by the Company,
  - / recommendations to the executive bodies of the Company on any issues of the Company's activities,
  - / approval of Regulations of material incentives for the General Director and top managers of the Company,
  - / approval of candidates for specific positions in the executive office of the Company;
- preliminary approval of the collective agreement, agreements concluded by the Company in the framework of social and labor regulation, approval of documents for non-state pension coverage for the Company's employees;
- approval of appraisers, financial consultants;
- making decisions on the Company's accession to industry and inter-sectoral standards, Operating Procedures and other documents in the electricity sector in various areas of the Company's activities, including technical control;
- the establishment of committees of the Board of Directors and the election of their members;
- determination of principles and approaches to the organization of internal audit, risk management, and internal control systems in the Company;
- assessment of critical operational risks, as well as the detection of an acceptable amount of risks for the Company;
- organizing an annual analysis and evaluation of the functioning of risk management and internal control systems;
- annual consideration of the organization, functioning, and effectiveness of risk management and internal control systems in the Company;
- control and organization of the internal audit subdivision, reviewing the results of the quality assessment of the internal audit function.

## BOARD OF DIRECTORS<sup>1</sup>

The Board of Directors is elected by the General Meeting of Shareholders of the Company in the amount of 11 persons for the period until the next Annual General Meeting of Shareholders. In case of the election of the Board of Directors at an extraordinary General Meeting of Shareholders, members of the Board of Directors shall be deemed elected for the period until the date of the next Annual General Meeting of Shareholders.

In the reporting year, there were two personal members of the Board of Directors of the Company.

### The current composition of the Board of Directors elected at the Annual General Meeting of Shareholders of the Company on May 25, 2018<sup>2</sup>

#### 1. Sergeeva Olga Andreevna, Chairman of the Board of Directors, the Non-Executive Director<sup>3</sup>:

<b>Year of birth</b>	1984
<b>High</b>	Education. She graduated from the Russian Academy of Economics, named after G.V. Plekhanov, majoring in "Economics and Management at an Enterprise. Construction"
<b>Has experience over the past five years:</b>	
2010–2017	Deputy Head of the Department of Fuel and Energy Economy of Moscow
2017–2017	Deputy Head of the Department for Housing and Communal Services of Moscow
2018 – present time	Member of the Management Board, Deputy General Director – Chief of Staff of PJSC Rosseti – the main place of work
2018 – present time	Member of the Boards of Directors of PJSC "IDGC of the South," PJSC "Moscow United Electric Grid Company," PJSC "IDGC of the North-West," PJSC Lenenergo, PJSC "IDGC of Northern Caucasus,"
2018 – present time	Chairman of the Committee for Human Resources and Remuneration of the Board of Directors of Kubanenergo PJSC
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 25.05.2018 to the present time

1. Consent to the disclosure of personal information specified in the 'Corporate Governance' section was obtained from all persons who currently are or were members of the management and control bodies of Kubanenergo PJSC.

2. Information about the work experience of the members of the Board of Directors represents only the last positions they hold for each place of work. All positions held by members of the Board of Directors are listed in the Issuer's quarterly reports published on the website [www.kubanenergo.ru](http://www.kubanenergo.ru) – section 'Shareholders and Investors/ Disclosure of Information/ Issuer's quarterly reports. Information about the places of work of the members of the Board of Directors and the positions held by them are indicated according to the data provided by them to the Company at the end of the reporting year. By the term "present time" in this case the Company is referring to December 31, 2018.

3. The status of members of the Board of Directors (executive, non-executive, independent) is determined by the criteria of the Corporate Governance Code.

