

DISCLOSURES



In 2020, when Russia and the world community faced a global challenge – the coronavirus pandemic; companies in all sectors of the economy were forced to adjust their business plans in the shortest possible time. This notwithstanding, Rosseti Kuban still stuck to the main principles of external communications, which were openness and social responsibility. The Company had still been shifting towards the public use of Rosseti Kuban brand, which was secured by the legal change of the name of Kubanenergo PJSC to Rosseti Kuban PJSC on August 10, 2020. The major production highlights of the Company for the reporting period included the commissioning of the first digital substation in Krasnodar– 110 kV Angarskaya substation under the “Digital Transformation 2030” concept of Rosseti’s Group of Companies, the successful completion of the 2019/2020 autumn-winter period, the run-up for the next heating season, the large-scale reconstruction of power facilities of the regional capital – Krasnodar, work amid quarantine and high-alert regime due to the spread of a new coronavirus infection. Our main news topics traditionally embrace investment to the development of the regional power grid system, the renovation campaign and the improvement of power supply quality, grid connection accessibility, customer-oriented policies, interactions with small and medium-sized businesses, as well as the prevention of electric injuries to third parties at the power grid facilities in the Krasnodar Territory and the Republic of Adygea, in particular to children and teenagers. A number of the Company’s social-oriented communication programs have been awarded at regional PR competitions.”



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Information Disclosure Policy

The Information Policy of Rosseti Kuban is aimed at the complete satisfaction of shareholders, investment community, client, contractor, relevant market regulators, public authorities, employees and other interested parties seeking complete, relevant and accurate information about the Company and its activities, as well as the free and unhindered access to such information.

Information transparency principle of the Company

Principles	Principle implementation
Regularity, consistency, efficiency	Fulfilling the disclosure requirements of the laws of the Russian Federation, relevant market regulators, and internal documents of the Company; information disclosure consistency; shortest terms of the disclosure; timely provision of information about the Company's position on rumors or unreliable data creating a wrong impression of the Company's situation and the value of its securities
Availability	To spread information about its activities, the Company uses the channels and methods that are accessible for the majority of the shareholders and effective in providing a complete, easy and non-selective access to the information disclosed
Completeness, accuracy, and comparability	The Company aims to: disclose full, objective, and accurate information to the shareholders without trying to avoid disclosing negative information about itself; disclose information in a way that is clear, non-controversial and commensurable; maintain the neutral character of the information disclosed (it shall be independent of the interests of any persons or groups)

When disclosing the information, the Company aims to maintain a rational balance between the interests of the shareholders and the interests of the Company itself related to keeping the sensitive business data confidential if they can significantly influence its competitive edge.

The Company keeps high standards of corporate social responsibility and supports on-going communication with target audiences to improve its business reputation and increase the fair value of the business.

Since 2006, the Company has been using the Regulations on the Information Policy¹ describing the goals, objectives, principles, means, methods, procedures, and terms of information disclosure and the list of data disclosed.

Apart from the data subject to obligatory disclosure, the Company publishes detailed information on its operations, securities, and shareholders, as well as its executive and control bodies, significant transactions, and subsidiaries and affiliates.

The Company makes disclosures both in Russian and English in all situations when it's acceptable according to the laws of the Russian Federation and does not contradict to the substance of the disclosure in a given case (interview, public representations when the simultaneous translation is not an option, etc). The Company aims to synchronize the disclosures in Russian and in English.

The disclosure of the information about the Company operations is mostly done through publishing the data on the corporate web-site, in the news feed of the authorized information agency (Interfax), in printed and electronic media, as well as via meetings, interviews, and briefings with the Company's shareholders and other stakeholders, etc.

The Information Policy is enforced by General Director of the Company.

The Board of Directors controls the implementation of the Information Policy Regulations by considering the annual reports of the General Director on compliance with the Information Policy.

The annual reports of the Company for 2015, 2016, 2018, 2019 were shortlisted by relevant annual report competitions held by Moscow Exchange and the RCB media group in the category of the Best Annual Report of a Company with under RUB 40 bn Capitalization.

¹ The Regulations on the Company's Information Policy are published on the website of Rosseti Kuban in the section About the Company / Constituent and In-house Documents.

Communications with Public Authorities

The key goal of Rosseti Kuban in communications with public authorities and the public relations is to build integrated information channels with target audiences and pursue the uniform communication policy of Rosseti's Group of Companies.

