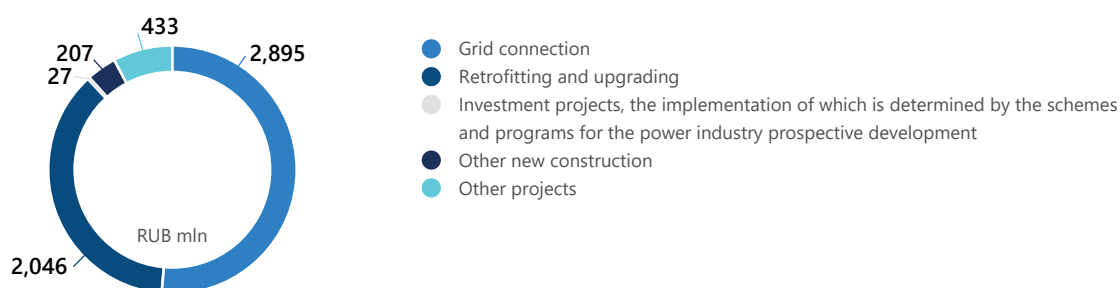


PRIORITIES AND STRUCTURE OF CAPITAL INVESTMENT FINANCING

The main fields of implementing the Rosseti Kuban's Investment Program in 2020 are:

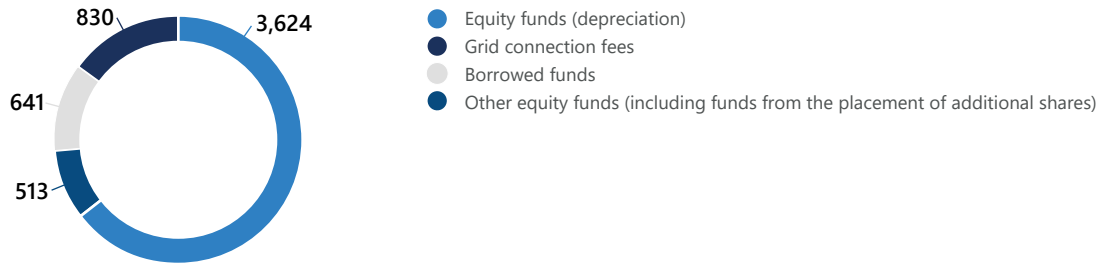
- financing capital investments for grid connection – RUB 2,895 mln, incl. VAT;
- retrofitting and reconstruction – RUB 2,046 mln, incl. VAT;
- other new construction – RUB 27 mln, incl. VAT;
- investment projects, the implementation of which is determined by schemes and programs for the prospective electric power industry development – RUB 207 mln;
- other investment projects – RUB 433 mln, incl. VAT.



Structure of financing the capital investments of Rosseti Kuban (RUB mn)

Investment projects	2018	2019	2020
Total	8,076	5,445	5,608
Grid connection	4,516	2,256	2,895
Reconstruction, upgrading, and retrofitting	2,429	1,789	2,046
Investment projects delivered through the schemes and programs for the power industry prospective development	714	920	207
Other new construction of grid facilities	20	42	27
Purchase of land parcels for investment projects	0	0	0
Other investment projects	397	438	433

Investment Program Financing Sources, RUB mln, incl. VAT



Investment Program Results in the Reporting Year

The Results Achieved in 2020 due to the implementation of measures included in the Investment Program by Order of the Ministry of Energy of Russia No.177 dated March 14, 2017

Indicator	Result
Change in the Customer Average Interruption Duration Index	Target change P_{saidi} – 0.0746022 h Actual change P_{saidi} – 0.0746022 h
Change in the System Average Interruption Frequency Index	Target change P_{saifi} – 0.00539 pcs Actual change P_{saifi} – 0.00539 pcs
The total number of grid operator obligations for the grid connection fulfilled under the Investment Program	6,026 contracts including 6,020 contracts concluded with the privileged category of applicants
The maximum capacity of the connected power consumers, power generating facilities, and power grid facilities owned by other grid operators or persons	114.7 MW including 100.31 MW of the privileged category of applicants