## 2. Varvarin Alexander Viktorovich, the Non-Executive Director:

<b>Year of birth</b>	1975
<b>High</b>	Education. He graduated from the Institute of International Law and Economics, after A.S. Griboyedov, with major in "Jurisprudence"
<b>Has experience over the past five years:</b>	
2005 – present time	Vice-President – Managing Director of the Corporate Relations and Legal Support Department of All-Russian Association of Employers "Russian Union of Industrialists and Entrepreneurs" (ARAE RUIE) – the main place of work
2006 – present time	General Director, Member of the Board, Non-profit partnership "Center for the Development of Corporate Relations and Resolution of Economic Disputes"
2006–2014	Deputy Chairman of the Board of the Russian Union of Self-Regulated Organizations of Arbitration Managers (RUSROAM)
2008 – present time	Chairman of the Board of the Non-profit Partnership "Interregional self-regulatory organization of professional arbitration managers."
2009–2016	Member of the Board of Directors of OJSC "The All-Russian Public Opinion Research Center". Chairman of the Board of Directors of OJSC All-Russia Institute for Oil and Gas Research
2011–2016	Chairman of the Board of Directors of OJSC Innovation Research and Production Center of Textile and Light Industry
2011–2017	Member of the Board of Directors of PJSC "IDGC of Volga"
2012 – present time	Member of the Auditing Commission of Russian Railways
2013–2015	Chairman of the Boards of Directors of OJSC Production and Science Center, OJSC "Central Research Institute of Technological Equipment for Textile Equipment", OJSC "Central Research Institute of Leather and Footwear industry", OJSC "Central Research Institute for the Integrated Automation of Light Industry", OJSC "Central Research Institute of Film Materials and Artificial Leather." Member of the Boards of Directors of OJSC "State Transport Leasing Company", OJSC IDGC of the North Caucasus
2014 – 2018	Chairman of the Committee for Technological Connection of the Board of Directors of Kubanenergo PJSC
2014–2017	Member of the Committee for Human Resources and Remuneration of the Board of Directors of Kubanenergo PJSC
2016–2016	Member of the Board of Directors of JSC "VNII NP"
2017–2018	Member of the Boards of Directors of OJSC Construction and Industrial Company "Mosenergostroy," Joint-stock Company "Scientific and technological Company Russian interdisciplinary scientific and technical complex "Nefteotdacha"
2017 – present time	Member of the Board of NP "Institute of Internal Auditors"
2018 – present time	Member of the Board of Directors of PJSC "IDGC of the Center." Member of the Board of Directors of PJSC "IDGC of Center."
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 17.06.2013 to the present time

### 3. Gavrilov Alexander Ilyich, the Executive Director:

<b>Year of birth</b>	1973
<b>Higher</b>	<p>Education. He graduated from the Kuban State University with a degree in accounting and audit, the Kuban State Technological University with a degree in development and operation of oil and gas fields.</p> <p>He graduated from the advanced training courses:</p> <ul style="list-style-type: none"> <li>– in Ernst &amp; Young LLC on the subject of risk management;</li> <li>– in Federal State Autonomous Educational Institution of Higher Education (FSAEI HE) Institute for Advanced Studies of Executives and Specialists of the Fuel and Energy Complex" under the program "Organization of mobilization work in organizations of the fuel and energy complex having mobilization tasks";</li> <li>– in Federal State-Funded Institution "Education and Training Centre" of Rostechnadzor on the topic "Training and testing knowledge of the labor protection requirements of managers and specialists";</li> <li>– in the LLC "International Educational Academy" on the topic "First Aid for victims in Production."</li> </ul> <p>He has a doctorate in economics.</p>
<b>Has experience over the past five years:</b>	
2013 – present time	General Director, Chairman of the Board of Kubanenergo PJSC – the main place of work
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 23.06.2014 to the present time

### 4. Gritsenko Vladimir Fedorovich, Independent Director:

<b>Year of birth</b>	1965
<b>High</b>	Education. He graduated from the Russian State University for the Humanities with a degree in jurisprudence.
<b>Has experience over the past five years:</b>	
2012 – present time	Director for Business Development of LLC Unitel Engineering – the main place of work
2016 – present time	<p>Member of the Presidium of the NP "OPORA ROSSII."</p> <p>Member of the Committee for Strategy, Development, Investments, and Reform of the Board of Directors of Kubanenergo PJSC.</p> <p>Member of the Investment Committee of the Board of Directors of PJSC FGC UES</p>
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 24.06.2016 to the present time

### 5. Medvedev Mikhail Vladimirovich, Independent Director:

<b>Year of birth</b>	1969
<b>High</b>	Education. He graduated from St. Petersburg State University of Economics and Finance with a degree in finance and credit.
<b>Has experience over the past five years:</b>	
2011–2015	General Director of LLC "VTM-Engineering"
2011 – present time	Deputy General Director of LLC Intra Tul Holding Company – the main place of work
2015 – present time	Deputy General Director for Economics and Finance, Chairman of the Board of Directors of LLC "Industrial Park Safonovo"
2017 – present time	Member of the Board of Directors of JSC "Avangard." Member of the Reliability Committee of the Board of Directors of Kubanenergo PJSC. Member of the Committee for Strategy and Development of the Board of Directors of JSC "Tyumenenergo"
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to the present time

## 6. Osipova Elena Nikolaevna, the Non-Executive Director:

<b>Year of birth</b>	1984
<b>High</b>	Education. She graduated from the Financial University under the Government of the Russian Federation, Moscow, Institute of Accounting and Audit, majoring in Accounting, Analysis, and Audit
<b>Has experience over the past five years:</b>	
2013–2014	Chief specialist of the small business department of OJSC Bank of Moscow
2014 – present time	Head of Financial Analysis and Liquidity Management of the Treasury Department of PJSC Rosseti – the main place of work
2017–2018	Member of the Audit Committee of the Board of Directors of Kubanenergo PJSC
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to the present time