In the reporting years, Rosseti Kuban kept a high profile in the region and offered for wide media support for the working meetings of the Company's management with the representatives of federal, regional, and municipal executive bodies, covering the events involving the Ministry of Energy of Russia, Rosseti, the authorities of the Krasnodar Territory and the Republic of Adygea:

- working visit of General Director of Rosseti, P. Livinsky, to Khleborob village in the Adler district of Sochi and a public meeting on a set of bilateral measures to improve the quality and reliability of electricity supply to the settlement (February 2020);
- online meeting of the Head of the Republic of Adygea, M. Kumpilov and General Director of Rosseti Kuban, S. Sergeev, on the reliability of energy supply to social and infrastructure facilities of the Republic amid the struggle against the spread of a new coronavirus infection (April 2020);
- online meeting of the head of the Administration (Governor) of the Krasnodar Territory, V. Kondratiev, General Director of Rosseti, P. Livinsky, and General Director of Rosseti Kuban, S. Sergeev, on ensuring reliable energy supply to social and infrastructure facilities of the Krasnodar Territory amid the struggle against the spread of coronavirus infection (April 2020);
- working meeting of the head of the administration (Governor) of the Krasnodar Territory, V. Kondratiev and General Director of Rosseti Kuban, S. Sergeev, on the reliability of local energy supply during the heat wave, the readiness of the power company for the period of peak loads and the prompt elimination of technical failures (July 2020);
- field workshop of the head of Sochi, A. Kopaygorodsky, housed by the Sochi branch of Rosseti Kuban, on the readiness of Power Grids of Sochi for the summer holiday season (July 2020);
- participation of General Director of Rosseti Kuban, S. Sergeev, in a meeting chaired by the head of the Administration (Governor) of the Krasnodar Territory, V. Kondratiev, on energy supply to consumers of the Krasnodar Territory (July 2020);
- working visit of the Minister of Energy of Russia, A. Novak, the Head of the Administration (Governor) of the Krasnodar Territory, V. Kondratiev, the head of Rosseti, P. Livinsky, and General Director of Rosseti Kuban, S. Sergeev, on energy security issues of the Sochi power facility (October 2020);
- working meeting of Vice-Governor of the Krasnodar Territory, A. Trembitsky, and General Director of Rosseti Kuban, S. Sergeev, on the long-term development of the local electric power industry, preparation of the power grid complex for the upcoming 2020/2021 autumn-winter period (October 2020);
- working meeting of the head of Sochi, A. Kopaygorodsky, and General Director of Rosseti Kuban, S. Sergeev, on the large-scale reconstruction of the largest food centers in the resort capital, disaggregation and new construction of distribution power facilities in the Greater Sochi areas (October 2020);
- grand launch of the first digital substation in Krasnodar witnessed by the leadership of the Ministry of Energy of Russia (online format), Rosseti (online format), Vice-Governor of the Krasnodar Territory, A. Trembitsky (December 2020);
- working meeting of the Head of the Republic of Adygea, M. Kumpilov, and General Director, Rosseti Kuban, S. Sergeev, on the modernization of energy infrastructure in the territory of the republic (February 2021).

Social communications

In 2020, the Company continued implementing several target communication programs to promote the image of a socially responsible company.

In the reporting year, about 120 secondary educational institutions of the Krasnodar Territory and the Republic of Adygea were covered by measures under the comprehensive program to reduce the risks of injuries to personnel and third parties at the facilities of the power grid complex of Rosseti Kuban. Over 300 electric safety lectures and lessons were held, including in online format, involving about 7 thousand local students.

Preventive care against children's electrical injuries included creative competitions, thematic excursions and open days, mainly in an online format. A total of 40 events were held, including themed lessons, meetings, and tours for general education students. The Company website runs an information platform for the Prevention of Child Electric Injuries, containing various guidelines for teachers to arrange themed talks on electric injury prevention.

To mark the 100th anniversary of the GOELRO Plan, the Company pursued the "100 years of GOELRO" project during 2020 to present the history of the formation and development of electrification in the Kuban. More than 30 thematic posts with a total coverage of more than 60 thousand people were published on the official pages in the corporate social networks.

The celebration of the 75th anniversary of the Victory involved the creation of the "Virtual Immortal Regiment of Rosseti Kuban" project, which was posted on the official website of the Company and covered over 60 employees of the Company, who told about the heroic deeds of their fathers, grandfathers and great-grandfathers – participants of the Great Patriotic War. The project was broadcast through the corporate official pages in social networks under the "Energy of the Victory" heading.

In order to involve the children and youth audience of the Krasnodar Territory and the Republic of Adygea in the issues of electrical safety and career guidance, a "My Helmet" corporate contest was held on the official page of the Company on the Instagram, enlisting more than 120 local children and teenagers. Photos of young power engineers gathered more than 3.5 thousand likes and 6 thousand comments.

In August 2020, the Orlyonok All-Russian Children's Center hosted the energy project session of PJSC Rosseti. The educational project envisages that young men and women took part in an online tour of the 220 kV Port substation. During the tour, the young power engineers learned about the major innovations and equipment of the substation, discussed issues of electrical safety at power facilities.

Also in August, specialists of the branch of Rosseti Kuban – Power Grids of Sochi – with the participation of the puppet theater "Golden Key" conducted electrical safety classes in an online format for students of Sochi.

In September, Rosseti Kuban conducted an online tour around the 220 kV Port substation for participants of the School of Young Power Engineers in the Smena All-Russian Children's Center. The children learned about the substation structure, the work of the dispatcher, as well as about the safety rules at the power facility.

In March-April 2020, the Company joined the action #ОставайтесьДома (Stay at home) – we work for you. Dozens of posts and videos were posted on social networks, on the official pages of the Society and its branches, calling for compliance with measures to prevent the new coronavirus infection (COVID-19).

Media Communications

To promote brand recognition, positive reputation, and image of Rosseti Kuban, and expand the audience of its media influence, the Company undertook close interactions with the leading regional and industrial media of the Krasnodar Territory and the Republic of Adygea in 2020.

Public media events held together with the Company management were aimed at the formation of its positive overall image, the improvement of its business reputation, and the increase of the publicity capital within the market value structure of the Company.

According to the SCAN-Interfax monitoring system in 2020, the total mentioning of Rosseti Kuban in the media (the number of publications using the Company's name) was 20,820 messages in print, electronic media, radio and television, and 10,295 messages in social networks.

During the reporting period, 773 news items were posted on the corporate website of the Company. Besides, some information was published on the official pages of the Company in social media and blogs.

The printed media of Krasnodar territory and the Republic of Adygea published over 250 messages concerning the Company's activities.

The bulk of reports about the Company's activities falls on the Internet media, and the share of central news agencies is quite high.

Over 70% of the messages concerning the activities of Rosseti Kuban initiated by the Company's PR Departments were positive, and 28% – neutral.

The most significant events of the Company represented in federal and regional media include the following:

- the press conference of General Director of Rosseti Kuban, S. Sergeyev, with journalists from the leading media of the Krasnodar Territory and the Republic of Adygea concerning the Company's performance for 2019, the development of the regional power grid system and grid digitalization;
- working trips of General Director of Rosseti Kuban, S. Sergeyev, to the regions within the Company's responsibility and meetings with the Company's branch teams;
- construction and commissioning of the first 110 kV digital substation in Krasnodar – Angarskaya substation;
- assistance to the related power grid company– NESK-electroseti to restore power supply to consumers in Krasnodar during the heat wave and increased loads on the distribution grid in July 2020;

- large-scale reconstruction of the power grid complex of Krasnodar (in 2020, Rosseti Kuban allocated RUB 1.3 bn for the upgrade of the power grid infrastructure);
- remediation of consequences of the weather disasters at the facilities of the power grid complex in the mountainous regions of Sochi from February 17 to 21, 2021;
- prevention of unauthorized electricity consumption and electrical equipment theft (over 180 press releases published on the official corporate website of the Company; about seven TV spots went on air, more than 20 messages were aired on Kuban TV channels and radio stations; about 1.5 ths. highlights for these problems can be found in online media, and five round tables of relevant topics were held);
- prevention of children's electrical injuries (more than 1.1 thousand references in the media);
- prevention of illegal replacement of electricity metering devices by third-party organizations in the area of responsibility of Rosseti Kuban (about 160 materials were published in the media and social media);
- prevention of illegal placement of fiber-optic communication lines (FOCL) on overhead power transmission poles within Rosseti Kuban's footprint;
- PR support for society-oriented Laborer projects (78 articles published on the corporate website, 25 articles in printed media, and 120 reprints in the Internet media).

In 2020, the Company continues with regular posting and further refines Rosseti Kuban's website. The Company undertook the technical upgrade of the website to comply with the standards for proper obligatory and voluntary disclosure of information in a timely manner to maintain the best level of transparency.

In the reporting period, the Company was working on preventing unauthorized electricity consumption and electrical equipment theft via publishing pieces on the official website of the company and regional media, broadcasting messages on TV channels and radio stations, as well as in social media and blogs.

The Press Service of Rosseti Kuban was recognized as the best one on a regional level by the results of the regional stage of the Sixth All-Russian Media Competition, the Press Services of FECs and the regional administrations of MediaTEK-2020. The PR team of the energy company also won the "Popularization of the Fuel and Energy Sector Occupations" nomination and took the second prize in the "Safe Energy" nomination.

Congress and Exhibition Activities

Amid the lockdown conditions imposed due to the spread of the COVID-19 coronavirus infection in 2020, almost all congress and exhibition events were canceled or conducted in online mode.

In the period from September 28 to October 3, 2020, Sergey Sergeev, General Director of Rosseti Kuban, took part, as a member of the delegation of Rosseti's Group of Companies, in the VI-th business program of the International Forum

"Microelectronics 2020" in Yalta, discussing the promotion of the integration of Russian manufacturers in accelerated digital development projects.

The largest congress and exhibition events – the Russian Investment Forum, the St. Petersburg International Economic Forum, the "Power Grids" international forum and others were postponed to a later date.

Transition to a Single Brand Architecture

In 2020, Rosseti Kuban continued its transition to a single brand architecture within Rosseti's Group of Companies.

The decision of the Board of Directors of Rosseti on April 29, 2019 stipulates a phased replacement of corporate branded elements as their depreciation period ends, remaining within the existing budgets and within the framework of approved business plans of the companies. In the reporting year, the Company used the new name – Rosseti Kuban in corporate and marketing communications, as well as on all

corporate identity media, containing the Rosseti trademark and a regional or functional reference.

One of the stages of the rebranding was the official change of the legal name of Kubanenergo PJSC to Rosseti Kuban PJSC on August 10, 2020.