## 7. Selivanova Lyudmila Vasilievna, the Non-Executive Director:

<b>Year of birth</b>	1958
<b>High</b>	Education. She graduated from Moscow State University, named after M.V. Lomonosov with a degree in "Journalism." She has a Ph.D. degree in economics.
<b>Has experience over the past five years:</b>	
2012–2014	Head of the Department of Economic Policy, Taxes and Taxation of the European Institute JUSTO
2017 – present time	Deputy General Director for Government Relations of PJSC Rosseti – the main place of work
2018 – present time	Member of the Boards of Directors of PJSC IDGC of Volga, PJSC IDGC of the South
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 25.05.2018 to the present time

## 8. Tyukanko Alexey Sergeevich, the Non-Executive Director:

<b>Year of birth</b>	1983
<b>High</b>	Education. He graduated from the Kursk State Technical University in the field of "Examination and Management of Real Estate" and "Jurisprudence"
<b>Has experience over the past five years:</b>	
2013 – present time	Head of Documentation Support and Control of the Execution of Instructions of the Department for Organizational Support of PJSC Rosseti – the main place of work
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 25.05.2018 to the present time

## 9. Tyurkin Konstantin Vladimirovich, the Non-Executive Director:

<b>Year of birth</b>	1982
<b>High</b>	Education. He graduated from Moscow State University, named after M.V. Lomonosov, Regional Economist
<b>Has experience over the past five years:</b>	
2013 – present time	Head of Communications and External Relations of the Information Policy and Public Relations Department of PJSC Rosseti – the main place of work
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to the present time

#### 10. Khokholkova Ksenia Valerievna, the Non-Executive Director:

<b>Year of birth</b>	1970
<b>High</b>	Education. He graduated from the State Academy of Management after Sergo Ordzhonikidze with a degree in "Organization of management in Fuel and Energy Complex"
<b>Has experience over the past five years:</b>	
2008 – present time	Chief Expert of the Securities Department and Information Disclosure of the Corporate Governance Department of PJSC Rosseti – the main place of work
2009–2014	Member of the Board of Directors of OJSC Ingushenergo
2010–2014	Member of the Board of Directors of OJSC Volga Region Energy Engineering Center
2013–2014	Member of the Auditing Commission of OJSC "IDGC of Volga." Member of the Committee for Strategy, Development, Investments, and Reform of the Board of Directors, OJSC "IDGC of Siberia"
2014–2015	Member of the Boards of Directors of OJSC "SIC of Volga Region," JSC "Energoservice"
2014–2016	Member of the Board of Directors of JSC Lenenergospetsremont. Member of the Committee for Strategy, Development, Investments and Reform of the Board of Directors of Kubanenergo PJSC
2014–2017	Member of the Board of Directors of OJSC Health Resort "Energetik"
2014 – present time	Member, Chairman of the Audit Committee of the Board of Directors of Kubanenergo PJSC
2015 – present time	Member of the Board of Directors of JSC "ENIN"
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 23.06.2014 to the present time

#### 11. Shagina Irina Aleksandrovna, the Non-Executive Director:

<b>Year of birth</b>	1979
<b>High</b>	Education. She graduated from the All-Russian Correspondence Financial and Economic Institute with a degree in accounting and auditing, the Vladimirovskiy Law Institute of the Federal Penitentiary Service of Russia with a degree in jurisprudence.
<b>Has experience over the past five years:</b>	
2011–2015	Deputy Head of the Department for Regulation of the Electric Power Industry of the Federal Tariff Service of Russia
2015 – present time	Director of the Tariff Policy Department of PJSC Rosseti – the main place of work
2016–2018	Member of the Board of Directors of PJSC "IDGC of Volga"
2017–2018	Member of the Strategy and Development Committees of the Board of Directors of PJSC "IDGC of Center", PJSC "IDGC of Center and Volga Region", PJSC "IDGC of Northern Caucasus",
2017 – present time	Member of the Audit Committee of the Board of Directors of Kubanenergo PJSC.
2018 – present time	Member of the Boards of Directors of PJSC "Tomsk Distribution Company," PJSC "IDGC of the North-West." Member of the Committees for Strategy and Development of the Boards of Directors of PJSC "MOESK," JSC "IDGC of Urals"
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to the present time

THE SHARE OF INDEPENDENT DIRECTORS IN THIS COMPOSITION OF THE BOARD OF DIRECTORS IS – 2/11.

**Board of Directors elected at the Annual General Meeting of Shareholders on June 16, 2017 and acting until the new members of the Board of Directors were elected on May 25, 2018<sup>1</sup>**

1. Information about the work experience of the members of the Board of Directors represents only the last positions they hold for each place of work. All positions held by the members of the Board of Directors (in chronological order) are listed in the Company's quarterly reports published on the website [www.kubanenergo.ru](http://www.kubanenergo.ru), in the section "To Shareholders and Investors/ Disclosure of Information/ Issuer's Quarterly Reports." Information about the places of work of members of the Board of Directors and the positions they hold are in accordance with the data provided by them to the Company as of March 31, 2018.

## 1. Alexander Nikolaevich Fadeev, Chairman of the Board of Directors, the Non-Executive Director<sup>1</sup>:



<b>Year of birth</b>	1949
<b>High</b>	Education. He graduated from the Moscow Institute of Geodesy, Aerial Photography and Cartography in the specialty "Optoelectronic Devices"
<b>Has experience over the past five years:</b>	
2011–2014	Deputy Chairman of the Security Board of OJSC FGC UES
2013–2016	Chairman, Member of the Board of Directors of OJSC "IDGC of Urals"
2014 – present time	Chief Advisor of PJSC Rosseti – the main place of work
2015–2017	Chairman of the Board of Directors of PJSC "IDGC of the Center and Volga Region"
2015–2018	Chairman of the Board of Directors of PJSC "IDGC of Siberia". Member of the Board of Directors of PJSC "IDGC of the South"
2017–2018	Chairman of the Boards of Directors of PJSC "IDGC of the North Caucasus," OJSC "IDGC of the Urals." Member of the Board of Directors of PJSC "IDGC of Volga"
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to 25.05.2018

1. The status of members of the Board of Directors (executive, non-executive, independent) is defined by the criteria of the Corporate Governance Code.

## 2. Svetlana Alexandrovna Balaeva, the Non-Executive Director:

<b>Year of birth</b>	1973
<b>High</b>	Education. She graduated from the State University of Management, Economist-Manager
<b>Has experience over the past five years:</b>	
2008–2018	Chief Advisor of PJSC Rosseti – the main place of work
2013–2014	Member of the Board of Directors of JSC "IDGC of the North-West"
2014–2017	Member of the Board of Directors of JSC "Tyumenenergo"
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 16.06.2017 to 25.05.2018

## 3. Alexander Leonidovich Efimov, the Non-Executive Director:

<b>Year of birth</b>	1982
<b>High</b>	Education. He graduated from Moscow University of the Ministry of Internal Affairs of Russia with a degree in Jurisprudence.
<b>Has experience over the past five years:</b>	
2009–2013	Protocol Director – Head of Protocol Department of OJSC FGC UES
2013 – present time	Director of the Department for Organizational Support of PJSC Rosseti – the main place of work
<b>Period of work in the Board of Directors of Kubanenergo PJSC</b>	From 24.06.2016 to 25.05.2018

The following members of the Board of Directors of this composition were elected again to the Board of Directors of the Company by the decision of the Annual General Meeting of Shareholders of Kubanenergo PJSC on May 25, 2018, see their details in the current composition of the Board of Directors:

4. Varvarin Alexander Viktorovich, the Independent Director in the present composition.
5. Gavrilov Alexander Ilyich, the Executive Director.
6. Gritsenko Vladimir Fedorovich, the Independent Director.
7. Medvedev Mikhail Vladimirovich, the Independent Director.
8. Osipova Elena Nikolaevna, the Non-Executive Director.
9. Tyurkin Konstantin Vladimirovich, the Non-Executive Director.
10. Khokholkova Ksenia Valerievna, the Non-Executive Director.
11. Shagina Irina Aleksandrovna, the Non-Executive Director.

THE SHARE OF INDEPENDENT DIRECTORS IN THIS COMPOSITION OF THE BOARD OF DIRECTORS IS 3/11.

All persons who were members of the Company's Board of Directors in 2018 are citizens of the Russian Federation.

### None of the members of the Board of Directors of the Company:

- owned shares of the Company in the reporting year and made any transactions with them<sup>1</sup>;
- had any training course in the reporting year at the expense of the Company;
- had family ties with persons who are members of the governing bodies and/or control over the financial and economic activities of Kubanenergo PJSC;
- have brought to administrative responsibility for offenses in the area of finance, taxes, and duties, securities market or criminal liability for economic crimes or crimes against state power;
- hold positions in the governing bodies of commercial organizations during the period, when a bankruptcy case was initiated against these organizations and/or was introduced any of the bankruptcy procedures on insolvency provided for by the legislation of the Russian Federation;
- have any conflict of interest with the Company in the reporting year.

1. According to data provided by members of the Board of Directors to the Company,